INVESTOR AWARENESS IN MUTUAL FUNDS: A STUDY WITH REFERENCE TO NAMAKKAL DISTRICT, TAMILNADU, INDIA

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ABSTRACT
A mutual fund is a type of professionally managed collective investment vehicle that pools money from many investors to purchase securities. In India, Mutual fund industry is an organised financial system, accessible to individual investors having varied needs and options. Mutual funds have both advantages and disadvantages compared to direct investing in individual securities. Today it plays an important role in household finances. The present study mainly concentrates investor awareness in mutual funds in Namakkal District, Tamilnadu, India. A careful collection of primary data through questionnaire was made. Chi-square Test, and Mean test are used for analysis of this study. Investors can reduce risk and maximize returns by way of mutual fund investments, enjoying the expertise of professional fund management. The awareness on investment on Mutual Fund should be communicated among the rural investors through road show, small campaign and other programmes. The Mutual Fund should be great transparency, prudent accounting norms, less transaction cost, low management fees. It is very attractive between sub-urban and rural areas, it have innovative schemes and efficient administrative system. Investors can reduce risk and maximize returns by way of mutual fund investments, enjoying the expertise of professional fund management.

KEY WORDS: Awareness, Investors, Investment, Mutual fund, Risk.