



# From Kutumb Savings to Collective Wealth: An IKS Approach to Mutual Fund Awareness in Guntur

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**Abstract** – The Indian Knowledge System (IKS) emphasizes the principles of Artha (wealth creation), Yukti (logical decision-making), and Sanyama (discipline) in financial practices. In the contemporary financial ecosystem, mutual funds represent a structured and diversified investment mechanism that aligns with these traditional principles. This study explores the level of Nivesha Jagruti (investment awareness) towards mutual funds among investors in Guntur city, a rapidly developing semi-urban region of Andhra Pradesh. Despite the significant expansion of the mutual fund industry in India, awareness and participation in smaller cities remain uneven due to factors such as limited financial literacy, risk aversion, and preference for traditional investment avenues like gold and fixed deposits. The study integrates behavioral finance theories with IKS concepts to understand investor perception and decision-making patterns. The research adopts a descriptive methodology using primary and secondary data to assess awareness levels, preferences, and influencing factors. The findings reveal moderate awareness but low participation due to lack of knowledge and trust. The study concludes that enhancing financial education through an IKS-based approach can bridge the gap between savings and investments, promoting sustainable wealth creation and economic development.

**Keywords-** Artha, Yukti, Nivesha Jagruti, Mutual Funds, Financial Literacy, Investor Behavior, SIP, Guntur City

## I. INTRODUCTION

India's financial landscape has long been shaped by deeply rooted cultural practices, where savings are traditionally embedded within the concept of the kutumb (family unit). In this system, financial decisions are often collective, intergenerational, and guided by values such as prudence, security, and long-term stability. While these traditional saving mechanisms—such as gold accumulation, land ownership, and informal lending—have ensured a degree of financial resilience, they often limit the potential for wealth multiplication in a rapidly evolving economic environment.

With the expansion of formal financial markets, instruments like mutual funds have emerged as powerful tools for wealth creation through diversification, professional management, and accessibility via Systematic Investment Plans (SIPs). However, despite their advantages, mutual funds remain underutilized in many semi-urban and culturally rooted regions such as Guntur in Andhra Pradesh. This gap is not merely due to lack of access, but also due to limited financial literacy, trust deficits, and a disconnect between modern financial products and traditional belief systems.

In this context, the framework of Indian Knowledge Systems (IKS) offers a meaningful bridge between tradition and modernity. IKS encompasses indigenous knowledge, philosophical principles, and socio-economic practices that have guided Indian society for centuries. Concepts derived from classical texts such as the Arthashastra emphasize ethical wealth creation, risk management, and the importance of collective prosperity. By aligning mutual fund awareness initiatives with these

culturally resonant principles, financial education can become more relatable, acceptable, and impactful.

## II. REVIEW OF LITERATURE

The review of literature from 2017 to 2025 clearly shows a progressive understanding of investor awareness and behavior towards mutual funds in India. Starting with Swain and Dash (2017), the focus was primarily on the importance of investor education, financial literacy, and awareness in influencing mutual fund adoption. Their study highlighted that better knowledge about risk-return relationships and performance plays a crucial role in shaping investor perception and participation.

In recent years, studies such as Maheshwari, Jha, and Mandil (2022) and Sharma and Joshi (2023) emphasized the growing role of mutual funds in channelizing household savings into capital markets. These studies also revealed that investment decisions are often influenced by external sources like financial advisors, friends, and brokers. Additionally, awareness about systematic investment plans (SIPs) has increased significantly, making them a preferred option for disciplined and long-term investment.

Further, contemporary research including Ansal and Anbumalar (2024), Roy (2024), Aggarwal, Dey, and Datt (2025), and Bhavana and Narender (2025) highlights that investor awareness has improved but still remains uneven across regions. These studies underline the influence of demographic factors, behavioral biases, fintech platforms, and digital accessibility in shaping investment behavior. Overall, the literature indicates that while awareness and participation in mutual funds are increasing, there is still a strong need for enhanced financial education, advisory



support, and digital inclusion to promote informed investment decisions.

**Objectives of The Study**

- To examine the level of investor awareness regarding mutual funds in Guntur City
- To analyze the factors influencing investment decisions of investors towards mutual funds
- To study the impact of demographic variables such as age, income, and occupation on investment behavior
- To evaluate investors’ preferences between mutual funds and other traditional investment options
- To suggest measures for improving investor awareness and participation in mutual funds

**Research Gaps Identified**

- Limited studies focusing specifically on semi-urban cities like Guntur, where investor awareness may differ from metropolitan areas
- Lack of detailed research connecting investor awareness with actual investment behavior in mutual funds
- Insufficient focus on the impact of behavioral factors such as risk perception and peer influence on investment decisions
- Limited studies examining the effectiveness of financial literacy programs and awareness campaigns in improving mutual fund participation
- Gap in understanding how digital platforms and fintech services influence awareness and accessibility among small investors

**III. RESEARCH METHODOLOGY**

**1. Research Design**

The study adopts a descriptive and analytical research design to examine the level of investor awareness towards mutual funds and to analyze the factors influencing their investment decisions.

**2. Data Source**

The study is based on both primary and secondary data. Primary data is collected through a structured questionnaire from respondents in Guntur City. Secondary data is gathered from reliable sources such as journals, research papers, AMFI reports, SEBI publications, financial websites, and previous studies related to mutual funds.

**3. Tools and Techniques**

The analysis is conducted using the following tools:

- Tables
- Bar charts and pie charts
- Percentage analysis

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	0.540	1	0.462
Continuity Correction	0.326	1	0.568

Likelihood Ratio	0.538	1	0.463
Fisher’s Exact Test	—	—	0.566
Linear-by-Linear Association	0.534	1	0.465
N of Valid Cases	89	—	—

**Chi-square test**

**Variables Considered**

- Investor awareness level
- Risk perception
- Return expectations
- Investment preferences
- Financial literacy level
- Influence of advisors

**Hypothesis 1**

Gender vs Investment Decision

**Interpretation of Chi-Square Test**

The Pearson Chi-Square value is 0.540with1 degree of freedom, and the correspondingp-value (Asymp. Sig.) is 0.462.Since the p-valueis greater than the standard significance level of 0.05, the result isnot statistically significant.

This indicates that there is no significant association between the variables under study. In other words, the observed differences between categories are likely due to chance rather than any real relationship.

The Continuity Correction (p = 0.568)andLikelihood Ratio (p = 0.463) also support this conclusion, as their p-values are greater than 0.05.

Additionally, the Fisher’s Exact Test (p = 0.566) confirms the same result, which is particularly useful when sample sizes are small.

The Linear-by-Linear Association (p = 0.465)further shows that there is no significant linearrelationshipbetween the variables.

**Conclusion**

**Hypothesis 2**

Awareness vs Future Investment

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.452	1	0.001
Continuity Correction	9.102	1	0.003
Likelihood Ratio	10.987	1	0.001
Fisher’s Exact Test	—	—	0.002
Linear-by-Linear Association	10.331	1	0.001
N of Valid Cases	89	—	—

**Interpretation of Chi-Square Test (Awareness vs Future Investment)**

The Pearson Chi-Square value is 10.452with1 degree of freedom, and thep-value (Asymp.Sig.) is 0.001. Since the



p-value is less than the significance level of 0.05, the result is statistically significant.

This indicates that there is a significant association between awareness and future investment decisions. In other words, the level of awareness influences or is related to the likelihood of making future investments.

The Continuity Correction ( $p = 0.003$ ) and Likelihood Ratio ( $p = 0.001$ ) also support this finding, as their p-values are below 0.05, confirming the presence of a statistically significant relationship.

Additionally, the Fisher's Exact Test ( $p = 0.002$ ) further validates the result, indicating strong evidence of association even under exact testing conditions.

The Linear-by-Linear Association ( $p = 0.001$ ) suggests that there is also a significant linear relationship, meaning that as awareness increases, the tendency for future investment also increases.

### Conclusion

Since all p-values are less than 0.05, we reject the null hypothesis ( $H_0$ ) and conclude that: There is a significant relationship between awareness and future investment. Higher awareness leads to a greater likelihood of future investment decisions

### Hypothesis 3

Education vs Awareness

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.189	2	0.006
Likelihood Ratio	10.874	2	0.004
Linear-by-Linear Association	6.842	1	0.009
N of Valid Cases	89	—	—

### Interpretation of Chi-Square Test

The Pearson Chi-Square value is 10.189 with 2 degrees of freedom, and the p-value (Asymp. Sig.) is 0.006. Since the p-value is less than 0.05, the result is statistically significant.

This indicates that there is a significant association between the variables. The differences observed among the categories are not due to chance, but reflect a real relationship.

The Likelihood Ratio ( $p = 0.004$ ) further supports this conclusion, as it is also less than 0.05, confirming the statistical significance of the association.

The Linear-by-Linear Association ( $p = 0.009$ ) is also significant, suggesting that there is a meaningful linear trend between the variables. This means that as one variable changes, the other variable tends to change in a consistent direction.

### Conclusion

Since all p-values are below 0.05, we reject the null hypothesis ( $H_0$ )

There is a significant relationship between the variables. A consistent trend exists between them, indicating a meaningful association

### Findings

- Awareness about mutual funds is moderate, but detailed knowledge regarding types, risk-return relationship, and concepts like NAV is limited
- Traditional investment options such as gold, real estate, and fixed deposits are still preferred due to safety concerns and risk aversion
- Demographic factors like age, education, and income significantly influence awareness and participation levels
- Investors rely heavily on informal sources like friends, relatives, and agents, leading to less informed decision-making
- Digital platforms are increasing accessibility, especially among younger investors, but lack of financial literacy and regulatory awareness remains a challenge

### Suggestions

- Conduct financial literacy programs and awareness campaigns through institutions and government bodies
- Simplify mutual fund information using clear language and regional communication methods
- Promote user-friendly digital platforms with educational tools and guidance for investors
- Encourage ethical and personalized financial advisory services to build trust
- Strengthen investor protection measures and increase awareness about regulatory bodies

## IV. CONCLUSION

The study concludes that mutual fund awareness in Guntur city is improving but still not at a satisfactory level. While investors have basic knowledge, detailed understanding and confidence remain limited, leading to a preference for traditional investment options. However, increasing digitalization and the involvement of younger investors indicate a positive shift towards mutual funds. Enhancing financial literacy, improving accessibility, and strengthening awareness

initiatives are essential to bridge the gap between savings and investments and to promote sustainable economic growth.

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