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Study on Investors awareness & perception towards Systematic Investment Plan (SIP) v/s Lump Sum mode of investment in Mutual Funds

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Abstract

The volatile nature of the equity markets allows you to reap big gains but also comes with huge risks. In a nutshell, you can win big as well as lose big. Investing in an equity mutual fund can be approached via two routes; lump sum as well as the systematic investment plan (SIP). Investors have a plethora of investment options, either directly or indirectly. On top of it, new ways of making investment have come up with the advent and development of technology. This is particularly true about the mutual fund industry in that a new way of investment in mutual funds by paying a fixed amount of money on equal intervals, known as systematic investment plan (SIP).And it is also important to understand and analyze investor's awareness and perception towards SIP v/slump sum investments. The objective of the paper includes comparison of SIP with lump sum investment. Investigations are also performed to find out what percentage of bank customers invest in mutual funds especially through SIP with specific reference to HDFC Bank.

Keywords: SIP, Mutual funds, Recurring deposit, Mutual Fund, Rupee Cost Averaging

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