

Investor Perceptions Towards Sustainable Investment in Mutual Funds: A Case Study of Delhi-NCR

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Abstract: *This study examines investor perceptions towards sustainable investment in mutual funds with special reference to the Delhi-NCR region. The research analyses awareness levels, perceived risk and return, motivating factors, and challenges faced by investors. Primary data was collected through a structured questionnaire from 100 respondents, supported by secondary sources such as SEBI and AMFI reports. The findings indicate growing awareness and positive attitudes towards sustainable mutual funds, though concerns regarding return uncertainty and lack of ESG information persist.*

Keywords - Sustainable Investment , ESG Investing , Mutual Funds , Investor Perception , Risk-Return Trade off

1. Introduction

Sustainable investment integrates environmental, social, and governance (ESG) factors into investment decision-making. In recent years, investors have increasingly focused on ethical and responsible investment avenues alongside financial returns. Mutual funds provide an effective platform for promoting sustainable investment among retail investors in India.

2. Research Objectives

1. To assess awareness of sustainable mutual funds among investors in Delhi-NCR.
2. To analyse investor perception regarding risk and return.
3. To identify factors influencing sustainable investment decisions.
4. To study challenges faced by investors.
5. To suggest measures to promote sustainable mutual fund investments.

3. Research Methodology

The study adopts a descriptive research design. Primary data was collected using a structured questionnaire from 100 investors in Delhi-NCR through convenience sampling. Secondary data was sourced from journals, SEBI and AMFI reports, and financial publications. Percentage analysis was used for data interpretation.

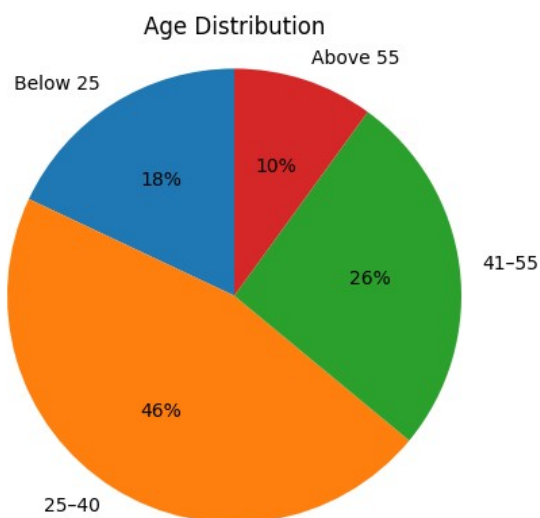
4. Data Analysis and Interpretation

Table 1: Age-wise Distribution of Respondents

Age Group	Respondents	Percentage
Below 25	18	18%
25–40	46	46%
41–55	26	26%
Above 55	10	10%
Total	100	100%

Interpretation: Majority of respondents belong to the 25–40 age group.

Figure 1: Age-wise Distribution of Respondents (Pie Chart)



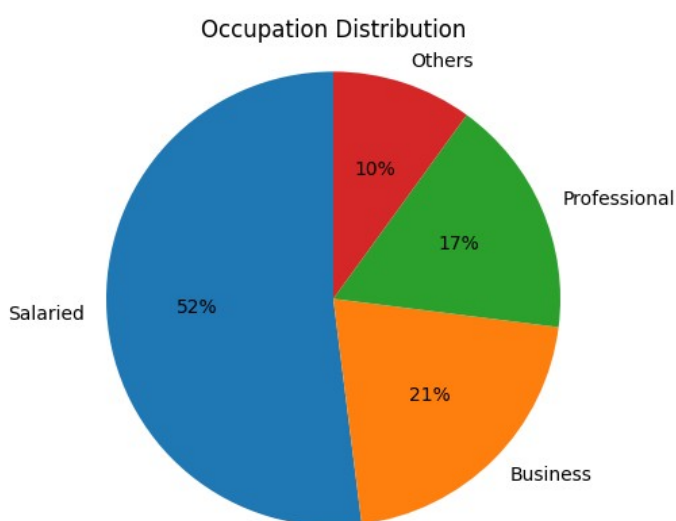
Source: Primary Data

Table 2: Occupation-wise Distribution of Respondents

Occupation	Respondents	Percentage
Salaried	52	52%
Business	21	21%
Professional	17	17%
Others	10	10%
Total	100	100%

Interpretation: Salaried individuals form the largest group of investors.

Figure 2: Occupation-wise Distribution of Respondents (Pie Chart)



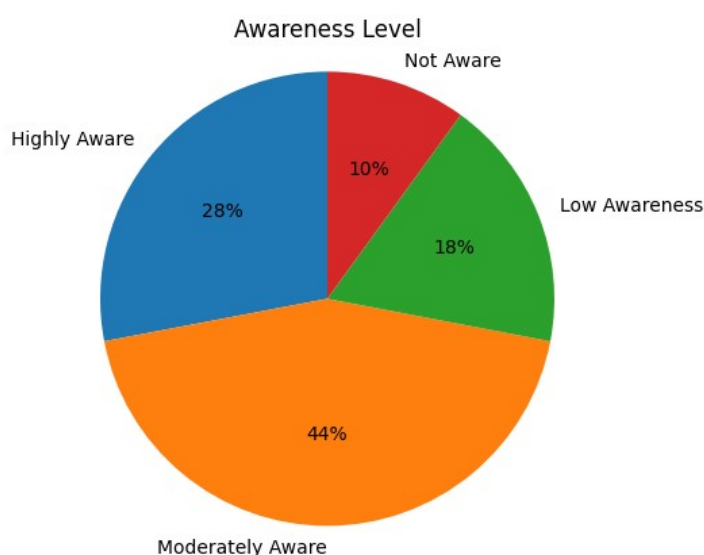
Source: Primary Data

Table 3: Awareness Level of Sustainable Mutual Funds

Awareness Level	Respondents	Percentage
Highly Aware	28	28%
Moderately Aware	44	44%
Low Awareness	18	18%
Not Aware	10	10%
Total	100	100%

Interpretation: Most respondents are moderately or highly aware.

Figure 3: Awareness Level of Sustainable Mutual Funds (Pie Chart)



Source: Primary Data

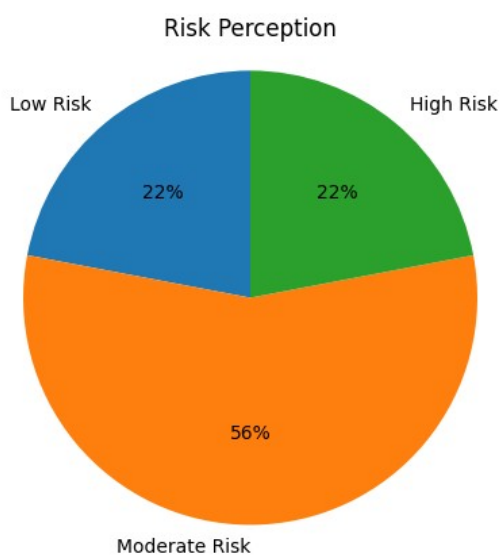
Table 4: Perceived Risk Level

Risk Level	Respondents	Percentage
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Low Risk	22	22%
Moderate Risk	56	56%
High Risk	22	22%
Total	100	100%

Interpretation: Sustainable mutual funds are perceived as moderately risky.

Figure 4: Perceived Risk Level (Pie Chart)



Source: Primary Data

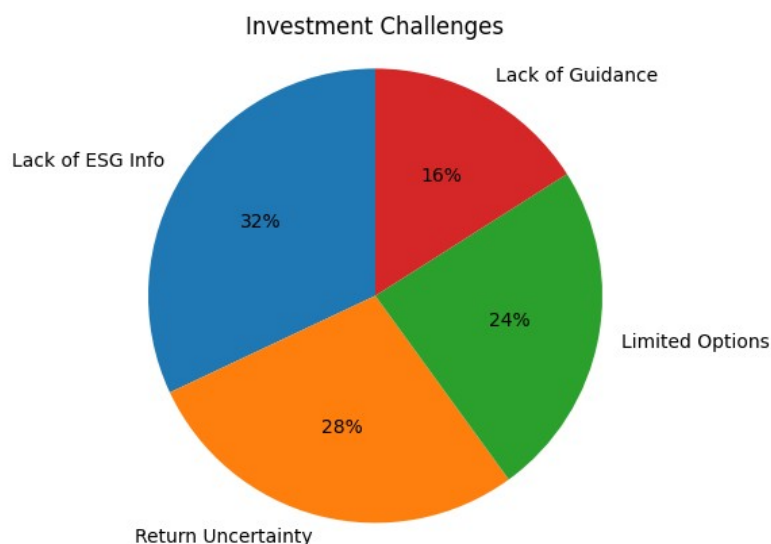
Table 5: Challenges Faced by Investors

Challenge	Respondents	Percentage
Lack of ESG Information	32	32%

Return Uncertainty	28	28%
Limited Fund Options	24	24%
Lack of Guidance	16	16%
Total	100	100%

Interpretation: Lack of ESG information is the major challenge.

Figure 5: Challenges in Sustainable Mutual Fund Investment (Pie Chart)



Source: Primary Data

5. Findings

- Awareness of sustainable mutual funds is increasing.
- Investors prefer long-term stability over short-term gains.
- Younger investors show higher inclination towards ESG investments.
- Information gaps and return uncertainty remain key barriers.

6. Suggestions

Asset management companies should improve ESG disclosures and conduct investor education programs. Financial advisors should actively promote sustainable funds, while regulators may encourage innovation and standardisation in ESG reporting.

7. Conclusion

Sustainable mutual funds are gradually gaining acceptance among investors in Delhi-NCR. With increased awareness, transparency, and consistent performance, sustainable investing can emerge as a mainstream investment avenue in India.

8. Questionnaire

This section includes the structured questionnaire used for data collection, covering demographic profile, investment behaviour, awareness, perception, and challenges related to sustainable mutual fund investments.

Instructions: Please tick (✓) the appropriate option. The information provided will be kept confidential and used only for academic purposes.

Section A: Demographic Profile

1. Age: ☐ Below 25 ☐ 25–40 ☐ 41–55 ☐ Above 55
2. Gender: ☐ Male ☐ Female ☐ Other
3. Occupation: ☐ Salaried ☐ Business ☐ Professional ☐ Others
4. Annual Income: ☐ Below ₹5 Lakhs ☐ ₹5–10 Lakhs ☐ ₹10–20 Lakhs ☐ Above ₹20 Lakhs

Section B: Investment Behaviour

5. Do you invest in mutual funds? ☐ Yes ☐ No
6. Investment Experience: ☐ Less than 1 year ☐ 1–3 years ☐ 3–5 years ☐ More than 5 years
7. Preferred Investment Horizon: ☐ Short-term (Below 3 years) ☐ Medium-term (3–5 years) ☐ Long-term (Above 5 years)

Section C: Awareness of Sustainable Mutual Funds

8. Awareness Level: ☐ Highly Aware ☐ Moderately Aware ☐ Low Awareness ☐ Not Aware
9. Source of Information: ☐ Financial Advisor ☐ Social Media ☐ News/Financial Journals ☐ Friends/Family ☐ AMC Websites
10. Have you invested in sustainable mutual funds? ☐ Yes ☐ No

Section D: Perception of Risk and Return (1 = Strongly Disagree, 5 = Strongly Agree)

11. Sustainable mutual funds provide competitive returns. 1 2 3 4 5
12. Sustainable funds are less risky than conventional funds. 1 2 3 4 5
13. ESG factors improve long-term performance. 1 2 3 4 5
14. I prefer sustainable funds over traditional funds. 1 2 3 4 5

Section E: Motivating Factors

15. What motivates you to invest in sustainable funds?

☐ Environmental Concern ☐ Social Responsibility ☐ Long-term Growth ☐ Ethical Considerations ☐ Brand Reputation

Section F: Challenges

16. Major challenges faced: ☐ Lack of ESG Information ☐ Return Uncertainty ☐ Limited Fund Options ☐ Lack of Professional Guidance

17. Improved ESG disclosures will increase your investment? ☐ Yes ☐ No ☐ Maybe

Section G: Suggestions

18. Measures to promote sustainable investing: ☐ Investor Awareness Programs ☐ Better Transparency ☐ Government Incentives ☐ Standardized ESG Reporting

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