

# An Analysis on Level of Satisfaction among Mutual Fund Investors in Rohtak District

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## ABSTRACT

Mutual funds are currently one of the most popular investment vehicles for the majority of investors but before investing in one, it's crucial to understand the advantages they offer as well as the disadvantages. This paper aimed to analyze the level of satisfaction of investors of mutual funds. The study was conducted in Rohtak District with sample size of 100 respondents. The study found that most of the respondents have high level of satisfaction.

**Keywords:** *Mutual Funds, securities, money market, stocks, bonds*

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## 1. INTRODUCTION

A mutual fund is a type of financial vehicle made up of a pool of money collected from many investors to invest in securities like stocks, bonds, money market instruments, and other assets. Mutual funds are operated by professional money managers, who allocate the fund's assets and attempt to produce capital gains or income for the fund's investors. A mutual fund's portfolio is structured and maintained to match the investment objectives stated in its prospectus. Mutual funds give small or individual investors access to professionally managed portfolios of equities, bonds, and other securities. Each shareholder, therefore, participates proportionally in the gains or losses of the fund.

Mutual funds invest in a vast number of securities, and performance is usually tracked as the change in the total market cap of the fund—derived by the aggregating performance of the underlying investments. The price of a mutual fund share is referred to as the net asset value (NAV) per share, sometimes expressed as NAVPS. A fund's NAV is derived by dividing the total value of the securities in the portfolio by the total amount of shares outstanding. Outstanding shares are those held by all shareholders, institutional investors, and company officers or insiders. Mutual fund shares can typically be purchased or redeemed as needed at the fund's current NAV, which—unlike a stock price—doesn't fluctuate during market hours, but it is settled at the end of each trading day.

Mutual funds are an excellent investment option for individual investors to get exposure to an expert managed portfolio. Also, you can diversify your portfolio by investing in mutual funds as the asset allocation would cover several instruments. Investors would be allocated with fund units based on the amount they invest. Each investor would hence experience profits or losses that are directly proportional to the amount they invest. The main intention of the fund manager is to provide optimum returns to investors by investing in securities that are in sync with the fund's objectives. The performance of mutual funds is dependent on the underlying assets.

## 2. REVIEW OF LITERATURE

- **Singh k. Binod (2012)** examined that as awareness are very less among investors that would results in not having knowledge of various programs running under mutual fund investment and also supports that women are indecisive towards the investment in mutual fund. And he also suggested that investor's attitude is not affected by age and gender but returns and liquidity forming the opinion towards the investment in mutual fund.
- **Agarwal and Jain (2013)** survey revealed that maximum investors preferred tax saving instruments more like Life Insurance Corporation of India (LIC) and mutual funds too but they had maximum awareness about fixed deposits, LIC,

post saving and 80% awareness about mutual funds and real estate. If the investors had provided with the more funds, then they inclined towards the investment in real estate as they are giving speedy growth.

- **Kumar &Goel (2014)** explained that as investment matters growth is on first, income and liquidity is on second and third. They said past performance is considered the most important but newsletter and prospectus can be considered as source if information in investment is made through the brokers and sub-brokers. As public sector mutual funds investors remained dissatisfied due to services they offered and private sector funds are lacking due to lack of awareness.
- **Nair et.al. (2015)**, study revealed that mostly salaried and small savings investors would like to invest in mutual funds and their findings revealing that they are not investing continuously but once in a while or say in six months. Equity based schemes are preferred most and factors that motivate them to invest is like return, tax savings, risk exposure. Mostly investors prevented from investing in mutual funds due to their past experience in it.

### 3. OBJECTIVE OF THE STUDY

To find out the satisfaction level of mutual fund's investors with respect to their mutual fund companies.

### 4. RESEARCH METHODOLOGY

The method used to analyze this survey is descriptive research design which describes the satisfaction level of mutual fund investor with regard to the benefits that mutual fund companies are offering. The number of respondents from which questionnaire is filled is 100 from Rohtak District. For this research technique that is used is "Random and convenient sampling" is used in the study.

### 5. ANALYSIS OF DATA

The researcher has gathered details from the respondents regarding their satisfaction level towards mutual funds under five dimensions using five point Likert scale. The details of the analysis are presented in the following part.

**Table 1 Gender and level of satisfaction (Two Way Tables) gender \* satisfaction level Cross tabulation**

Count

	Satisfactionlevel			Total
	high satisfaction	moderate satisfaction	low satisfaction	
gender male	5 (71.43)	47 (63.51)	18 (94.74)	70
gender female	2 (28.57)	27 (36.49)	1 (5.26)	30
Total	7	74	19	100

**Source: Primary data**

**Note: Figures in parentheses indicate percentages to total.**

On the basis of above table, it can be said that the level of satisfaction of 74 per cent moderate among them 63.51 per cent respondents are male and 36.49 per cent respondents are female. Among the highly satisfied respondents (7 per cent of total respondents), 71.43 per cent respondents are male and 28.57 per cent are female. From the table it is clear that the satisfaction level of 19 per cent respondents is low in which 94.74 per cent respondents are male and rest 5.26 respondents are female.

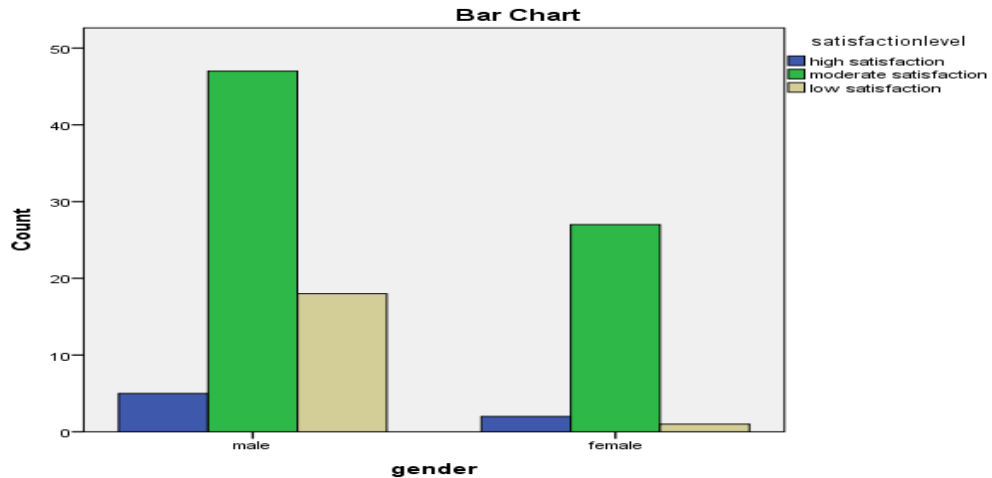


Figure 1: Gender and level of Satisfaction-Mean Scores

Table 2 Age and level of satisfaction (Two Way Tables) Age \* Satisfaction level Cross tabulation

Count		Satisfaction level			Total
		high satisfaction	moderate satisfaction	low satisfaction	
age	below 30	7 (100.00)	30 (40.54)	4 (21.05)	41
	31-40	0	18 (24.32)	8 (42.11)	26
	41-50	0	21 (28.38)	0	21
	above 50	0	5 (6.76)	7 (36.84)	12
	Total	7	74	19	100

Source: Primary data

Note: Figures in parentheses indicate percentages to total.

On the basis of above table, it is clear that 74 per cent of respondents have moderate level of satisfaction among them 40.54 per cent respondents belongs to age group below 30 years, 28.38 per cent respondents are from age group 41-50 years, 24.32 per cent respondents are from age group 31-40 years and 6.76 per cent respondents belongs to above 50 years. Among the highly satisfied respondents (7 per cent of total respondents), all of them belongs to age group below 30 years. It is evident from the table that only 19 per cent respondents are low satisfied in which the higher composition is from age group 31-40 years (42.11 per cent) followed by respondents from above 50 years (36.84 per cent) and below 30 years (21.05 per cent).

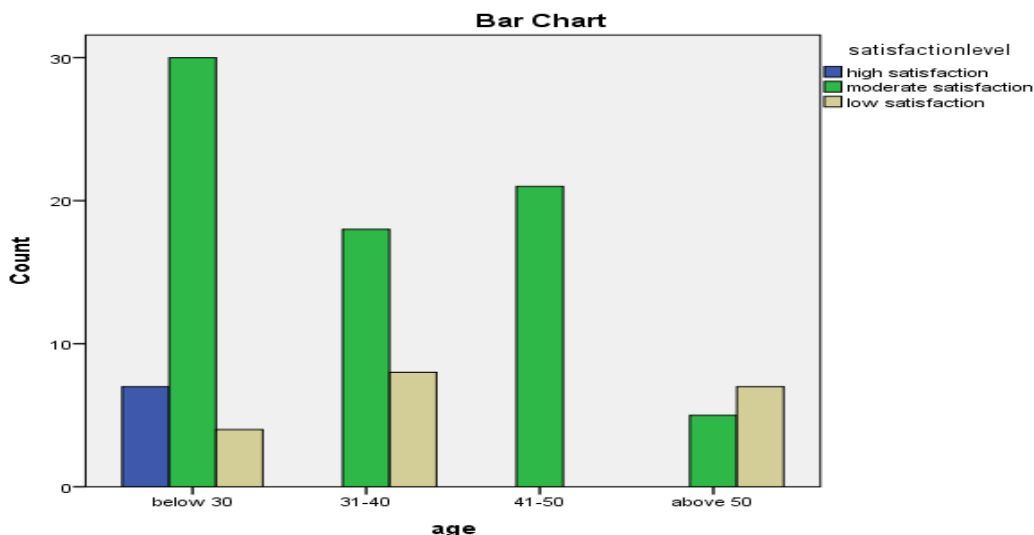


Figure 2: Age and level of Satisfaction-Mean Scores

It is evident from the table that respondents are categorized on the basis of their educational qualification. Among the highly aware respondents (7 per cent of total respondents), the largest share is of post graduates (41.67 per cent) followed by up to high school (28.57 per cent). It is clear from the table that 74 per cent respondents were moderately satisfied in which the largest share is of others (48.65 per cent) followed by post graduates (33.78 per cent), graduates (16.22 per cent) and respondents from category up to high school (1.35 per cent), whereas 19 per cent respondents have low satisfaction in which post graduates have highest proportion (36.84 per cent) followed by graduates (26.32 per cent), others (26.31 per cent) and respondents from up to high school category (10.53 per cent) and the same is represented through figure 3

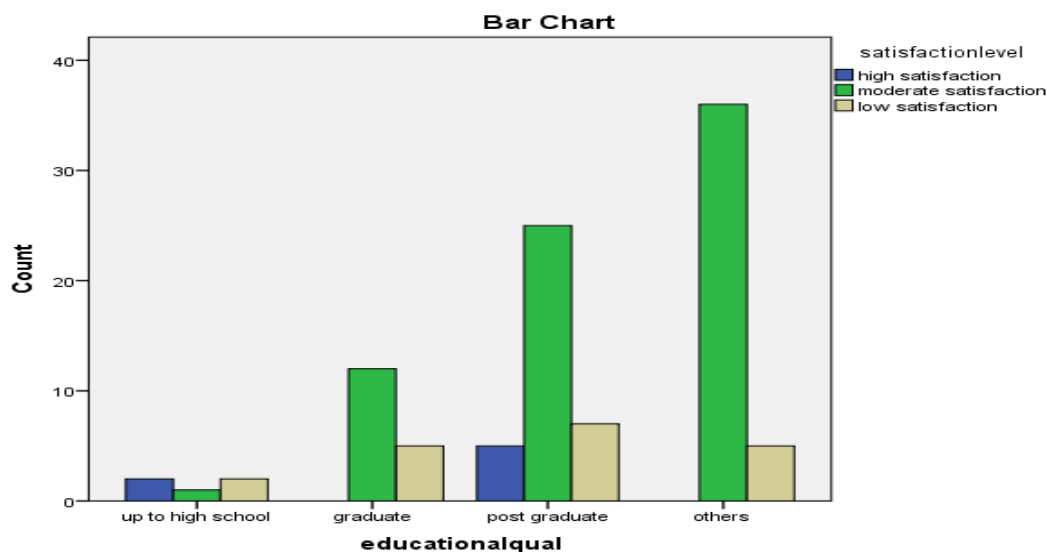
**Table 3 Educational qualification and level of satisfaction (Two Way Tables)**  
**Educational qualification\* satisfaction level Cross tabulation**

Count

		Satisfaction level			Total
		high satisfaction	moderate satisfaction	low satisfaction	
Educational qualification	up to high school	2 (28.57)	1 (1.35)	2 (10.53)	5
	Graduate	0	12 (16.22)	5 (26.32)	17
	post graduate	5 (71.43)	25 (33.78)	7 (36.84)	37
	Others	0	36 (48.65)	5 (26.31)	41
Total		7	74	19	100

Source: Primary data

Note: Figures in parentheses indicate percentages to total.



**Figure 3: Educational qualification and level of Satisfaction-Mean Scores**

**Table 4: Marital Status and level of satisfaction (Two Way Tables)**  
**Marital status \* satisfaction level Cross tabulation**

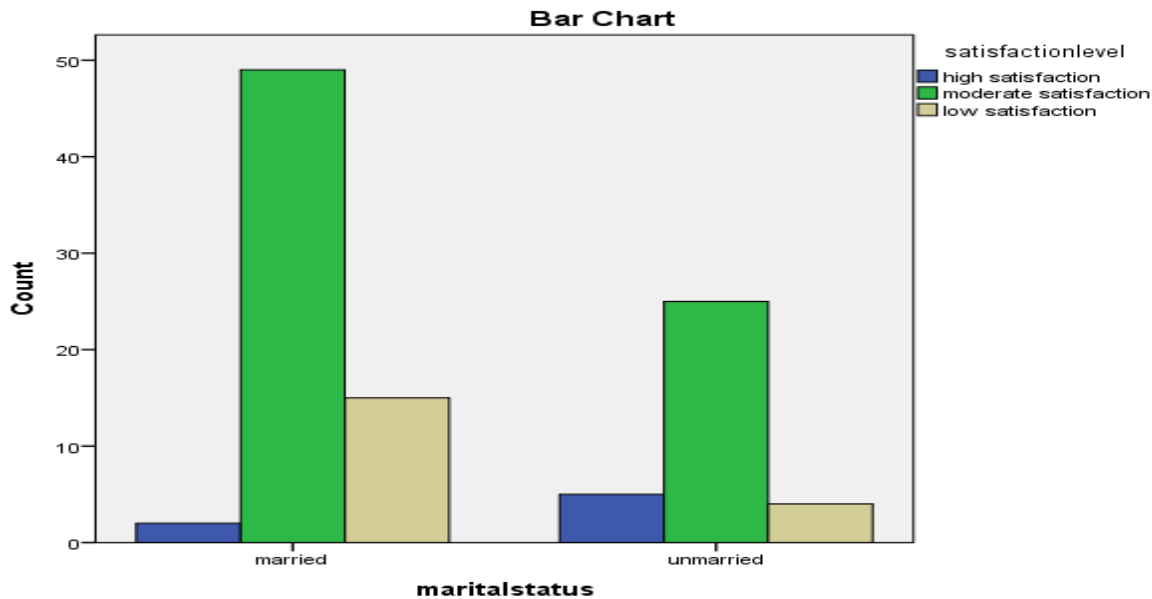
Count

		Satisfaction level			Total
		high satisfaction	moderate satisfaction	low satisfaction	
Marital status	Married	2 (28.57)	49 (66.22)	15 (78.95)	66
	Unmarried	5 (71.43)	25 (33.78)	4 (21.05)	34
Total		7	74	19	100

Source: Primary data

Note: Figures in parentheses indicate percentages to total.

It is observed through the table that among the total respondents under study, 66 per cent respondents are married and 34 per cent are unmarried. Among the highly satisfied respondents (7 per cent), 71.43 per cent respondents are unmarried whereas 28.57 per cent respondents are married. Out of total moderately satisfied respondents (74 per cent), 66.22 per cent are married and 33.78 per cent are unmarried, while in case of low satisfied respondents (19 per cent), 78.95 per cent are married and 21.05 per cent are unmarried. Figure 4 represents the same information.



**Figure 4: Marital Status and level of Satisfaction-Mean Scores**

**Table 5: Occupation and level of satisfaction (Two Way Tables)**  
**Occupation \* satisfaction level Cross tabulation**

Count		Satisfaction level			Total
		high satisfaction	moderate satisfaction	low satisfaction	
Occupation	Professionals	0	26 (35.14)	14 (73.69)	40
	bank employees	0	16 (21.62)	1 (5.26)	17
	teachers/professor	0	13 (17.57)	1 (5.26)	14
	Others	7 (100.00)	19 (25.67)	3 (15.79)	29
Total		7	74	19	100

*Source: Primary data*

*Note: Figures in parentheses indicate percentages to total.*

It is clear from the table that out of total respondents under study, 40 per cent are professionals, 29 per cent are others, 17 per cent are bank employees and 14 per cent are teachers/professors. Among the highly satisfied respondents (7 per cent), all the respondents are from others category.

In case of moderately satisfied respondents (74 per cent), majority of respondents belongs to professionals (35.14 per cent) followed by others category (25.67 per cent), bank employees (21.62 per cent) and teachers/professors (17.57 per cent), whereas in case of low satisfied respondents (19 per cent), majority of respondents are professionals (73.69 per cent) followed by others (15.79 per cent), bank employees (5.26 per cent) and teachers/professors (5.26 per cent) and the same is represented through figure 5

It is evident from the table that among the total respondents under study, 35 per cent respondents belong to income level above Rs. 5,00,000, 28 per cent belongs to income level Rs. 1,00,000-3,00,000, 27 per cent belongs to income level Rs. 3,00,000-5,00,000 and remaining 10 per cent belongs to income level up to Rs. 1,00,000. Among the highly satisfied respondents (7 per cent), respondents from income level Rs. 1,00,000-3,00,000 and above Rs. 5,00,000 have same proportion (42.86 per cent) followed by respondents from income level Rs. 3,00,000-5,00,000 (14.28 per cent), while in case of moderately satisfied respondents (74 per cent), 36.49 per cent belongs to income level above Rs. 5,00,000, 25.68

per cent belongs to income level Rs. 1,00,000-3,00,000, 24.32 per cent belongs to Rs. 3,00,000-5,00,000 and 13.51 per cent belongs to up to 1,00,000

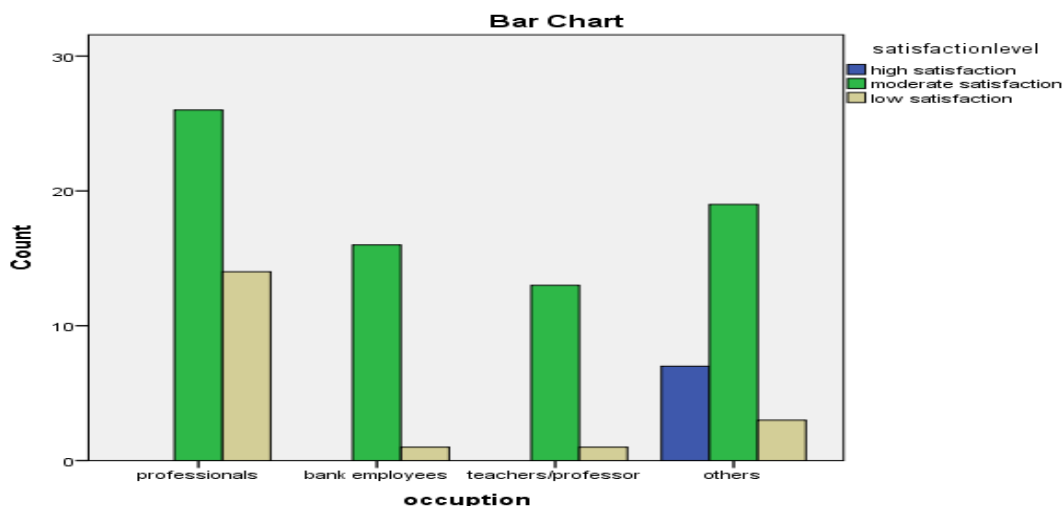


Figure 5: Occupation and level of Satisfaction-Mean Scores

Table 6: Annual Income and level of satisfaction (Two Way Tables)  
annual income \* satisfaction level Cross tabulation

Count

		Satisfaction level			Total
		high satisfaction	moderate satisfaction	low satisfaction	
Annual income	up to 1,00,000	0	10 (13.51)	0	10
	1,00,000-3,00,000	3 (42.86)	19 (25.68)	6 (31.58)	28
	3,00,000-5,00,000	1 (14.28)	18 (24.32)	8 (42.10)	27
	above 5,00,000	3 (42.86)	27 (36.49)	5 (26.32)	35
Total		7	74	19	100

Source: Primary data

Note: Figures in parentheses indicate percentages to total.

It is clear from the table that out of total low satisfied respondents (19 per cent), 42.10 per cent belongs to income level Rs. 3,00,000-5,00,000, 31.58 per cent belongs to Rs. 1,00,000-3,00,000 and 26.32 per cent belongs to income level above Rs. 5,00,000. The same is portrayed through the figure 6.

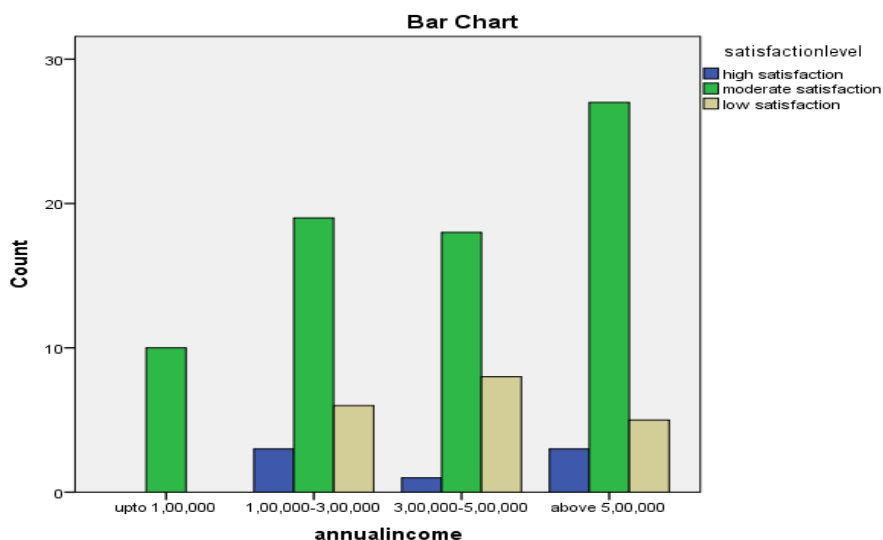


Figure 6: Annual Income and level of Satisfaction-Mean Scores

**Table 7: Type of mutual funds and level of satisfaction (Two Way Tables)**  
**AMC \* satisfaction level Cross tabulation**

Count

	Satisfaction level			Total
	high satisfaction	moderate satisfaction	low satisfaction	
ICICI Prudential Mutual Fund	2 (28.57)	22 (29.73)	1 (5.27)	25
HDFC Mutual Fund	1 (14.29)	15 (20.27)	8 (42.10)	24
Birla Sun Life Mutual Fund	0	20 (27.03)	8 (42.10)	28
SBI Mutual Fund	4 (57.14)	17 (22.97)	2 (10.53)	23
Total	7	74	19	100

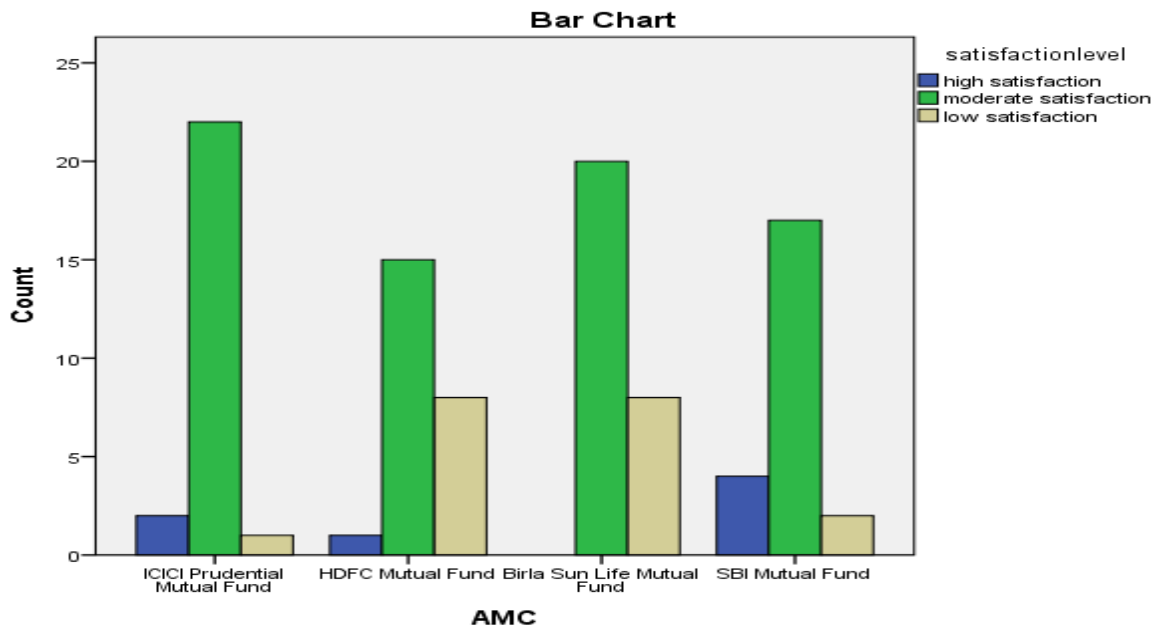
Source: Primary data

Note: Figures in parentheses indicate percentages to total.

It is evident from the table that among the highly satisfied respondents (7 per cent), 57.14 per cent respondents opted SBI Mutual Fund, 28.57 per cent opted ICICI Prudential Mutual Fund and 14.29 per cent opted HDFC Mutual Fund, while in case of moderately satisfied respondents (74 per cent), 29.73 per cent opted ICICI Prudential Mutual Fund, 27.03 per cent opted Birla Sun Life Mutual Fund, 22.97 per cent opted SBI Mutual Fund and 20.27 per cent opted HDFC Mutual Fund. It is clear from the table that out of total low satisfied respondents (19 per cent), respondents who opted HDFC Mutual Fund and Birla Sun Life Mutual Fund are equally satisfied (42.10). The same is portrayed through the figure 7

## 6. FINDINGS OF THE STUDY

- As per the table 2, the mean score for age group above 50 years (2.5833) is highest among all the age groups followed by age group 31-40 years (2.3077), 41-50 years (2.0000) and below 30 years (1.9268), whereas standard deviation is highest in case of age group 31-40 years (.51915) followed by age group above 50 years (.51493), 31-40 years (.47068) and age group 41-50 years (.0000).



**Figure 7: Type of mutual funds and level of Satisfaction-Mean Scores**

- Table 3** shows that the mean score of graduates (2.2941) is highest followed by others (2.1220), post graduates (2.0541), and up to high school (2.0000) whereas standard deviation is highest in case of up to high school (1.0000) followed by post graduates (.57474), graduates (.46967) and others (.33129).
- Table 4** shows that the mean score of married respondents (2.1970) is high than that of unmarried respondents (1.9706), while standard deviation is higher in case of unmarried respondents (.52138).

- **As per the table 5** the mean score of professionals (2.3500) is highest followed by teachers/professors (2.0714), bank employees (2.0588) and others category (1.8621), whereas standard deviation is highest in case of others (.58089) followed by professionals (.48305), teachers/professors (.26726) and bank employees (.24254).
- **Table 6** shows that the mean score of income level Rs. 3,00,000-5,00,000 (2.2593) is highest followed by income level Rs. 1,00,000-3,00,000 (2.1071), income level above Rs. 5,00,000 (2.0571) and income level up to Rs. 1,00,000 (2.0000), whereas standard deviation is highest in case of income level Rs. 1,00,000-3,00,000 (.56692) followed by income level Rs. 3,00,000-5,00,000 (.52569), income level above Rs. 5,00,000 (.48159) and income level up to Rs. 1,00,000 (.00000).
- **Table 7** shows that the mean score of HDFC Mutual Fund (2.2917) is highest followed by Birla Sun Life Mutual Fund (2.2857), ICICI Prudential Mutual Fund (1.9600) and SBI Mutual Fund (2.0000), whereas standard deviation is highest in case of HDFC Mutual Fund (.55003) followed by SBI Mutual Fund (.51461), Birla Sun Life Mutual Fund (.46004) and ICICI Prudential Mutual Fund (.35119).

### SUGGESTION OF THE STUDY

- Very low numbers of investors were found in age group of below 30. So there is a need to focus more on this group by AMC's.
- Companies should provide quick feedback whatever the problems faced by the investors during investment.
- Make the policies convenient and easy to understand.

### CONCLUSION

A mutual fund is a type of financial vehicle made up of a pool of money collected from many investors to invest in securities like stocks, bonds, money market instruments, and other assets. Mutual Funds over the years have expanded massively in their status. Apart from the many benefits that investing in mutual funds offer like diversification, professional management, the ease of investment process has verified to be a major empowering factor. The study concluded that although many investors are satisfied from mutual funds but there are categories which require the attentions of AMC. Remedial steps are required to overcome the problem of least satisfied categories which are mentioned above.

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