



A Study on the Wealth Creation Through SIP at ICICI Bank

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Abstract:

Systematic Investment Plans (SIPs) have emerged as one of the most popular investment methods for individuals seeking long-term wealth creation. SIPs allow investors to invest a fixed amount regularly in mutual funds, helping them benefit from rupee cost averaging and the power of compounding. Financial institutions like ICICI Bank promote SIPs as an accessible and disciplined approach to investing for individuals across income groups. This study examines the role of SIP investments in wealth creation and analyses investor awareness, preferences, and satisfaction with SIPs offered by ICICI Prudential Mutual Fund. The research is based on primary data collected through a questionnaire survey of 50 respondents in Hyderabad. Secondary data were obtained from journals, financial reports, and relevant websites. The findings indicate that SIPs are considered a safe and convenient investment option for long-term financial goals such as retirement planning, education, and wealth accumulation. The study also highlights factors influencing investor decisions, including risk perception, returns, and financial awareness. The research concludes that SIP investments play a significant role in encouraging disciplined savings and long-term wealth creation among investors.

Keywords: SIP, Mutual Funds, Wealth Creation, Investment.

Introduction:

Investment plays a crucial role in financial planning and wealth creation. In recent years, mutual funds have gained popularity among investors due to their potential for higher returns and professional management. One of the most effective ways of investing in mutual funds is through a Systematic Investment Plan (SIP).

A SIP allows investors to invest a fixed amount at regular intervals, usually monthly, in mutual fund schemes. This method helps investors develop financial discipline while reducing the impact of market volatility through rupee cost averaging.

Financial institutions such as ICICI Bank provide SIP investment opportunities through their mutual fund platforms like ICICI Prudential Mutual Fund. These plans are designed to help investors gradually build wealth over time through compounding returns.

Problem Statement:

Despite the availability of multiple investment options, many individuals still lack awareness about SIP investments and their potential for long-term wealth creation. Therefore, this study aims to analyse investor awareness, perception, and effectiveness of SIP

investments in wealth creation through ICICI Bank.

Literature Review:

Several researchers have studied the importance of SIP investments in wealth creation and financial planning.

Sharma (2018) studied investor perception towards mutual fund SIPs and found that SIPs are preferred by investors due to their affordability and disciplined investment approach.

Gupta and Jain (2019) analysed the growth of mutual fund investments in India and concluded that SIP investments help investors reduce market risk through rupee cost averaging.

Rao (2020) examined the factors influencing investor decisions in SIP investments and identified financial awareness, risk tolerance, and expected returns as major determinants.

Patel (2021) studied wealth creation through SIP investments and highlighted the role of compounding in generating long-term returns for investors.

These studies collectively suggest that SIPs are an effective tool for long-term financial planning and wealth accumulation.

Objectives of the Study:

1. To analysed investor awareness about SIP investments at ICICI Bank.
2. To examine the role of SIP in long-term wealth creation.
3. To study investor preferences and satisfaction with SIP investments.

Research Questions:

1. Are investors aware of SIP investment opportunities offered by ICICI Bank?
2. Does SIP investment contribute significantly to wealth creation?
3. What factors influence investors to choose SIP investments?

Research Methodology:

1. Research Design:

The study uses a descriptive research design to analyse investor awareness and perceptions regarding SIP investments.

2. Sample Size:

The sample size of the study consists of 50 respondents.

3. Sample Area:

The study was conducted in Hyderabad and Secunderabad.

4. Data Collection:

Primary Data:

Primary data were collected through a structured questionnaire survey among investors.

Secondary Data:

Secondary data were collected from journals, financial reports, books, and websites related to mutual funds and SIP investments.

5. Sampling Technique:

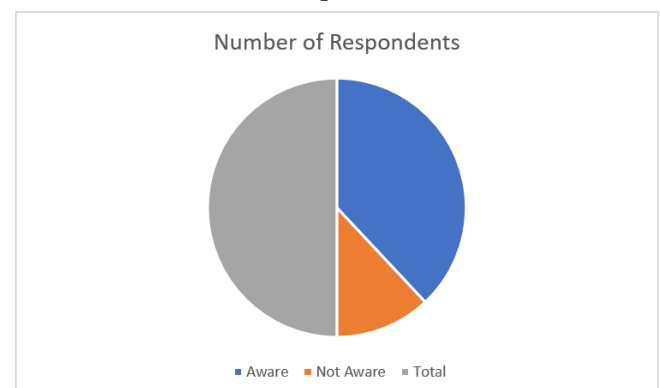
The study used a convenience sampling technique to collect data from respondents.

Data Analysis:

Table 1: Awareness of SIP Investment

Response	Number of Respondents	Percentage
Aware	38	76%
Not Aware	12	24%
Total	50	100%

Graph 1



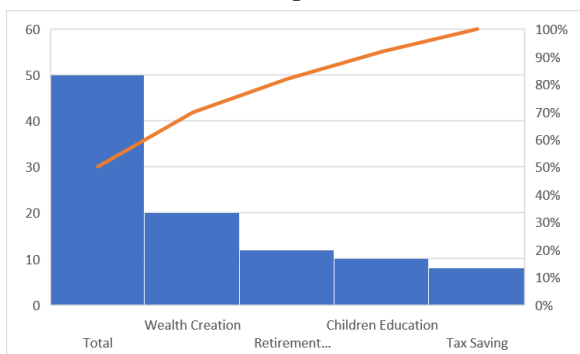
Interpretation:

The table indicates that 76% of respondents are aware of SIP investments, while 24% are not aware. This shows that SIP investment awareness is relatively high among investors, but there is still scope for increasing financial literacy.

Table 2: Purpose of Investing in SIP

Purpose	Respondents
Wealth Creation	20
Retirement Planning	12
Children Education	10
Tax Saving	8
Total	50

Graph 2

**Interpretation:**

The data reveals that wealth creation is the primary purpose for investing in SIPs, followed by retirement planning and children's education. This indicates that investors view SIPs as a long-term investment strategy.

Findings:

1. Most respondents are aware of SIP investment options.
2. SIP investments are mainly preferred for long-term wealth creation.
3. Investors consider SIP a disciplined and low-risk investment method.

4. ICICI Bank plays an important role in promoting SIP investments among individuals.

Suggestions:

1. Financial institutions should conduct awareness programs about SIP investments.
2. Banks should provide simplified digital platforms for SIP investments.
3. Investors should be educated about the benefits of long-term investment and compounding.

Conclusion:

SIP investments have become an effective method for individuals to create wealth gradually over time. The study shows that investors prefer SIPs due to their affordability, disciplined approach, and long-term benefits. Financial institutions like ICICI Bank play an important role in promoting mutual fund investments among individuals. With increased awareness and financial literacy, SIP investments can significantly contribute to the financial stability and wealth creation of investors.

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