

A STUDY ON INVESTORS' SATISFACTION TOWARDS SBI MUTUAL FUNDS EGMORE CHENNAI

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Abstract-Investment goals differ from one person to a different. Many desires security, others might give more weight age to returns alone. Somebody else might want to plan for his child's education while somebody may well be saving for the proverbial period of time or perhaps life after retirement. This study has been enriched in SBI MUTUAL FUNDS, EGMORE CHENNAI to spot the extent of Investors' satisfaction the sample taken for this research is 150 samples. The research study is descriptive and hypothesis research in nature. Analysis and Interpretation has been done using the statistical tools like Chi-Square, Correlation, ANOVA, Weighted Average, Simple Percentage and data's are presented through tables and charts conclusion and suggestions are being drawn.

was launched under the regulatory and administrative control of RBI. In 1978, the regulatory and administrative control of UTI was transferred from the banking concern of India to IDBI (Industrial Development Bank of India). The primary open-end fund scheme that was introduced in India by UTI was within the Unit Scheme (1964). UTI had Assets under Management worth Rs. 6,700 Crores, by the tip of the year 1988. In 1987, public sector enterprises like bank of India, Punjab full service bank, Canara Bank, etc. and other non-UTI segments like General Insurance Corporation of India (GIC) and life assurance Corporation of India (LIC) entered the market and established public sector mutual funds.

Key Words: Investment, Mutual Funds, Satisfaction.

3. COMPANY PROFILE

1. INTRODUCTION

An Investment company could be a trust that's made to pool of cash collected from many investors to speculate in securities like stocks, bonds, market instruments, and other assets. Mutual funds are operated by professional money managers, who allocate fund's assets and try and 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 within the gains or losses of the fund. Mutual funds invest in a very vast number of securities, and performance is typically tracked because the change within the total market cap of the fund derived by the aggregating performance of the underlying investments.

SBI open-end investment company was incorporated in 1987 with its corporate head office located in Mumbai, India. SBIFMPL may be a venture between the bank of India, an Indian public sector bank, and Amundi, asset Management Company. A shareholder agreement during this regard has been entered on April 13, 2011, between SBI & AMUNDI Asset Management. Accordingly, SBI currently holds 63% stake in SBIFMPL and therefore the 37% stake is held by AMUNDI Asset Management through an entirely owned subsidiary, Amundi India Holding. SBI & AMUNDI Asset Management shall jointly develop the corporate as an asset management company of international repute by adopting global best practices and maintaining international standards.

2. INDUSTRY PROFILE

The history of fund Industry in India will be traced back to 1963, with the launch of the investment firm of India by the govt. of India under an Act of Parliament. UTI

4. NEED OF THE STUDY

The main purpose of doing this project is to understand about open-end investment company intimately and its functioning and investors satisfaction for investment in SBI Mutual Funds industry right from the inception stage, its growth and future prospectus. It also

helps in understanding different schemes of mutual funds. The project study was to grasp the reduction of risk by investment diversification and talent to sell your investment daily and also to safeguard the safety of investors.

5. SCOPE OF THE STUDY

A big boom has been witnessed in Mutual Funds Industry in recent times. An oversized number of latest players have entered the market and trying to achieve market share during this rapidly improving market. The study will help to understand the preference of the investors, which company, portfolio, manufactured from investment, option for getting returns and then on they like SBI Mutual funds. This project report may help the corporate to form further planning and strategy, and advice where to take a position or to not invest, kinds of Investment Company which is helpful for whom

6. OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVES

To study on the preferences of investors for investment in SBI Mutual Funds

SECONDARY OBJECTIVES

- To analyze which provides better returns from SBI Mutual Funds.
- To analyze the concept and parameters of SBI Mutual Funds
- To be told what should be done to raise up SBI Mutual Funds Industry
- To offer suggestions to investors supported research performed.

7. REVIEW OF LITERATURE

Dr. Sandeep Bansal, Deepak Garg and Sanjeev K Saini (2012), have studied Impact of Sharpe Ratio on Selected investment firm Schemes. This paper examines the Performance of selected fund universe are often accurately compared by an easy market index that gives comparative monthly liquidity, returns, systematic and unsystematic risk and complete fund analysis by using the special reference of Sharpe ratio and Treynor's ratio. Dr. Ranjit Singh Dr. Anurag Singh and Dr. H. Ramananda Singh (August 2011), have done research on Positioning of Mutual Funds among settlement and Sub-Urban Investors. Within

the recent past the many proportion of the investment of the urban investor is being attracted by the mutual funds. Prof. Kalpesh P Prajapati and Prof. Mahesh K Patel (July 2012), have done a Comparative Study on Performance Evaluation of investment trust Schemes Of Indian Companies. During this paper performance evaluation of Indian mutual funds is disbursed through relative performance index, risk-return analysis, Treynor's ratio, Sharps' ratio, Sharp's measure, Jensen's measure, and Fama's measure. Dhimen Jani and Dr. Rajeev Jain (Dec 2013), have studied Role of Mutual Funds in Indian economic system as a Key Resource Mobiliser. This paper attempts to spot, the link between AUM mobilized by investment trust companies and GDP growth of the India. Vibha Lamba (Feb 2014), has done Analysis of Portfolio Management in India. The aim of present study is to analyze the scope and importance of portfolio management in India.

8. RESEARCH DESIGN

Descriptive Research design was adopted to check the Investors' Satisfaction towards SBI investment firm, Egmore Chennai. There have been about 150 samples collected Egmore by the Investors' who pose there under graduate and postgraduate degree. Data was collected through questionnaires. The questionnaire consists of three parts, Part A captured the demographic and behavioral profile of the respondents, Part B consisted about the thinking of Mutual Funds and its benefits additionally as disadvantages that the Investors undergo, and Part C consists of the suggestions and also the changes that may be made for the betterment of investment trust.

9. RESULT AND DISCUSSION

The demographic profile indicates, 56% of the respondents are male, 40% belong to the cohort below 30. 46% of the respondents do business. Almost 50% of the respondents invest in Investment Company.

Table No1: Demographic and Behavioural Profile

Variable		Frequency	%
Gender	Male	85	56
	Female	65	44
Age	Below 30	60	40
	31-40	30	20
	41-50	20	13
	Above 50	40	27

Educational Qualification	HSLC	20	13
	UG	70	47
	PG	50	33
	Others	10	7
Occupation	Government Sector	25	17
	Private Sector	45	30
	Business	70	46
	Agriculture	10	7
Kind of Investment	Yes	45	30
	No	20	13
		10	7
		75	50
Invested in Mutual Funds		125	83
		25	17

	Observed N	Expected N	Residual
Savings Account	45	37.5	7.5
Fixed Deposits	20	37.5	-17.5
Insurance	10	37.5	-27.5
Mutual Funds	75	37.5	37.5
Total	150		

Table No 2: Table showing the gender of respondents and the kind of investment using Chi-Square Test.

DESCRIPTIVE STATISTICS						
	N	Mean	Std. Deviation	Minimum	Maximum	
Gender of the Respondents	15	0	1.43	0.497	1	2
Kind of Investment Respondents Prefer the most	15	0	2.77	1.338	1	4

Gender of the Respondents

	Observed N	Expected N	Residual
Male	85	75	10
Female	65	75	-10
Total	150		

Kind of Investment Respondents Prefer the most

Test Statistics		
	Gender of the Respondents	Kind of Investment Respondents Prefer the most
Chi-Square	2.667 ^a	67.333 ^b
Df	1	3
Asymp. Sig.	0.102	0
a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 75.0. b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 37.5.		

Inference: Here the significance level is 0.102 and it is greater than 0.05. Hence Ho is Rejected.

Result : There is significant difference between the gender of respondents and the kind of Investment the respondents prefer the most.

Table No : 3 Table Showing Weighted Average for the schemes offered in SBI Mutual Funds.

S.No	Opinion	No: of the Respondents	Weight (X)	Total Score	Mean Score
1	Highly Satisfied	60	5	300	
2	Satisfied	50	4	200	4.33
3	Neutral	30	3	90	
4	Dissatisfied	5	2	10	
5	Highly Dissatisfied	5	1	5	
				605	

Mean Score= Total Score/No: of Respondents

$$= 605/150$$

$$= 4.33$$

Result

From the above table it is inferred that most of the respondents are Highly Satisfied with the Open Ended Scheme with is offered by SBI Mutual Funds.

9. MANAGERIAL IMPLICATION

This study conducted a survey on few investors' response with response to Investors' Satisfaction towards SBI Mutual Funds. SIP (Systematic Investment Plan) is one in every of the innovate product launched by AMC. SIP is simple for monthly salaried person because it provides the ability of investment in EMI. There's an outsized scope for the businesses to tap the salaried personnel person. Open-end fund can improve to expand their network up to semi-urban and geographical area so the investor of these areas can even invest. Mutual funds companies must give the training of the financial Advisors about the fund/scheme and its objectives, because they're the most sources to influence the investors.

10. LIMITATIONS

The data collected from the respondents through questionnaire might not be accurate. a number of the persons weren't so responsive. There's no awareness about Mutual Funds so most of the people ignore it. Time duration is one in all the main limitations during

this study. Because of busy schedule of the Investors they were reluctant to answer the questions.

11. CONCLUSION

Investors' satisfaction plays a really important role in Mutual Funds. Investor satisfaction is addressed as a strategic business development tool. Ultimately it'll cause more loyal investors and more profitable business. Investors' satisfaction may be a highly variable personal assessment that's greatly influenced by individual expectations supported his/her own information, expectations, direct contact and interaction, and circumstances (time, location and environment). Within the present time the trend of economic market plays very crucial role within the development of countries economy. Common public is additionally interested to urge higher rate of dividends although the danger is high. Hence Investors should take at the most care and must make thorough enquiry about the investment trust schemes available and make their investment.

The Investor should invest their money in open-end fund scheme, during which they're interested to speculate. The Investors should also be sure to test the credit rating of the open-end investment company companies before making their Investment in Mutual Funds. The foremost important parameter considered in mutual Funds is Low Risk Factor.

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