

IMPACT OF COVID-19 ON THE PERCEPTION OF INDIAN INVESTORS TOWARDS INVESTMENT IN EQUITY FUND**Mrs. Munira Sayyed¹ and Dr. Sanjay Mishra²**¹Assistant Professor, Shree L. R. Tiwari Degree College of Arts, Commerce and Science, Mira Road²Principal, Shree L. R. Tiwari Degree College of Arts, Commerce and Science, Mira Road**ABSTRACT**

After demonetization and GST, the Indian economy was constantly struggling to overcome the economic crisis. In the financial year 2019–2020, GDP rate fell from 7% to 5.4%, which is around 18.20%. BSE, Sensex, index was 42273 as on January 20th of 2020 however on April 8, 2020, it was 29894. The mid-cap index saw a 26% decrease during the financial year 2019-20, but at the same time the sensitive index declined by 22%. These things have an effect on the share market and financial stability of people. The stock market over the last one-year became unstable and crashed. To handle the downgrade economy, Government took the programme and announced deep tax cuts for businesses in the month of August 2019. But in the commencement of the year 2020, there was another sluggish phase which stubborn the economy. This time, it was a virus, named as COVID-19 (corona virus), which created a pandemic circumstances and spread all over the world. All over the country lock down was announced to fight with COVID-19 as there was no vaccine introduced in the country. Initially from agriculture to textile, apparel, automotive, aviation, hotels and restaurants, poultry, chemicals, consumer durables, entertainment, sports, FMCG (fast moving consumer goods), pharmaceutical, ecommerce, IT and corporate sectors were unfavourably affected due to this pandemic and lock down rules. For that reason, this research paper emphasis on the impact of corona on the examination of Indian investors towards investment in equity fund.

Keywords: Economy, Sensex, lockdown, covid-19, stock market

2. STATEMENT OF THE PROBLEM

There have been both domestic and global concerns. In addition, the spike in Covid numbers in India and the announcement of lockdowns in several districts, there have been concerns over the financial market that can be addressed by monetary authority.

This study considers the problem perceptions of Indian investors toward the investment in the equity fund during these pandemic.

3. INTRODUCTION AND RATIONALE:

An investment is the acquire of goods that are not consumed at present but are used for the future to create wealth. In business and finance, an investment is a monetary asset acquired. With the intention that the asset will return income in the future or will later be sold at a higher, price. Investment is oriented toward future returns, and degree of risk. Corona virus or COVID 19 was first recognized in December 2019 in Wuhan, China, and has resulted in an ongoing pandemic.

A UN report projected a trade impact of US\$348 Million on India due to the outburst, making India one of the 15 worst affected Economies across the globe. On 12 March 2020, the Indian stock markets suffered their worst crash since June 2017 after WHO's declaration of the outbreak as a Pandemic. The lockdown has adversely affected service sector like banks, Restaurants, food vendors, and food delivery provider at average with provide health Safety and medical sustenance.

4. LITERATURE REVIEW

Since its inspection, mutual funds have evolved as a preferred investment tool for many investors. However, choosing the right mutual fund scheme can be a complicated task due to the ample array of options available. Investments need to be carefully and thoroughly considered to avoid potential pitfalls; therefore, it is imperative to understand the core of the different types of schemes available to you. Here, we will survey Equity Mutual Funds and talk about the altered types of equity funds with their benefits and a lot more. Indian influence enterprises, which have a positive effect on society, received \$ 2.6 billion in equity investments from committed investors in 2020, down 25% compared to the previous year, a report said on Thursday. The influence of investors constant to pledge their support to solve critical social and environmental challenges through investments in scalable, tech-based, innovative social enterprises, the report said. There were 243 equity infusions and 13 exits by investors during the year, which was blemished by the pandemic since March. Indian influence enterprise is resilient. We see constant interest from investors in investing in various innovative tech-led influence ideas despite the pandemic, there was a 70 per cent fall in the volume of healthcare investments, it

said, accumulation that investors are actively investing in early-stage healthcare enterprises focused on telemedicine, AI-based solutions, cloud enable diagnostic tests. Impact investing concentrated has contributed toward 11 of the 17 Sustainable Development Goals adopted by the US, and enterprises focused on SDG 5 (Gender Equality), and SDG 9 (Industry, Innovation and Infrastructure) received the maximum volume of investments in 2020, it said.

5. RESEARCH METHODOLOGY:

Objective

- To analyze the impact of COVID-19 on the Investment preference of the retail Investors.
- To analyze the changes in returns given by investment avenues due to the Pandemic.

(6) DATA ANALYSIS AND INTERPRETATION:

The research analyzes the impact of corona on the perception of Indian Investors toward equity fund. The primary data were collected through Google forms and sent it to the investors via whatsapp and email. The data collected were collect was to analyze the estimate and effects on their investment.

1. Profile study of the respondent

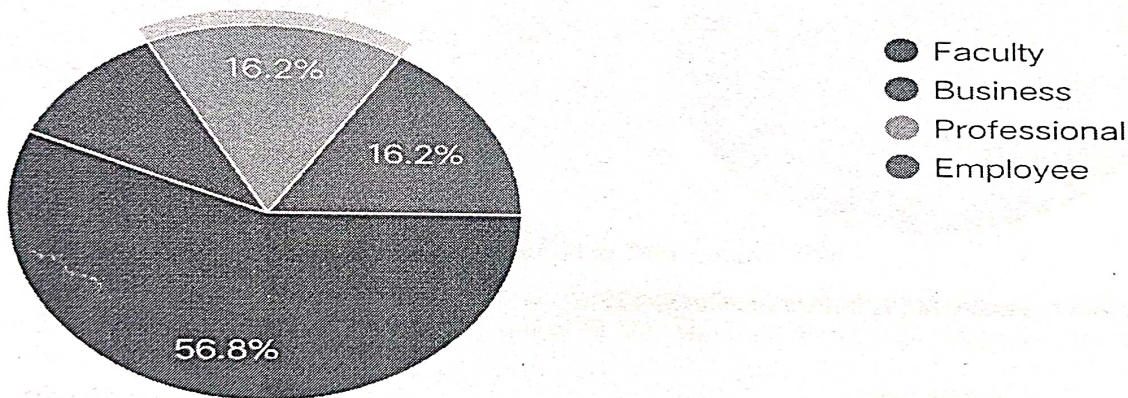
The profile of 65 respondents has been received in the form of age, gender, income to analyze their response.

Profile	Frequency	Percentage
Male	38	58.46
Female	37	41.54
Total	65	100

This study is based on the responses of 65 respondent comprises of 38% male 37% female

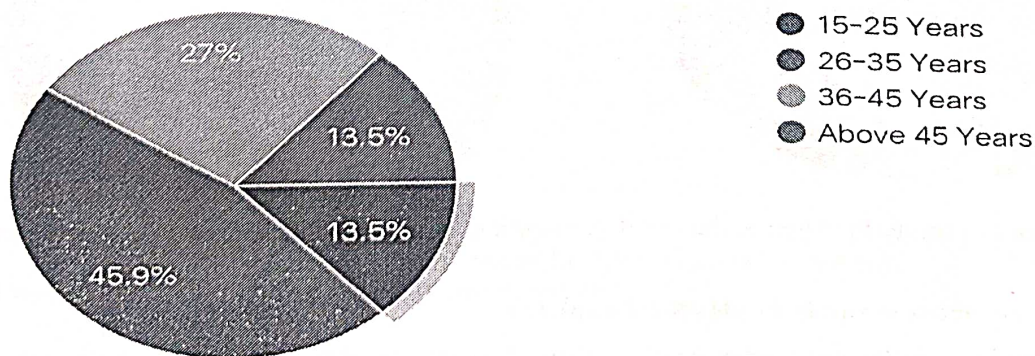
I. Designation :-

As per the above chart the highest is of faculty with 56.8% and lowest is the business.



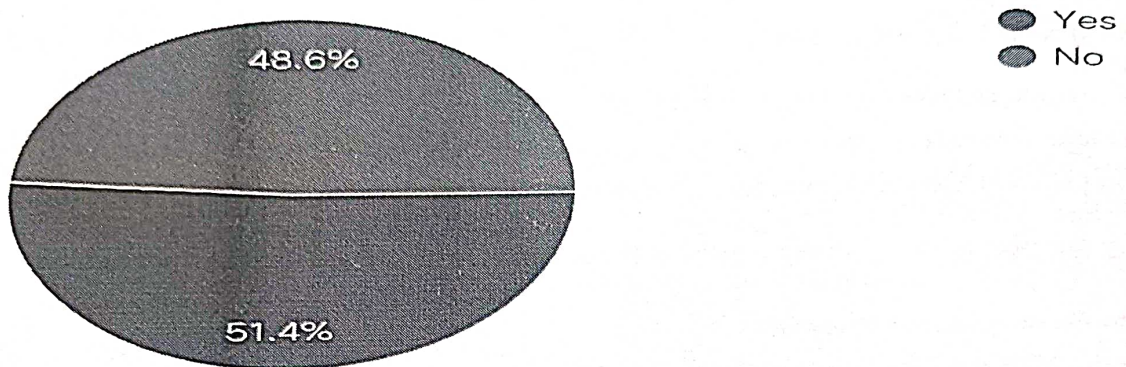
II. Age :-

Maximum there are of 26-35 years of people in the covid scenario with 45.9% and lowest is of 13.5% for 15-25 years and above 45 years, this is how the invest of equity fund during covid is been changing.



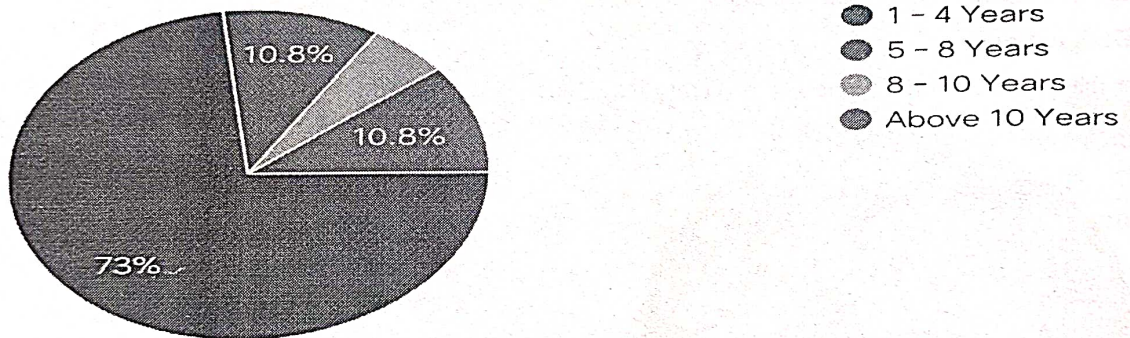
III. Investment in Equity Funds ?

There are only 35.2 % people who are investing even after covid 19 situation as compared to 64.9% who used to invest in equity fund before covid 19. Least number is of people who invests in both the good and bad scenario that is with 29.7%.

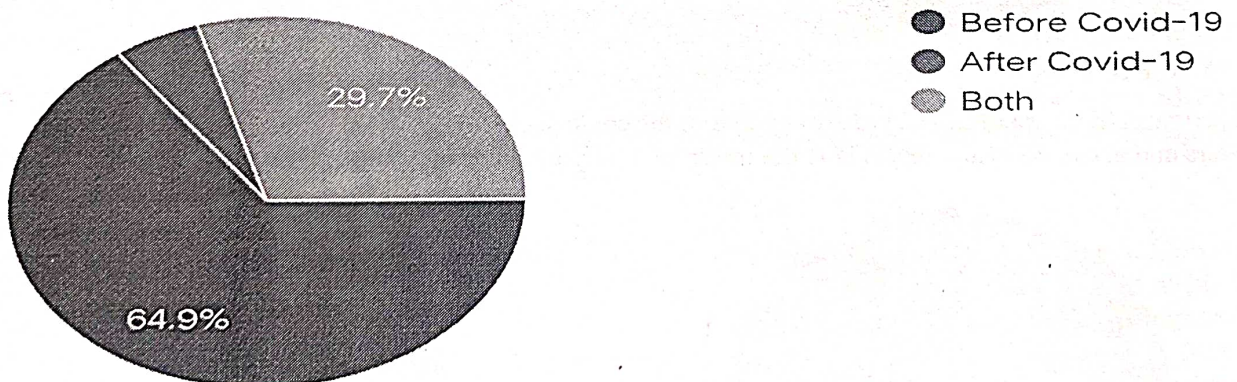


IV. How long have you been investing in equity funds?

Mostly after the age of 25 we invest in equity funds which consists only of 10.8% according to the below chart and highest no is of 73% who are in the age of 1-4 years who don't invest.



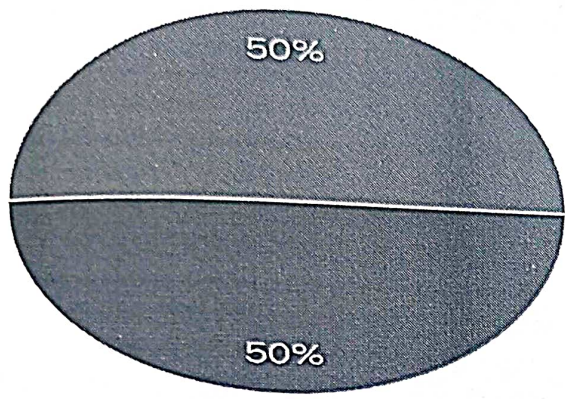
V. Investment in equity funds before the Covid-19?



Yes, they did invest in equity fund before the covid 19 situation because it was very much useful for me but after the bad scenario respondent are unable to invest.

VI. Analysis on investment in equity funds after Covid-19?

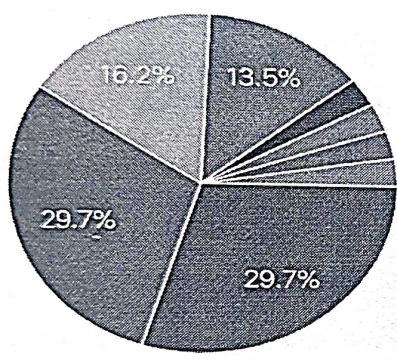
Highest rate of investors in equity funds after covid 19 who still invest are of 50% of people , 50% of them don't invest due to pandemic situation.



- Yes
- No

VII. Preference of the respondents investing in shares or equity funds?

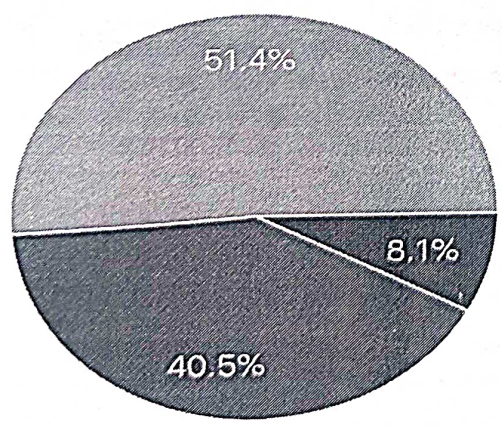
Respondent prefer to invest in equity funds because it's very much demanded by people as they get one or the other benefits through it, so I prefer investing in equity funds.



- Directly in Shares
- Equity Funds
- Fixed-income
- Hybrid funds
- None
- Farm
- No, I don't invest in shares or equity funds
- Through Bajaj Allianz Life insurance company

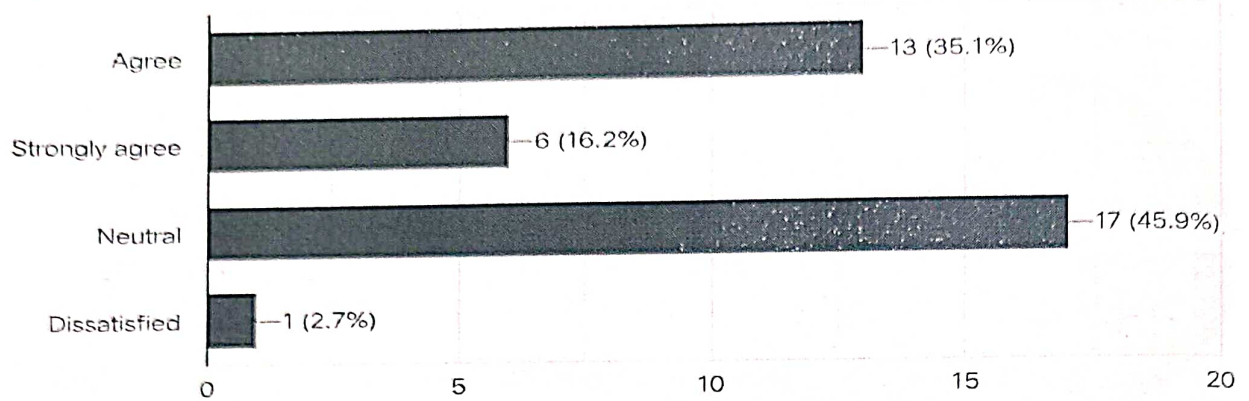
VIII. Analysis on investment on Foreign companies or Indian Companies?

Respondent both the companies because there is many more combined investment from both the side of the companies in the below chart it specifically shows 51.4% with both the foreign companies as well as indian companies



- Foreign Companies
- Indian Companies
- Both

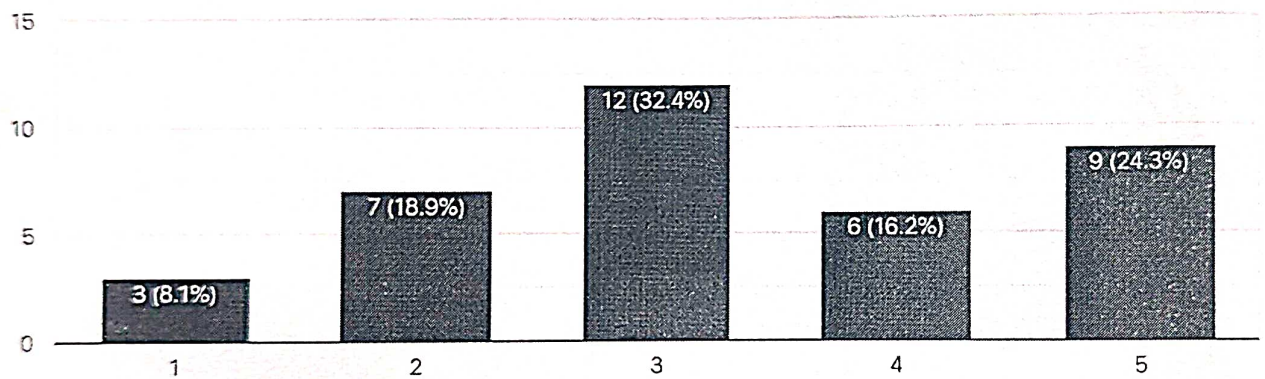
IX. Is it easier to invest in equity before the Pandemic



Before pandemic situation the investment in equity funds was neither to hard nor to easier because in every situation we need to invest and earn some benefits so for me invest in equity before the pandemic was neutral.

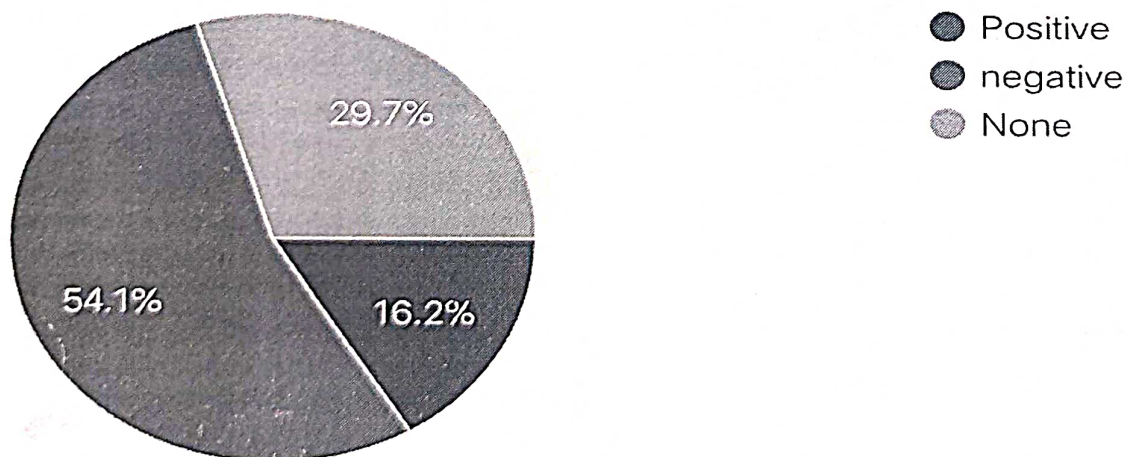
X. Has the Covid-19 affected the investment

No, the Covid-19 doesn't affect the investment because in every situation we need to invest to gain some advantage so for that our investment should not be affected due to covid 19.



XI. Is the impact of Covid-19 Positive or Negative on your investment?

The impact in covid 19 on our investment is negative as it is showing highest no of investors in covid 19 situation with 54.1%.



6. Growth Fund invests in the emerging companies to attain maximum capital appreciation. This can be in response to the Prime Minister's announcement of 'Atmanirbhar Bharat'

CONCLUSION

The impact of COVID-19 is huge and the economy will take time to completely recover from it. The BFSI sector was still thriving throughout the pandemic, so the losses are not that much. The investment industry also did not witness a huge downfall but still the impact was visible. Considering it is a pandemic, the recovery will be tough but retail investors should have faith and should not completely shift to the Traditional, Safer investment avenues. The expectations of investment industry in India look hopeful and the observation of retail investors is also positive.

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