

Impact of Balanced Mutual Fund's Diversification Attribute on Investor Decisions

(With special reference to HDFC, RELIANCE and SBI in Anantapur, Kadapa and Kurnool of AP)

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Abstract

Over the past decade India has been catching up with the development in the global Mutual Fund Industry. This study investigates the relative importance of the attribute considered by investor in selecting mutual funds. Balanced Mutual Fund Attribute's Diversification as a decision parameter was tested with the selected investors/respondents; the ratings offered by them indicate the intensity of the same which are recorded against their Age, Sex, Education, job Income classification. Finding indicates that all the firms selected for the study register high to very high impact of attributes in their investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study. In the mutual fund industry with increasing diversification and competition, the result of the study is expected to contribute to the process of structuring the funds managed by founder and to offer and insight to individual investors in their mutual fund selection.

Keywords: Mutual Fund; Attributes; Diversification; Intensity; Fund Founder; Individual Investor.

Introduction

Diversification: Mutual funds gain significance today by their sheer market size, continuously and annually growing volume of investment, ever increasing size of investors, and increasing Mutual Fund plans. Any research assumes significance when it is conducted on a concept whose coverage is wide, considering the increasing dimensions of Mutual Funds the present study is relevant and contemporary in its nature. The present study search into the intensities of the characteristic / attributes of the Mutual Funds on investment decisions of the MF investors. "Diversification" is foremost for all Mutual fund instruments, "Diversification" is very important attribute of Income or Debt oriented fund, the study attempts to test and validate the influence or the intensity of the same on the MF investors against their

demographic background. Mutual funds have been a popular investment vehicle for investors. Their simplicity along with other attributes provides great benefit to investors with limited knowledge, time or money. To help you decide whether mutual funds are best for you and your situation, we are going to look at some reasons why you might want to consider investing in mutual funds. One rule of investing, for both large and small investors, is asset diversification. Diversification involves the mixing of investment with in a portfolio and is used to manage risk. For example, by choosing to buy stock in the retail sector and offsetting them with stocks in the industrial sector, we can reduce the impact of the performance of any one security on your entire portfolio. To achieve a truly diversified portfolio, we may have to buy stock with different capitalization from different industries and bonds with varying maturity from different issuers. For the individual investor, this can be quite costly. By purchasing mutual funds, we are with the immediate benefit of instant diversification and asset allocation without the larger amounts of cash to create individual portfolios. One caveat, however, is that simply purchasing one mutual funds might not give you adequate diversification – check to see if the fund is sector or industry specific.

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Methodology

Objective

"Assessing the Diversification Attribute Impact of Balanced or Income & Growth oriented fund on investor decisions".

Need for the study

The Basic factors necessitating the need for the study is changes in the financial markets and changing investor's comprehension level towards mutual funds. A number of newly invented Mutual funds are now available in the financial markets. The incomes of the investors and their saving habits are also under gone a lot of changes in recent times. The investor's conception levels are also increased hastily. Once they used to select mutual funds only considering basis on risk and return attribute of mutual fund only. But now it is not the case. The investors are giving more importance to considering attribute like diversification. So there is a great need for evaluating the attributes considered by investor in selecting mutual fund. So the emphasis is on attribute evaluation of mutual funds.

Hypotheses

H_0 : Investor analysis of Balanced or Income & Growth oriented Fund's Diversification attribute does not influence investment decisions.

H_1 : Investor analysis of Balanced or Income & Growth oriented Fund's Diversification Attribute has an impact on Investor.

Sample Universe Covers maximum Investors (Male and Female) of HDFC, RELIANCE and SBI Mutual funds houses in Anantapuram, Kurnool and Kadapa.

Sample Size of 432 respondents is selected for the study to make the study meaningful and relevant.

Sample Distribution

For the purpose of effective evaluation both Male and Female investors of HDFC, RELIANCE, and SBI Mutual Funds houses in Anantapuram, Kurnool and Kadapa districts are considered for offering proportionate representation.

| Location Company | Anantapur | Kurnool | Kadapa | Total |
|---------------------|------------|------------|------------|------------|
| Hdfc | 53 | 69 | 60 | 182 |
| Reliance | 45 | 59 | 51 | 156 |
| Sbi | 27 | 36 | 31 | 94 |
| Total | 125 | 164 | 143 | 432 |

Sampling Technique

Clustered sampling is used for offering proportionate representation to investors at three mutual fund houses are HDFC, RELIANCE and SBI. Purposive sampling technique is used to select the sample investors. A sample size of 432(HDFC-192, RELIANCE- 156, SBI-92) has been taken. Data is collected from the respondents of various cities in Andhra Pradesh like Kurnool, Anantapuram, Kadapa etc. Most of the mutual fund houses opened their offices in these cities and Cams online where applications are preliminarily processed and sends the information to the respective mutual fund head quarters through online is also having its offices in these cities. So we can easily meet the mutual fund investors at the offices of these AMCs. That is why I selected these cities for data collection.

Sample Characteristics

Male and female investors from the three selected Mutual Fund organization houses in Anantapuram, Kurnool and Kadapa.

Sample Unit

Male and female investor from selected HDFC, RELIANCE and SBI mutual fund houses, from the district Anantapuram, Kurnool, and Kadapa Districts.

Data Sources

An empirical study of this nature should generate sufficient data through survey to base its findings on evaluation of data. The data collected for the present study comprises of both primary and secondary sources.

Statistical Tools Applied for Analysis

The data collected through questionnaire is in the form of offered by investors for a specific attribute. Cumulative weighted average and Chi-square test

were used for the purpose of testing the influence of one variable on the other the test has been administered to study the influence of the demographic variables, attributes.

Primary Table:

| AGE | | Diversification-possibility | | | | | | | Diversification- No impossible | | | | | | |
|----------------|----------|-----------------------------|---|---|----|-----|-------|------|--------------------------------|----|----|----|-----|-------|------|
| | | 1 | 2 | 3 | 4 | 5 | Total | CWA | 1 | 2 | 3 | 4 | 5 | Total | CWA |
| 25-35 | HDFC | 0 | 1 | 1 | 3 | 35 | 40 | 4.8 | 1 | 2 | 5 | 9 | 23 | 40 | 4.28 |
| | RELIANCE | 0 | 0 | 2 | 5 | 27 | 34 | 4.74 | 1 | 2 | 5 | 8 | 18 | 34 | 4.18 |
| | SBI | 0 | 0 | 1 | 3 | 17 | 21 | 4.76 | 0 | 1 | 3 | 7 | 10 | 21 | 4.24 |
| 36-45 | HDFC | 1 | 1 | 3 | 7 | 59 | 71 | 4.72 | 2 | 4 | 7 | 17 | 41 | 71 | 4.28 |
| | RELIANCE | 0 | 1 | 2 | 6 | 51 | 60 | 4.78 | 1 | 3 | 9 | 14 | 33 | 60 | 4.25 |
| | SBI | 1 | 1 | 1 | 2 | 31 | 36 | 4.69 | 1 | 2 | 5 | 8 | 20 | 36 | 4.22 |
| 46-55 | HDFC | 0 | 1 | 1 | 12 | 46 | 60 | 4.72 | 2 | 3 | 8 | 10 | 37 | 60 | 4.28 |
| | RELIANCE | 1 | 1 | 4 | 5 | 41 | 52 | 4.62 | 1 | 4 | 7 | 11 | 29 | 52 | 4.21 |
| | SBI | 0 | 1 | 1 | 4 | 25 | 31 | 4.71 | 1 | 2 | 3 | 7 | 18 | 31 | 4.26 |
| >55 | HDFC | 0 | 0 | 1 | 8 | 2 | 11 | 4.09 | 1 | 1 | 1 | 2 | 6 | 11 | 4 |
| | RELIANCE | 0 | 0 | 0 | 6 | 4 | 10 | 4.4 | 0 | 0 | 2 | 4 | 4 | 10 | 4.2 |
| | SBI | 0 | 0 | 0 | 5 | 1 | 6 | 4.17 | 0 | 0 | 1 | 2 | 3 | 6 | 4.33 |
| HDFC TOTAL | | 1 | 3 | 6 | 30 | 142 | 182 | 4.7 | 6 | 10 | 21 | 38 | 107 | 182 | 4.26 |
| RELIANCE TOTAL | | 1 | 2 | 8 | 22 | 123 | 156 | 4.69 | 3 | 9 | 23 | 37 | 84 | 156 | 4.22 |
| SBI TOTAL | | 1 | 2 | 3 | 14 | 74 | 94 | 4.68 | 2 | 5 | 12 | 24 | 51 | 94 | 4.24 |

Table 1: Impact of Diversification- Possibility, Diversification- No Impossible on 35 Investors- Age- wise

| Age | Diversification-Possibility | | | Diversification- No Impossible | | |
|-------|-----------------------------|----------|------|--------------------------------|----------|------|
| | Hdfc | Reliance | Sbi | Hdfc | Reliance | Sbi |
| 25- | 4.80 | 4.74 | 4.76 | 4.28 | 4.18 | 4.24 |
| 36-45 | 4.72 | 4.78 | 4.69 | 4.28 | 4.25 | 4.22 |
| 46-55 | 4.72 | 4.62 | 4.71 | 4.28 | 4.21 | 4.26 |
| > 56 | 4.09 | 4.40 | 4.17 | 4.00 | 4.20 | 4.33 |
| CWA | 4.70 | 4.69 | 4.68 | 4.26 | 4.22 | 4.24 |

(Source: Primary Table)

Data Analysis

Status

Table 1 clearly represents the outcome of survey in terms of empirical data referring to the aspects or benefits expected or projected by the investors while investing in Mutual Funds. The data in the form of CWA values that are once again the yield of primary tables presented at the end of the chapter with same table numbers to enable easy identification.

Diversification- possibility, Diversification- Not impossible as a decision parameter was tested with the selected investors/respondents, the ratings

offered by them indicate the intensity of the same which are recorded in the table against their Age classification. All the firms selected for the study register high to very high impact of attributes in their investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study.

Evaluation

High to very high attribute influence for all the firms established by the study indicates the significance of the same to the investors, and also to the firms to

Table 2: Chi-Square Impact of Diversification- Possibility, Diversification- Not Impossible on Investors- Age-wise

| Element | Chi-Square Computed Value | | | Table Value | Significance Level | Degree of Freedom |
|---------------------------------|---------------------------|----------|--------|-------------|--------------------|-------------------|
| | Hdfc | Reliance | Sbi | | | |
| Diversification-Possibility | 34.979 | 23.002 | 27.084 | 21.026 | 5 | 12 |
| Diversification- Not Impossible | 3.044 | 3.295 | 2.797 | 21.026 | 5 | 12 |

consider the same seriously. Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table χ^2

computed value is greater than table value, except for HDFC with respect to Diversification- No impossible for Reliance with respect to Diversification- No impossible and for SBI with respect to Diversification- Not impossible at 12 DOF

Primary Table:

| GENDER | | Diversification-possibility | | | | | | | Diversification- No impossible | | | | | | |
|----------------|----------|-----------------------------|---|---|----|-----|-------|------|--------------------------------|----|----|----|-----|-------|------|
| | | 1 | 2 | 3 | 4 | 5 | Total | CWA | 1 | 2 | 3 | 4 | 5 | Total | CWA |
| Male | HDFC | 1 | 2 | 5 | 17 | 126 | 151 | 4.75 | 4 | 12 | 16 | 28 | 91 | 151 | 4.26 |
| | RELIANCE | 1 | 1 | 5 | 9 | 114 | 130 | 4.8 | 2 | 7 | 13 | 20 | 89 | 131 | 4.43 |
| | SBI | 1 | 1 | 2 | 13 | 61 | 78 | 4.69 | 3 | 5 | 9 | 12 | 49 | 78 | 4.27 |
| Female | HDFC | 1 | 1 | 2 | 12 | 15 | 31 | 4.26 | 0 | 2 | 4 | 11 | 14 | 31 | 4.19 |
| | RELIANCE | 0 | 0 | 3 | 13 | 10 | 26 | 4.27 | 1 | 1 | 2 | 8 | 13 | 25 | 4.24 |
| | SBI | 0 | 0 | 1 | 10 | 5 | 16 | 4.25 | 1 | 1 | 1 | 4 | 9 | 16 | 4.19 |
| HDFC TOTAL | | 2 | 3 | 7 | 29 | 141 | 182 | 4.67 | 4 | 14 | 20 | 39 | 105 | 182 | 4.25 |
| RELIANCE TOTAL | | 1 | 1 | 8 | 22 | 124 | 156 | 4.71 | 3 | 8 | 15 | 28 | 102 | 156 | 4.4 |
| SBI TOTAL | | 1 | 1 | 3 | 23 | 66 | 94 | 4.62 | 4 | 6 | 10 | 16 | 58 | 94 | 4.26 |

Table 3: Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Gender -wise

| Gender | Diversification-Possibility | | | Diversification- Not Impossible | | |
|------------|-----------------------------|-------------|-------------|---------------------------------|-------------|-------------|
| | Hdfc | Reliance | Sbi | Hdfc | Reliance | Sbi |
| Male | 4.75 | 4.80 | 4.69 | 4.26 | 4.43 | 4.27 |
| Female | 4.26 | 4.27 | 4.25 | 4.19 | 4.24 | 4.19 |
| CWA | 4.67 | 4.71 | 4.62 | 4.25 | 4.40 | 4.26 |

(Source: Primary Table)

and 5% level of significance; Hence, H_0 is rejected for the elements represented except as above. Hence, we can conclude that Diversification- possibility, Diversification- Not impossible have influence on investors except as mentioned above.

Status

Table 3 clearly illustrates the outcome of survey in terms of empirical data referring to the aspects or benefits expected or projected by the investors while investing in Mutual Funds. The data in the form of CWA values that are once again the yield of primary

tables presented at the end of the chapter with same table numbers to enable easy identification.

Diversification- possibility, Diversification- No impossible as a decision parameter was tested with the selected investors/respondents, the ratings offered by them indicate the intensity of the same which are recorded in the table against their Gender classification. All the firms selected for the study register high to very high impact of attributes in their investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study.

Table 4: Chi-Square Impact of Diversification- Possibility, Diversification- No Impossible on Investors- Gender Wise

| Element | Chi Square Computed Value | | | Table Value | Significance Level |
|--------------------------------|---------------------------|----------|--------|-------------|--------------------|
| | Hdfc | Reliance | Sbi | | |
| Diversification-Possibility | 19.005 | 38.016 | 16.543 | 9.488 | 5 |
| Diversification- No Impossible | 23.838 | 17.419 | 9.234 | 9.488 | 5 |

Evaluation

High to very high attribute influence for all the firms established by the study indicate the significance of the same to the investors, and also to the firms to consider the same seriously. Chi-square test is applied

for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table computed value is greater than table value, except for SBI with respect to Diversification- No impossible at 4 DOF

Primary Table:

| Education | | Diversification-possibility | | | | | | | Diversification- No impossible | | | | | | |
|-----------------------|----------|-----------------------------|----------|----------|-----------|------------|------------|-------------|--------------------------------|-----------|-----------|-----------|------------|------------|-------------|
| | | 1 | 2 | 3 | 4 | 5 | Total | CWA | 1 | 2 | 3 | 4 | 5 | Total | CWA |
| SSC | HDFC | 0 | 0 | 1 | 8 | 5 | 14 | 4.29 | 0 | 1 | 2 | 3 | 8 | 14 | 4.29 |
| | RELIANCE | 0 | 0 | 2 | 7 | 3 | 12 | 4.08 | 0 | 1 | 1 | 4 | 6 | 12 | 4.25 |
| | SBI | 0 | 0 | 1 | 5 | 2 | 8 | 4.13 | 0 | 0 | 1 | 2 | 5 | 8 | 4.5 |
| UG | HDFC | 0 | 0 | 1 | 4 | 25 | 30 | 4.8 | 1 | 2 | 4 | 6 | 17 | 30 | 4.2 |
| | RELIANCE | 0 | 1 | 1 | 3 | 20 | 25 | 4.68 | 1 | 1 | 2 | 9 | 12 | 25 | 4.2 |
| | SBI | 0 | 0 | 1 | 3 | 11 | 15 | 4.67 | 0 | 1 | 2 | 4 | 8 | 15 | 4.27 |
| PG | HDFC | 0 | 0 | 3 | 8 | 51 | 62 | 4.77 | 2 | 5 | 6 | 13 | 36 | 62 | 4.23 |
| | RELIANCE | 1 | 1 | 2 | 4 | 45 | 53 | 4.72 | 1 | 3 | 7 | 16 | 26 | 53 | 4.19 |
| | SBI | 0 | 1 | 1 | 4 | 25 | 31 | 4.71 | 1 | 2 | 4 | 5 | 19 | 31 | 4.26 |
| PROF | HDFC | 1 | 1 | 3 | 4 | 67 | 76 | 4.78 | 2 | 5 | 9 | 12 | 48 | 76 | 4.3 |
| | RELIANCE | 1 | 2 | 3 | 6 | 54 | 66 | 4.67 | 2 | 4 | 9 | 13 | 38 | 66 | 4.23 |
| | SBI | 1 | 1 | 1 | 3 | 34 | 40 | 4.7 | 1 | 2 | 7 | 9 | 21 | 40 | 4.18 |
| HDFC TOTAL | | 1 | 1 | 8 | 24 | 148 | 182 | 4.74 | 5 | 13 | 21 | 34 | 109 | 182 | 4.26 |
| RELIANCE TOTAL | | 2 | 4 | 8 | 20 | 122 | 156 | 4.64 | 4 | 9 | 19 | 42 | 82 | 156 | 4.21 |
| SBI TOTAL | | 1 | 2 | 4 | 15 | 72 | 94 | 4.65 | 2 | 5 | 14 | 20 | 53 | 94 | 4.24 |

Table 5: Chi-Square Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Education-wise

| Education | Diversification-Possibility | | | Diversification- No Impossible | | |
|------------|-----------------------------|-------------|-------------|--------------------------------|-------------|-------------|
| | Hdfc | Reliance | Sbi | Hdfc | Reliance | Sbi |
| SSC | 4.29 | 4.08 | 4.13 | 4.29 | 4.25 | 4.50 |
| UG | 4.80 | 4.68 | 4.67 | 4.20 | 4.20 | 4.27 |
| PG | 4.77 | 4.72 | 4.71 | 4.23 | 4.19 | 4.26 |
| PROF | 4.78 | 4.67 | 4.70 | 4.30 | 4.23 | 4.18 |
| CWA | 4.74 | 4.64 | 4.65 | 4.26 | 4.21 | 4.24 |

(Source: Primary Table)

and 5% level of significance; Hence, H_0 is rejected for the elements represented except as above. Hence, we can conclude that Diversification-possibility, Diversification - No impossible have influence on investors except as mentioned above.

Status

Table 5 clearly gives a picture of the outcome of survey in terms of empirical data referring to the aspects or benefits expected or projected by the investors while investing in Mutual Funds. The data in the form of CWA values that are once again the yield of primary tables presented at the end of the chapter with same table numbers to enable easy identification.

Diversification- possibility, Diversification- No impossible as a decision parameter was tested with the selected investors/respondents, the ratings offered by them indicate the intensity of the same which are recorded in the table against their education classification. All the firms selected for the study register high to very high impact of attributes in their investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study.

Evaluation

High to very high attribute influence for all the firms established by the study indicates the significance of

Table 6: Chi-Square Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Education-wise

| Element | Chi Square Computed Value | | | Table Value | Significance Level | Degree of Freedom |
|---------------------------------|---------------------------|----------|--------|-------------|--------------------|-------------------|
| | Hdfc | Reliance | Sbi | | | |
| Diversification-Possibility | 31.344 | 30.759 | 20.115 | 21.026 | 5 | 12 |
| Diversification- Not Impossible | 1.800 | 4.600 | 2.559 | 21.026 | 5 | 12 |

the same to the investors, and also to the firms to consider the same seriously. Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table computed

value is greater than table value, except for HDFC with respect to Diversification- No impossible for RELIANCE with respect to Diversification- Not impossible and for SBI with respect to Diversification- possibility, Diversification- Not impossible at 12 DOF

Primary Table:

| JOB | | Diversification-possibility | | | | | | | Diversification- No impossible | | | | | | |
|-----------------|----------|-----------------------------|---|---|----|-----|-------|------|--------------------------------|----|----|----|-----|-------|------|
| | | 1 | 2 | 3 | 4 | 5 | Total | CWA | 1 | 2 | 3 | 4 | 5 | Total | CWA |
| Self Employment | HDFC | 0 | 1 | 3 | 5 | 42 | 51 | 4.73 | 1 | 3 | 4 | 14 | 29 | 51 | 4.31 |
| | RELIANCE | 0 | 0 | 2 | 4 | 38 | 44 | 4.82 | 0 | 1 | 4 | 9 | 30 | 44 | 4.55 |
| | SBI | 0 | 0 | 1 | 2 | 23 | 26 | 4.85 | 0 | 1 | 3 | 9 | 13 | 26 | 4.31 |
| Employees | HDFC | 1 | 1 | 2 | 4 | 50 | 58 | 4.74 | 2 | 4 | 5 | 11 | 36 | 58 | 4.29 |
| | RELIANCE | 1 | 1 | 2 | 5 | 41 | 50 | 4.68 | 1 | 3 | 7 | 12 | 27 | 50 | 4.22 |
| | SBI | 0 | 1 | 1 | 3 | 25 | 30 | 4.73 | 1 | 1 | 4 | 7 | 17 | 30 | 4.27 |
| Professionals | HDFC | 0 | 1 | 3 | 6 | 45 | 55 | 4.73 | 2 | 3 | 6 | 12 | 32 | 55 | 4.25 |
| | RELIANCE | 1 | 1 | 1 | 4 | 39 | 46 | 4.72 | 1 | 1 | 5 | 15 | 24 | 46 | 4.3 |
| | SBI | 1 | 1 | 1 | 4 | 21 | 28 | 4.54 | 1 | 1 | 4 | 6 | 16 | 28 | 4.25 |
| Retired | HDFC | 0 | 0 | 1 | 10 | 7 | 18 | 4.33 | 0 | 2 | 2 | 4 | 10 | 18 | 4.22 |
| | RELIANCE | 0 | 0 | 1 | 10 | 5 | 16 | 4.25 | 0 | 1 | 1 | 9 | 5 | 16 | 4.13 |
| | SBI | 0 | 0 | 0 | 6 | 4 | 10 | 4.4 | 0 | 0 | 2 | 2 | 6 | 10 | 4.4 |
| HDFC TOTAL | | 1 | 3 | 9 | 25 | 144 | 182 | 4.69 | 5 | 12 | 17 | 41 | 107 | 182 | 4.28 |
| RELIANCE TOTAL | | 2 | 2 | 6 | 23 | 123 | 156 | 4.69 | 2 | 6 | 17 | 45 | 86 | 156 | 4.33 |
| SBI TOTAL | | 1 | 2 | 3 | 15 | 73 | 94 | 4.67 | 2 | 3 | 13 | 24 | 52 | 94 | 4.29 |

Table 7: Impact of Diversification- Possibility, Diversification- No Impossible on Investors- Profession-wise

| Job | Diversification-Possibility | | | Diversification- No Impossible | | |
|-----------------|-----------------------------|----------|------|--------------------------------|----------|------|
| | Hdfc | Reliance | Sbi | Hdfc | Reliance | Sbi |
| Self Employment | 4.73 | 4.82 | 4.85 | 4.31 | 4.55 | 4.31 |
| Employees | 4.74 | 4.68 | 4.73 | 4.29 | 4.22 | 4.27 |
| Professionals | 4.73 | 4.72 | 4.54 | 4.25 | 4.30 | 4.25 |
| Retired | 4.33 | 4.25 | 4.40 | 4.22 | 4.13 | 4.40 |
| CWA | 4.69 | 4.69 | 4.67 | 4.28 | 4.33 | 4.29 |

(Source: Primary Table)

and 5% level of significance; Hence, H_0 is rejected for the elements represented except as above. Hence we can conclude that Diversification- possibility, Diversification- No impossible have influence on investors except as mentioned above.

Status

Table 7 clearly demonstrates the outcome of survey in terms of empirical data referring to the aspects or benefits expected or projected by the investors while

investing in Mutual Funds. The data in the form of CWA values that are once again the yield of primary tables presented at the end of the chapter with same table numbers to enable easy identification.

Diversification- possibility, Diversification- No impossible as a decision parameter was tested with the selected investors/respondents, the ratings offered by them indicate the intensity of the same which are recorded in the table against their profession classification. All the firms selected for the study register high to very high impact of attributes in their

investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study.

Evaluation

High to very high attribute influence for all the firms established by the study indicate the significance of the same to the investors, and also to the firms to consider the same seriously. Chi-square test is applied for research data to further reinforce the meaningful

Table 8: Chi-Square Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Profession-wise

| Element | Chi Square Computed Value | | | Table Value | Significance Level | Degree Of Freedom |
|--------------------------------|---------------------------|----------|--------|-------------|--------------------|-------------------|
| | Hdfc | Reliance | Sbi | | | |
| Diversification-Possibility | 32.827 | 35.934 | 20.323 | 21.026 | 5 | 12 |
| Diversification- No Impossible | 3.006 | 12.579 | 3.398 | 21.026 | 5 | 12 |

Primary Table:

| INCOME | | Diversification-possibility | | | | | | | Diversification- No impossible | | | | | | |
|----------------|----------|-----------------------------|---|---|----|-----|-------|------|--------------------------------|----|----|----|----|-------|------|
| | | 1 | 2 | 3 | 4 | 5 | Total | CWA | 1 | 2 | 3 | 4 | 5 | Total | CWA |
| 25-35K | HDFC | 0 | 0 | 2 | 4 | 30 | 36 | 4.78 | 0 | 3 | 5 | 9 | 19 | 36 | 4.22 |
| | RELIANCE | 0 | 1 | 3 | 4 | 23 | 31 | 4.58 | 1 | 1 | 4 | 9 | 16 | 31 | 4.23 |
| | SBI | 0 | 0 | 0 | 3 | 16 | 19 | 4.84 | 1 | 1 | 1 | 6 | 10 | 19 | 4.21 |
| 36-45K | HDFC | 1 | 1 | 3 | 5 | 52 | 62 | 4.71 | 2 | 4 | 6 | 13 | 37 | 62 | 4.27 |
| | RELIANCE | 1 | 1 | 2 | 5 | 44 | 53 | 4.7 | 2 | 3 | 5 | 12 | 31 | 53 | 4.26 |
| | SBI | 1 | 1 | 1 | 3 | 26 | 32 | 4.63 | 1 | 2 | 4 | 8 | 17 | 32 | 4.19 |
| 46-55K | HDFC | 0 | 0 | 2 | 6 | 45 | 53 | 4.81 | 1 | 3 | 5 | 11 | 33 | 53 | 4.36 |
| | RELIANCE | 1 | 1 | 3 | 4 | 36 | 45 | 4.62 | 1 | 2 | 6 | 13 | 23 | 45 | 4.22 |
| | SBI | 0 | 0 | 2 | 2 | 23 | 27 | 4.78 | 1 | 1 | 3 | 7 | 15 | 27 | 4.26 |
| > 56K | HDFC | 0 | 0 | 1 | 17 | 13 | 31 | 4.39 | 1 | 2 | 2 | 19 | 7 | 31 | 3.94 |
| | RELIANCE | 0 | 0 | 0 | 12 | 15 | 27 | 4.56 | 0 | 2 | 3 | 8 | 14 | 27 | 4.26 |
| | SBI | 0 | 0 | 0 | 9 | 7 | 16 | 4.44 | 0 | 1 | 2 | 3 | 10 | 16 | 4.38 |
| HDFC TOTAL | | 1 | 1 | 8 | 32 | 140 | 182 | 4.7 | 4 | 12 | 18 | 52 | 96 | 182 | 4.23 |
| RELIANCE TOTAL | | 2 | 3 | 8 | 25 | 118 | 156 | 4.63 | 4 | 8 | 18 | 42 | 84 | 156 | 4.24 |
| SBI TOTAL | | 1 | 1 | 3 | 17 | 72 | 94 | 4.68 | 3 | 5 | 10 | 24 | 52 | 94 | 4.24 |

Table 9: Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Income-wise

| Income | Diversification-Possibility | | | Diversification- No Impossible | | |
|--------|-----------------------------|----------|------|--------------------------------|----------|------|
| | Hdfc | Reliance | Sbi | Hdfc | Reliance | Sbi |
| 25-35K | 4.78 | 4.58 | 4.84 | 4.22 | 4.23 | 4.21 |
| 36-45K | 4.71 | 4.70 | 4.63 | 4.27 | 4.26 | 4.19 |
| 46-55K | 4.81 | 4.62 | 4.78 | 4.36 | 4.22 | 4.26 |
| > 56K | 4.39 | 4.56 | 4.44 | 3.94 | 4.26 | 4.38 |
| CWA | 4.70 | 4.63 | 4.68 | 4.23 | 4.24 | 4.24 |

(Source: Primary Table)

interpretation; the same are presented against the demographic factor. From the above table computed value is greater than table value, except for HDFC with respect to Diversification- No impossible for RELIANCE with respect to Diversification- No impossible and for SBI with respect to Diversification-possibility, Diversification – No impossible at 12 DOF and 5% level of significance; Hence H_0 is rejected for the elements represented except as above. Hence we can conclude that Diversification- possibility, Diversification- No impossible have influence on investors except as mentioned above.

Table 10: Chi-Square Impact of Diversification- Possibility, Diversification- No Impossible On Investors- Income-wise

| Element | Chi Square computed Value | | | Table Value | Significance Level | Degree of Freedom |
|--------------------------------|---------------------------|----------|------------|-------------|--------------------|-------------------|
| | Hdfc | Reliance | Sbi | | | |
| Diversification-Possibility | 39.812 | 23.658 | 25.23 0 | 21.026 | 5 | 12 |
| Diversification- No Impossible | 23.453 | 2.888 | 2.445 | 21.026 | 5 | 12 |

which are recorded in the table against their Income classification. All the firms selected for the study register high to very high impact of attributes in their investment. Though, variation exists, it is micro marginal and is negligible, indicating the high impact of the attributes for all the firms selected for the study.

Evaluation

High to very high attribute influence for all the firms established by the study indicates the significance of the same to the investors, and also to the firms to consider the same seriously. Chi-square test is applied for research data to further reinforce the meaningful interpretation; the same are presented against the demographic factor. From the above table computed value is greater than table value, except for RELIANCE with respect to Diversification- No impossible and for SBI with respect to Diversification-No impossible at 12 DOF and 5% level of significance. Hence, H_0 is rejected for the elements represented except as above. Hence, we can conclude that Diversification- possibility, Diversification- No impossible have influence on investors except as mentioned above.

Findings and Conclusion

The analysis revealed High to very high impact of Balanced or Income & Growth oriented fund Diversification attribute of all firms is established in the research among all demographic factors. The research study concludes to insist the firms to emphasize the Diversification attribute of balanced fund to manipulate investor decisions.

Status: Table 9 clearly depicts the outcome of survey in terms of empirical data referring to the aspects or benefits expected or projected by the investors while investing in Mutual Funds. The data in the form of CWA values that are once again the yield of primary tables presented at the end of the chapter with same table numbers to enable easy identification.

Diversification- possibility, Diversification- No impossible as a decision parameter was tested with the selected investors/respondents, the ratings offered by them indicate the intensity of the same

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