CHAPTER 5
SUMMARY, CONCLUSION
AND SUGGESTIONS
SUMMARY

“Investment is the allocation of monetary resources to assets that are expected to yield some gain or positive return over a given period of time. These assets range from safe investment to risky investment. Investments in this form are also called “Financial investment”.

From the point of view of people who invest their funds, they are suppliers of “capital” and in their view, investment is a commitment of a person’s funds to derive future income in the form of interest, rent premiums, pension benefits or the appreciation of the value of principal capital. To the financial investor it is not important whether money is invested for a productive use or for the purchase of secondhand instruments such as existing shares and stocks listed on the stock exchange most investments are considered to be transfers of financial assets from one person to another.

The nature of investment in the financial sense differs from its use in the economic sense, to the economists; investment means the net additions to the economics capital stock which consists of goods and services that are used in the production of other goods and services, in this context the term investment therefore implies the formation of new productive capital in the form of new construction new producers the durable equipment such as plant and equipment investors and human capital are included in the economist’s definition of investment.

The financial and economic meanings of investment are related to each other because investment is a part of the savings of individuals
with flow into the capital market either directly or through institutions, divided in new and secondhand capital financing. Investors as suppliers and investors as users of long term funds find meeting place in the market.

**CONCLUSION**

1. During the Research it was found, confirmed that nearly 93% were males and 7% were females. This means investment decisions are mostly taken by males and why not they are the bread earners and similarly with the entrepreneurs and women executives are on rise the number though less cannot be ruled out easily.

2. The age group of investors under study was as follows 25% respondents i.e. 1250 were found to the in between 20 to 24 years of age 750 respondents were in the age of 25 to 29 years majority respondents is 2 500 amounting to 50% were in between 30 to 34 years of age and only 10% were above the age of 34 years. This shows that the early earners gained experienced and will the come more compact when they the become mature after a decade to understand where there is more return margin.

3. From the information collected about the investors it was found that 39% of investors belong to the category of graduates 20% were found to be post graduates & 16% of the investors under the sample were found to be undergraduates. The remaining 25% were found to be uneducated with no academic educational at their disposal. The sample of graduates & post
graduate segment also includes the professional like Dr.C.A. Auditor ICWA” etc as a potential investors. The only segment which took the help of investment consolidates to the time of 100% were from 25%, segment. Here it can be noticed from the configuration that although 25% respondents are uneducated, these respondents took the professional support while investing in share market other type of investments as regards property and fixed assets they took their self decision as were found to say that they are competent in taking decisions.

4. Of the investors 7% of the respondents were found to be in the income bracket of less than 1 lakh Rs. The highlight of these investors was that the investment made by this segment was primarily educated segment with low income group of less than 1 lakh. The investors from the II group belonging to an income bracket of Rs.1-2 lakh Rs. Were found to be 13%. These are middle level professional, technicians & petty businessman with an average level of investment opportunities. The III segment of investors with an income ranging from 3 to 5 lakh Rs. were found to around 61% of the sample size. This is the segment that is fully aware of the investment opportunities, & awareness, of news available in the market. This segment belongs to the upper middle class business executive’s professionals & the established businessmen who are ready to exploit the opportunities available for investing in the market.

5. The first segment were those who saved Rs.2000/- per month amounting to 14% were mainly small time businessman, nearly 15% of the investor investing belonged to upper middle class
segment 17% of the investors had savings in the bracket of 5000 to 10,000 Rs. Per month. The fourth & biggest segment from 10,000 to 20,000 Rupees savings had persons belonging to professional services and average businessman with steady income throughout the year. The last segment with saving if Rs.20,000 and more included top professional and those businessman who can constantly save a substantial amount from their routine business and ready to invest. Any point of time and the limit is also a very large considering their income & savings.

6. During the course of research it was found that print media proved to be major influence with 41% getting motivated and influenced by print media like newspapers, magazines, different journals from where they got motivated and decided to invest their money in the different prints available. The access to print media was the reason cited because newspapers are frequent, followed by specialized journals which motivated them. Electronic media is playing greater role these days in promotion again greater accessibility and also frequency of advertisements available on electronic media attracted and urged the potential investors to invest their money for future pamphlets that too of specialized nature for special people has its place with the necessary information inscribed in it. It becomes easy for the investor to get himself acquainted with the investment methods and options available to the potential investors. Pamphlets similarly are easy way to reach the customers and inform them. These can be distributed any where from public places to seminar, conferences or any gathering but there days the most
effective medium is putting the hand boll in newspapers, which goes to every nook & corner of the city. Finally 11% of the respondents said they thought of investment because of the different hoarding from where they got the lead and then went into detail investment and finally invested their money. Hence there are numerous factors with which an investor takes a decision to invest.

7. The sources from where the potential investors invest their money are Friends & Relatives, Financial, Advisers, Economic scenario Personal Analysis. Friend’s & relatives proved to be around 44% and the highest motivator from where the investors took opinion & then invested their money in investment on any firm. This is an age of specialization & hence right from hospitals to malls and worker specialist has a great demand and even financial advisors. Hence command a 25% of client at guiding. How to invest their money or rather help them to arrive at a decision regarding the investment. The performance of economy also is the source of investment decision taken frequently. The performance of economy and the condition of market is which they are going to invest their money. The conditions of economy and decisions of Govt. helps the potential investors to make their investment decisions 10% of the sample believed that their overall evaluation helped to arrive at a decision to invest in whatever sector they felt would yield more returns.

8. The investment objective is a critical decision to be made by each & every investor, as to where the investment should be
made how it should be made & which facilitating agency is to be used while investing is a critical question which comes before every investor. The analysis of date collected regarding instrument objections of investor that 20% of the investor invested money only for the safely of their well being. Another 25% of the investor invested because they wanted to generate an extra regular income from their saving which would constantly multiply in near future 30% of the investors had a different pres captions if in remained which invested on secure future and nothing else 20% of the top benefits through savings. This type of saving is not from within but a completion to avail the advantage of pay rebate prompted them to invest. 5% of the investor invested because of capital gains.

9. Here in our study, we had break up the risk tolerance level of the investors, in (a) High Risk (b) Moderate Risk, (c) Low Risk, (d) Nil, respectively. It was found that 52% of the investors are willing to take moderate risk in their investment portfolio, 33% of the investors are willing to take low risk, 4% of the investors are willing to invest their funds in totally risk free avenues, and only 11% of the investors are ready to take high risk in their investment portfolio. Persons who are ready to take high risk are people who have huge savings i.e. professionals & Business class. Moderate Risk takers are these who are salaried class people in middle income group.

10. Here the Return expected by investor is taken into account and classified as:- (a) 5%-10%, (b) 11%-15% (c) 16%-20% (d) More than 20%. The analysis of the collected data put the figures in
front of us that, 43% of the investors expected a returns in the range of 11%-15% while 21% of the investors are gunning for a higher rate of return 16%-20%, 24% of the investors expecting return 5%-10 and 12% are expecting a return of more than 20%. Since the expectation of 11 to 15% profit is average and here the investors are small, while in 20% Big Business Executives, owners are there.

11. The potential and current investor’s option as regards their investment were found to be highest at about 32% in insurance companies. Here the profile of investor included everybody right from the business class to professional and Govt. servants consider being more convenient from all angles and a mindset which is already prepared for investment in insurance sector especially making the investor confident and more reliable type of investment. With the advent of electronic and increasing option of print media have popularized the investment in stock market, here also the main characteristic feature was found to be that those highly educated and businessmen doing specialized business invested in share market. Again Govt. securities because of its nature attracted noting considerably higher than expected percentage of 18% this type of investment was found to be safest and also a type of investment giving high tax rebates invited more and more investments, Mutual funds because of their nature of high rate of return or rather faster growth of mutual funds invited more investment to the tune of 11%. Here also professionals and businessmen with educated Background invested their money in mutual funds. Real estate investment is on rise especially, investors from metropolitan
cities are investing huge amount in Real estate. The most common reason cited is that it is safe and the growth is also substantially high. Here it was found that those businessmen who had a furnishings business with ample savings showed interest in Real estate investment. One more effect come to right that those businessmen who are less educated or with minimum educational qualification choose to invest in Real estate as they said it was convenient for them rather than other investment options. The second unofficial opinion also pointed towards high yield from Real estate investment. Finally some investors around 4% were traditional investors invested in investment in precious metals like gold/diamond which they thought were highly convertible or rather easily convertible anytime hence they preferred investments in precious metals. They serve two purposes at a time, one of using them as and when required and second change their form and sell it wherever required.

12. The knowledge of investment avenues known to the current and potential investors were as follows. 12.5% of investors had nearly complete knowledge about to investment avenues in which they have to invest, and how much to invest in certain sector. 30.5% of investors had a reasonably good awareness of the investment. They are going to make 36.5% if investors had an average knowledge about the investment avenues and there type of people happen to be among those who relied more on financial advisors for their potential investment opportunities in this category nearly 13% were found to have poor knowledge of investment avenues and 7.5% of investor were found to have
very poor knowledge of the investment avenue rather they had money but were ignorant enough to take a decision on their own relating to investment opportunities.

13. 10% of investors monitor the performance of their investment daily. These were especially those investors who invested in shares and are curious about the changes occurring in stock market. Nearly 30% assessed confidently and monitored on weekly basis of their multiplication of the stock market investment and they took decision or rather reviewed, what is to be done with the investment. They made after every week or rather judged from the identical reports published weekly. Similarly nearly 36% of investors reviewed their investment monthly and even waited more than that to take a concrete decision to invest more or shift their investment. These were primarily stock market investors, mutual fund investor and even real estate investors. Finally some investors did not fix anytime for review because they thought. They should give ample time for investment to mature like real estate precious metals, insurance etc. But the mean common feature etc was their confidence with which they invested their money.
SUGGESTION

1. The Awareness level although overall is less here a special effort to increase awareness in females should be the made to that investment becomes easy & frequent.

2. Young investors investment is more formidable as they develop to save and invest similarly with educated customers in this fold will bring investment more frequently.

3. Middle class investments and savings should be targeted as they need to secure their future more than other segments.

4. Communication media most is effectively utilised with customer targeting through electronic, print and media vehicles.

5. Investment Advisor role should increase in all types of investments made by individuals, then only they will invest fast.

6. Income with secure future is the requirement rather than safety or genuine savings hence innovative products for easy investments should be made available instead of complicated products.

7. Research Reveal that customer is ready to take Risk provided the investment is composed and real.

8. More than 75% investors Review their investment within a month shows concern by investor to invest in more profitable avenues hence, product Range and reliability needs to be assured by SEBI & other Govt. Agencies.