CHAPTER V

FINDINGS, SUGGESTIONS AND CONCLUSION

This chapter deals with three divisions of the research results namely, findings, suggestions and conclusion. After the careful analysis of the data collected, the researcher has made a summary of findings and the suggestions for the further developments in the respective area.

FINDINGS

The majority of the respondents 64 per cent were male. It shows their interest in investment as well as its non awareness of the female respondents on the investment.

Out of the total respondents (40.6 per cent) were above the age of 55 years. It reveals that the respondents age group is the basis for earnings and interest in the investment activities with maturity.

The majority of the total respondents (61.4 per cent) were married.

47.6 per cent had one dependent in the family and the minimum of 43 respondents (8.6 per cent) have four dependents. This shows the responsibility of the different respondents on the investment activities due to their adoptions.

Majority of the respondents (32.4 per cent and 38.4 per cent) utilized telephone and internet for their communication. This shows the availability and reliability of these two modes of communication to the respondents.
Out of the total respondents 47.2 per cent were professionals. It reveals that it literacy level is the basis for the new ideas and dimensions of the respondents towards the investment activities.

The majority of the total respondents (29.8 per cent) were pensioners. Since the pensioners have no other occupation, they inclined towards it investment activities.

46.6 per cent respondent’s monthly income was below Rs.30000. It reveals that the income of the respondents is the basis for their livelihood and investment activities.

The majority of the total respondents’ (38.6 per cent) source of investment decision was television.

Out of the total 500 respondents, majority of the respondents (59.8 per cent) belongs to the category of hereditary investors. It reveals that the traditional knowledge and environment are inducement for the investment activities.

The majority of the total respondents (63 per cent) invested in primary market. It reveals that the primary market attracts and provides returns as per the investor’s expectation.
Out of the total 500 respondents 48 per cent were dealing with investment for more than 5 years. It reveals the investment density is experience of the respondents.

The majority of the respondents (61.8 per cent) occasionally invested in shares. It reveals that the respondents choose their own time for investment activities.

49.8 per cent respondents’ source for investment in share is other than savings, borrowing and business incomes.

From the total respondents’ 38.4 per cent respondents present share holding value is above Rs.10 lakhs. It reveals their confidence in equity share holding.

The majority of the total respondents (51.8 per cent) had above 30 percentage of their wealth in shares. It shows their confidence in holding equity shares.

294 respondents (58.8 per cent) of the total respondents have been using the offline mode for their trading activities due to the easy access of the cliental services at their convenience.

The majority of the total respondents’ 64.6 per cent average holding is less than Rs.10 lakhs.
Out of the total 500 respondents 68.4 per cent had membership in investor forum. It reveals their trust and confidence in the investor forum.

68.4 per cent respondents incurred loss during the past period in share holding activity.

The majority of the respondents (45.6 per cent) chose NSE for their dealing of the share. It shows their confidence and trust in NSE.

The majority of the total respondents (41.2 per cent) rely on broker’s advice for investment decision. It reveals that they made investment decision by expert advice.

Out of the total respondents 38.2 per cent have short term appreciation as their purpose of investment.

The gold and silver are preferred first by 145 respondents (29.0 per cent); the fixed deposits are ranked 2nd by 107 respondents (21.4 per cent); and the stocks futures and options are ranked 3rd by 141 respondents (28.2 per cent) among all the forms of investments. Thus, it is preferred by the investors that the gold and silver, fixed deposits and the stock futures and options as their forms of investments.

The majority of the total respondents (41 per cent) expected more than 45 per cent return on their investment.
Out of the total respondents 69.8 per cent received stable income from their investment in shares.

The majority of the total respondents (64.8 per cent) willing to continue to make investment in shares.

The majority of the respondents (73.6 per cent) satisfied with the investors measures of SEBI.

The majority of the respondents (73.6 per cent) registered complaint with SEBI. It reveals their trust and consideration in SEBI’s investors protection measures.

**CHI SQUARE TEST**

There is significant difference between the Type of investors and the age of the respondents.

There is no significant difference between the Type of investors and the marital status of the respondents.

There is no significant difference between the Type of investors and number of dependent in the family.

There is significant difference between the Type of investors and occupation.

There is no significant difference between the Type of investors and the Monthly income of the respondents.
There is no significant difference between the Gender and the membership in investors’ forum.

There is no significant difference between the Age and the membership in investors’ forum.

There is no significant difference between the marital status and the membership in investors’ forum.

There is no significant difference between the No. of dependent in the family and the membership in investors’ forum.

There is no significant difference between the Communication facilities and the membership in investors’ forum.

There is no significant difference between the Educational background and the membership in investors’ forum.

There is no significant difference between the Occupation and the membership in investors’ forum.

There is no significant difference between the Monthly family income and the membership in investors’ forum.

There is no significant difference between the Type of investors and the membership in investors’ forum.

There is no significant difference between the Type of markets and the membership in investors’ forum.
There is no significant difference between the Duration of investment in shares and the membership in investors’ forum.

There is no significant difference between the nature of investor and the membership in investors’ forum.

There is no significant difference between the utilized sources and the membership in investors’ forum.

There is no significant difference between the holding share value and the membership in investors’ forum.

There is no significant difference between the proportion wealth in share and the membership in investors’ forum.

There is a significant difference between the Gender and the purpose of investment.

There is a significant difference between the Age and the purpose of investment.

There is a significant difference between the marital status and the purpose of investment.

There is a significant difference between the no of dependent and the purpose of investment.

There is a significant difference between the communication facilities and the purpose of investment.
There is no significant difference between the educational background and the purpose of investment.

There is no significant difference between the occupation and the purpose of investment.

There is no significant difference between the monthly income and the purpose of investment.

There is no significant difference between the type of investors and the purpose of investment.

There is no significant difference between the type of markets and the purpose of investment.

There is no significant difference between the Duration of investment in shares and the purpose of investment.

There is no significant difference between the Type of investor and the purpose of investment.

There is a significant difference between the utilized sources and the purpose of investment.

There is a significant difference between the value of holding share and the purpose of investment.

There is a significant difference between the proportion of wealth in shares and the purpose of investment.
There is a significant difference between the proportion of wealth in shares and the capital gain.

There is no significant difference between the proportion of wealth in shares and the regular income.

There is no significant difference between the proportion of wealth in shares and the easy liquidity.

There is a significant difference between the proportion of wealth in shares and the safety.

There is no significant difference between the proportion of wealth in shares and others.

There is no significant difference between the proportion of wealth in shares and tax benefit.

There is a significant difference between the proportion of wealth in shares and the rights/bonus issues.

There is a significant difference between the proportion of wealth in shares and the hedge.

There is no significant difference between the proportion of wealth in shares and investors’ opinion for the protection measures in SEBI.

There is no significant difference between the proportion of wealth in shares and information related measures.
There is no significant difference between the proportion of wealth in shares and improvement of market infrastructure.

There is no significant difference between the proportion of wealth in shares and grievances handling.

There is no significant difference between the proportion of wealth in shares and return related measures.

There is no significant difference between the proportion of wealth in shares and improvement of the efficiency of intermediaries.

There is no significant difference between the proportion of wealth in shares and market regulation measures.

There is no significant difference between the proportion of wealth in shares and prevention of promoters.

ANOVA

There is a significant difference between the duration of investment of shares and capital gains.

There is no significant difference between the duration of investment of shares and regular income.

There is a significant difference between the duration of investment of shares and Easy liquidity.
There is a significant difference between the duration of investment of shares and Safety.

There is a significant difference between the duration of investment of shares and others.

There is no significant difference between the duration of investment of shares and Tax benefits.

There is a significant difference between the duration of investment of shares and Right/Bonus issues.

There is no significant difference between the duration of investment of shares and Hedge.

There is no significant difference between the duration of investment of shares and Information related measures.

There is no significant difference between the duration of investment of shares and Improvement of market infrastructure.

There is no significant difference between the duration of investment of shares and Grievances handling.

There is no significant difference between the duration of investment of shares and Return related measures.

There is no significant difference between the duration of investment of shares and Improvement of the efficiency of intermediaries.
There is no significant difference between the duration of investment of shares and Market Regulation measures

There is no significant difference between the duration of investment of shares and Prevention of Promoters

There is a significant difference between the investment amount of shares and capital gains.

There is a significant difference between the investment amount of shares and Regular Income.

There is no significant difference between the investment amount of shares and Easy liquidity.

There is no significant difference between the investment amount of shares and Safety.

There is no significant difference between investment amount of shares and others.

There is a significant difference between the investment amount of shares and Tax benefits.

There is no significant difference between investment amount of shares and Rights/Bonus issues.

There is a significant difference between the investment amount of shares and Hedge.
There is no significant difference between the investment amount of shares and investors’ opinion for the protection measures in SEBI.

There is no significant difference between the investment amounts of shares and opinion of complaints registered to SEBI.

There is no significant difference between the investment amount of shares and Information related measures.

There is no significant difference between the investment amount of shares and Improvement of market infrastructure.

There is no significant difference between the investment amount of shares and Grievance handling.

There is no significant difference between the investment amount of shares and Return related measure.

There is no significant difference between the investment amount of shares and Improvement of the efficiency of intermediaries.

There is no significant difference between the investment amount of shares and Market regulation measures.

There is no significant difference between the investment amount of shares and Prevention of promoters.
**T test**

There is no significant difference between the type of investors and capital gains.

There is no significant difference between the type of investors and regular income.

There is a significant difference between the type of investors and easy liquidity.

There is no significant difference between the type of investors and safety.

There is no significant difference between the type of investors and others.

There is a significant difference between the type of investors and Tax benefits.

There is no significant difference between the type of investors and Right/Bonus issue.

There is no significant difference between the type of investors and Hedge.

There is a significant difference between the type of investors and investors’ opinion for the protection measures in SEBI.
There is a significant difference between the type of investors and opinion of complaints registered to SEBI.

There is a significant difference between the type of investors and Information related measures.

There is no significant difference between the type of investors and Grievances handling.

There is no significant difference between the type of investors and Return related measure.

There is no significant difference between the type of investors and Improvement of the efficient of intermediaries.

There is no significant difference between the type of investors and Market regulation measures.

There is no significant difference between the type of investors and Prevention of promoters.
SUGGESTIONS

The following are the suggestions made by the researcher for improving the interest, awareness and the perception of the investors towards equity markets.

SUGGESTIONS IN SPECIFIC

1. The investors have perceived the equity markets as an investment avenue that would provide more benefits than others. But they do not understand that they will be in long run. Hence, it is suggested that the SEBI have to conduct an awareness programme through the consultants for further investment mobilization as well as to well inform the investors about the schemes of all kinds of caps.

2. The different market segments have to be suited to the needs of the investors according to their requirements. The equity funds have to be differentiated with short term capital funds, long term capital funds etc., so that the investors would come forward with properly planned of their investments.

3. The investors would not differentiate the funds conveniently as mid caps and short caps. Hence, the consultants have to inform them about the kinds of funds, the investment periods, the benefits according to the SENSEX as and when it is to be calculated etc so that the investors would be kept well informed.
4. The consultants or the officials of the companies offering the equity funds have to provide the proper data on account apart from the mailings and dispatch of account statements, about the investments made, prevailing values, redemption with as on date, and the prospects in terms of values to the individual customers, so that they would be aware of their pattern of investments in future.

5. Majority of investors invests in capital and equity markets are not clear with the objective and constraints of their investment. Hence the nodal agencies have to provide the high level of quality services to bridge the gap between the lack of awareness and risk elements in equity investments.

6. Investors should be well informed to judge their investment objective and risk before going for the proposal of schemes. Most specifically the plans and schemes, the offers, the time horizons have to be taught as they fetch more benefit to the investors in a form of regular cash inflows.

7. The funds have to be overruling the minds of the investors regarding the safety and tax savings as the important factors affecting the investment in various avenues by the investors. Hence, there is a need for developed strategies for enhancing the common investor confidence such as good return, transference investor education, guidance etc.
8. The investors expected moderate return and accepted the moderate or minimum risk. Hence, the equity funds are to act as a major factor in the choice of schemes, because the investors had the normal level of confidence towards the equity funds and had a moderate level of confidence on benchmarking.

9. The requirement of investors is the day-to-day disclosure of market conditions and the provision for more tax rebates on investments in equity funds. Hence the data providing agencies have to do the favour for the investors to keep them with morale on the equity markets positively.

10. The investors should spend some time to understand about the company’s reputation before betting on them. This is more important in the case of equity funds where the profile of the company and the background of the company can have significant impact on the returns.

11. One of the significant concerns among the equity fund investors is the fee that is charged as part of the scheme for the sale and purchase of securities. Despite the efforts taken by SEBI to improve the transparency of those funds transactions, the list of associated fees still remains a mystery. The equity fund investors were found to exhibit moderate awareness on the fee charges and knowledge about the various schemes, their features and their performance. Investors should make use of all the available channels to understand the scheme and the associated fees better.
12. As the equity funds are risky investments, only investors with thorough knowledge of the markets can survive in the capital as well as equity markets. Hence any investor planning for investment in equity funds should understand the associated risks and gain a thorough knowledge of the markets to survive.

13. Risk and the associated rewards are seen as a major driving factor with any investment decisions. Investors should take some time to understand their risk taking ability and convince themselves of their risk propensity before landing into any investment decision. Often the risk and rewards are directly proportional and this can be taken as a thumb rule for any investment decisions.

14. Investors are the hub of the capital market. Their satisfaction is the most important. So it should be done by providing safety, return and liquidity for their investments.

15. It is also noted that the small investors perceived the equity funds to be the better investment alternative. But they did not have confidence on the management of funds and regulators of the market. These are also the reasons for redemption too. Hence, the SEBI and the regulators have to keep the investors with high confidence level on the equity and capital fund investments.
16. Mostly the salaried class people regularly track the better performing funds. The occupation group of investors differs with regard to their perception about the returns. Hence, they must be well informed with the product designing, marketing and the management of funds so that the investors would come in front with awareness for further investment in capital and equity funds.

17. SEBI have to concentrate on the rural areas with diversified products, better corporate governance and through introduction of financial planners to capture the rural area people, so that they may become the investors in equity and capital funds; so that the SEBI and other intermediaries should tap the rural investors by conducting awareness programs exclusively for them.

18. Investors should concentrate more on gathering information of equity funds when selecting investment options. They require to be provided with more information related to equity fund style and the investment environment by the capital and equity fund offering companies.

19. The investors must go thoroughly on the schemes, options, types of funds etc before investment in equity funds. This would help them to find the progress and prospects for the investments.

20. The investors are to be satisfied by the equity fund offering companies through their performance after the collection and acquisition of the funds
particularly in profitability unless otherwise the investors would not come forward for further investments.

**CONCLUSION**

Indian capital and equity market has now grown into a great material market with a lot of qualitative inputs and emphasis on investor protection and disclosure norms. The market has become automated, transparent and self-driven. It has integrated with global markets, with Indian companies seeking listing on foreign capital markets exchange, off shore investments coming to India and foreign funds floating their schemes and thus bringing expertise in to our markets. India has achieved the distinction of possessing the largest population of investors next to the U.K., perhaps ours is the country to have the largest number of listed companies with around several equity fund management avenues and National Fund managers most of them automated. India now has world class regulatory system in place. Thus, at the dawn of the new millennium, the equity funds market has increased the wealth of Indian companies and investors. No doubt strong economic recovery, upturn in demand, improved market structure, and other measures have also been the contributory driving forces.

Further, financial services sector is considered to be the nucleus of the growth model designed for the economic development of a vast country like
India. Financial services and markets constitute significant components of the financial system. Development and reforms in this field are inevitable for the growth of our developing economy. Accordingly, a lot of financial reforms have been made, as and when required, for the welfare of the investors and the institutions.

The investors of to-day are well informed than their predecessors of yesterdays. They are better informed and better treated. They want to be secure when they aspire to become rich, wanted to save while they are tempted to spend, want to feel the joy of pride and avoid the pain of regret. However, every agency in the capital and equity market should plan their strategies for profiting the investors in the long term. The potential investor must be properly educated and guided in a manner, so that more idle resources and resources invested in other avenues are diverted towards the equity and capital market. In near future, the firms offering the equity and capital market securities will be the boom for the economy of the nation as well as the wealth of the investors.