giving maximum safety with low risk. With regard to the perception of the respondents all the investment options were considered to fall in the medium category. The relationship between the personal variables and their influence on choosing the investment was shown with the significance in age, marital status, family type and educational qualification factors as these personal variables help the respondents to form an opinion about the investment options. .

Chapter VII

Summary, Findings, Conclusion and Suggestions

7.1 Summary

This research project is entitled "A Study on the Investment Pattern Among Investors with Special Reference to College Teachers inn Madurai City". The major problem under consideration of this study was to discover the pattern of investment adopted by the college teachers and elucidate their expectations to make in reality to achieve their investment objectives. The objectives of the study were as follows.

i. Objectives of the Study

The following were the objectives of the study.

1. To study the existing investment pattern of the respondents
2. To know about the various investment avenues available for the investors for making their investment decision.
3. To study the about the profile of the respondents and their attitude towards investment

4. To analyze the significant factors being considered for taking investment decision while investing in different investment avenues.
5. To identify the factors that influence on the perception of the respondents for investment and
6. To offer suggestions to the policy makers in the context of expectations of investors while they choose their investment alternatives.

ii. Hypotheses

The hypotheses of the study are as follows.

1. There is no relationship between personal profile and opinion towards factors considered for investment decision.
2. There is no significant difference in opinion score about investment alternatives among the group of respondents based on profile of the respondents.

Based on the review of literature it was found that many researchers had studied about the individual's investment alternatives. This study had attempted to cover the major seven investment alternatives **viz.,** shares, mutual fund, bank deposits, post office savings schemes, insurance schemes, gold and real estate investments forming part of the investment pattern of the respondents in addition to the area already discussed by other studies.

iii. Scheme of the Report

The report of the study was organized and presented in seven chapters.

The first chapter formed the introduction and design of the study.

The second and third chapters comprised the theories and conceptual framework of the investment factor.

From the fourth chapter to the sixth chapter an analysis of savings and investment pattern of the college teachers were attempted.

The seventh and final chapter presented the summary, major findings, conclusion from the study and suggestions to the investors, financial institutions and policy makers.

The second and third chapters indicated that there were numerous investment opportunities in India for investors today as the country had put a strong foundation in the aspects of the growing economy making all the countries to find India as a good source for investment. Some of them were long-term projects and call for large investments. Other options included individual investment avenues and products. As far as investment strategies were concerned, they vary from one to another. Business strategies always had to take into account government policies, restrictions and relief.

Prior to embarking on any form of investment, the most important thing that an investor would have to determine was the amount of money that was available for investment in specific investment avenue. At the same time, another thing that would have to be considered was the period for which the money could be invested. Knowing the condition of the market also became crucial. Based on the level of fluctuations in the prices, amount gained was to be determined. . Therefore, the investor should not only consider these factors, but at the same time, they should also get an expert advice in this case.

Even though greater funds were channelized from the household sector in domestic savings, major share of the investment circulated only on very few investments, as investors were not aware of the wide variants, which were offered in each of the investment options. This study, had concentrated particularly on seven different investment options because these options were most commonly found in the investment portfolio of an investor.

Among the assets classification there were marketable and non-marketable assets and real assets. Under marketable assets there were shares and mutual funds. The non-marketable assets comprise of bank deposits, savings schemes, and insurance schemes and under real assets we find gold and real estate investments.

On shares we have equities traded in the stock markets. There were several forms of equities. They were blue chip shares, income shares, growth shares, cyclical shares, defensive shares, and speculative shares. Speculative shares were type of shares which bear higher but give very good return in the short term. One of the recent initiatives taken by the government was Rajiv Gandhi Equity Saving Scheme. The equity investment market in India was unique and more funds were invested in manufacturing, construction, real estate, healthcare and financial services.

Like most developed and developing countries, the mutual fund cult was catching in India as well. Mutual funds though they were popular forms of investment providing cost-efficiency, risk-diversification, professional management, and sound regulation by regulatory authorities like SEBI, AMFI and the central government, the common man was apprehensive of them. Mutual funds investment came in three broad classes of financial assets. They were:

I Stocks: Equity and equity-relation instruments.

II Bonds: Debt instruments that had a maturity of more than one year (treasury securities)

III. Cash: Debt instruments that had a maturity of less than one year (treasury bills, and bank deposits).

Classification of schemes based on structure was open-ended and close-ended schemes. Depending on the asset –mix, mutual fund schemes were classified into three broad categories viz., equity, hybrids, and debt schemes. Within each of these broad categories, there were several sub variants as follows:

a. **Equity Schemes**
   - Diversified Equity Schemes
   - Index Schemes
   - Sectoral Schemes
   - Tax Planning Schemes
   - Arbitrage Schemes

b. **Hybrid Options**
   - Equity Oriented or Growth
   - Debt or Income Oriented
   - Variable Asset Allocation

c. **Debt Options**
   - Gilt Schemes
   - Mixed Debt Schemes
   - Floating Rate Debt Schemes
   - Fixed Maturity Plans
   - Cash Schemes

d. **Other Schemes**
   - Index Funds
   - Fund of Fund Schemes
   - Exchange of Traded Funds and
   - Hedge Funds

The size of Indian mutual fund industry had recorded a healthy growth over the last 15 years. At present, there were about 30 mutual fund companies managing around more than 1000 schemes, which were structured and tailored according to the specific needs of the investors.

Mutual funds had mobilized Rs 83,000 crores in 2009-10, SEBI report declared that this significant level of fund mobilization had helped the total asset under management of mutual funds to grow to Rs 7.5 lakh crores as on August 31, 2012.

In the third chapter other avenues of investments were discussed. They were bank deposits. Bank deposits were of many types. They were savings deposits, recurring deposits and fixed deposits. Deposit growth in banks continued to outpace loan disbursements in the current financial year. As per the data from the Reserve Bank of India, bank deposits grew by Rs 91,853 crores in the period between June 29 and September 7, 2012.

Small savings were also made through post offices. Indian postal department offers several savings schemes, which were safe, and offer relatively high interest rates than bank deposits**.** The various types of post office schemes were Post Office Savings Scheme, Post Office Recurring Deposit, Post office Time Deposit, Post Office Monthly Income Scheme **(**MISPO**),** National Savings Certificate, Kisan Vikas Patra, Indira Vikas Patra, and 15 Years Public Provident Fund

Investors invested in gold also. Gold does not carry much risk at least in India, as it hardly saw a deceleration in the price in the past. Liquidity option in gold was always 100 per cent compared to all other investments. Forms of investment in gold were **a)** gold jewelry, b) gold coins, e-gold, d) gold exchange traded fund and gold bullion.

According to the World Gold Council data, as much as 23 per cent of all gold imported by India was for investment purposes. Among the imported gold, 75 per cent was utilized as an investment element for households in the form of jewelry.

Another form of savings was in real estate investments. The various types of **t**ypes of real estate investment were real estate in physical form**,** real estate investment for rental purpose, land purchase and sale, real estate investment trusts (REITS),

Another avenue for savings was through life insurance. The various types of life insurance schemes were whole life plan, endowment,. term plan, money back plan and unit linked insurance plan (ULIP). There were various types of types of ULIP. They were equity funds (medium to high risk) income, fixed interest and bond funds (medium risk), cash funds (low risk), and balanced funds (medium risk) . In this type of fund, the companies invested combining both equity investment with fixed interest instruments.

Apart from unit-linked plans for individuals, group unit linked plans were also available in the market. The pension plans came with two variations — with and without life cover. They were meant for people who wanted to generate returns for their sunset years. The other important category of ULIPs was capital guarantee plans. The plan promised the policy holder that at least the premium paid will be returned at the time of maturity.

Currently, there were vast investment options available in different sectors like infrastructure, petro chemicals, pharmaceuticals, and telecommunication and service industries. Considering the nature of business, the investment strategies were designed accordingly. Both mutual fund and equity fund investments suggested a favorable and significant return on them. Considering the performance of the service industries like hotels, restaurants, placement concerns, the Indian investment scenario was enviable.

It could be concluded from the fourth chapter that the personal attributes like age, marital status, gender of the respondents had much influence on deciding the investment pattern. Apart from these aspects monetary factors like income played a vital role as it was the base for savings and investment on the one hand and the attitude and perceptions of the respondents on the other hand influenced them in investing the funds in various options deciding their investment pattern in a strong manner.

It could be surmised that the main factors like investors services, sectors represented, investment philosophy, goodwill of the organization and investment goals did have an impact in the investment decisions partially. The organization offering financial services were required to have clarity while formulating investment plans and offering products. They should consider the welfare of the investors and try to attract them towards more productive investment exercises.

In the fifth chapter a critical review of various investment alternatives prevailing in the economy was presented. The study attempted to evaluate selected significant attributes of the very many investment alternatives before the investor.

Equity investment was issued by the companies to facilitate public participation in its capital stock since the companies ventured hard to maintain their market share or improve upon it. In the past, only wealthy individuals dominated the market. But market trends have changed now. The survey showed that the many investors were not aware of equity investment at large and the benefits of maintaining securities in a dematerialized form.

According to the market capitalization, the companies may be divided into small, mid and large cap companies. The investors were required to invest according to their ability and conditions of the economy to safeguard their investment value.

Choosing the best stock based on its market capitalization helped the investor to know their risk profile and facilitate them to protect their hard-earned money and earn high returns. Large-cap, mid-cap and small-cap companies contributed 80 per cent, 15 per cent and 5 per cent of the total market capitalization respectively.

It can be seen that 181(51.7 per cent) respondents preferred to invest in big companies which had large capitalization and next to that 139 (39.7 per cent) respondents liked to invest in mid-range companies with medium capitalization and only a few respondents30(8.6 per cent) had invested in small micro enterprises.

It is seen that the respondent's preference towards sectors were widely distributed. Majority of the respondents 71 (20.3 per cent) preferred to invest in FMGC sector followed by pharmaceutical and entertainment sectors.

It is seen that the majority of the respondents viz., ninety seven of them (27.8 per cent) liked to invest in income shares and next to that 84(24.1 per cent) preferred to invest in blue chip shares. It was seen that the investors liked to invest in the equity shares for a period of less than three months as 122(34.9 per cent) of them had chosen this period. This showed that they were not willing to take any long term risk.

More than 1000 schemes were operated by different investment companies all over India. The investors had a wide chance of investing in variety of schemes offered through different schemes. It was seen that the investors were highly aware about the index schemes as 189 (54 per cent) respondents were cognizant of these schemes and this was followed by balanced and liquid schemes. It was also observable that there was a low level of awareness regarding the debt and exchange traded funds as they were accounted for only (13.71per cent) and (14.6 per cent).

It was felt that the major reason for investing in mutual funds was tax savings. Tax benefits were a vital factor for the college teachers to consider investing their funds in various schemes. They also invest because they could get capital appreciation.

It is observed that most of the respondents 181(51.7 per cent) had invested in mutual funds through private companies. A 68 (19.4 per cent) had selected mutual fund investment via banks. Only 35 (10 per cent) had invested in private foreign companies. This shows that the investors found more than one year to be a compatible time frame to invest and reap benefits through mutual fund investment.

It was found that most of the respondents considered fixed deposits to be a good investment option as 195 (55.7 per cent) of them had opted for it. Next preference was given to the recurring deposit as 119 (34 per cent) were disposed towards it. And only three of the respondents had stated that savings deposit can be viewed as an investment option. This may be due to the reason that certain banks had combined savings and fixed deposit facility together, if the funds were not withdrawn for certain periods. They also offered higher rate of interest for such balances.

This implied that people had high level of confidence in the nationalized banks as they functioned under government control under the regulation of the Reserve Bank of India. They considered that their funds should remain safe rather than get them higher returns under risk conditions.

It is evident that 140 (40 per cent) of the respondents allotted 10 to 25 per cent of their savings to bank deposits in various schemes and 134(38.3 per cent) invested less than 10 per cent of their savings on various deposits but 32 (9.1 per cent) channeled more than 50 per cent of their savings in banks in deposits which showed that they preferred to invest their money in bank deposits rather than investing in any other investment alternatives.

It is observed that the major reason for investing in bank deposit was safety as 266 (76 per cent) of the respondents felt it ensures protection for the funds they had invested.

It can be seen that 111 (31.7 per cent) of the respondents felt that they were highly satisfied with the safety aspects and services offered by banks.

Post office is one of the most viable medium through which people could be encouraged to invest in various schemes. These schemes cater to the investment needs of all types of investors. It is evident that 224 (64 per cent) respondents were aware of the post office recurring deposit scheme and had invested in it. Secondly, the respondents had invested small amounts in the post office saving deposits. The other schemes of post office small savings were not seemed to be much in demand by the respondents. It is also noted that 80(22.9 per cent) of the respondents had invested in public provident fund scheme. It is seen that the significant reason for investing in post office small savings schemes was safety as 156 (44.6 per cent) of the respondents felt the same and 116 (33.1 per cent) of them identified capital appreciation was the reason and 84 (24 per cent) viewed it to be affordable savings as they can make small convenient deposits or monthly payments.

It is seen that 212 (60.6 per cent) of the respondents invested only less than 10 per cent of the amount into small savings. It was also found that 93(26.6 per cent) of the respondents contributed 10 to 25 per cent of their saving in the post office savings schemes. Only a meager percentage of the savings of the investors were deposited in post office small savings. Many of the investors were willing to invest their funds for a longer time frame in post office savings schemes considering the amount of investment and the value additions they would likely to earn through such investments.

Indian households possess the largest stock of gold in the world even though South Africa was the largest producer of gold. Whilst over 50 per cent of gold ornaments were bought for weddings, the wedding anniversary had now become the most singular occasion for buying gold today.

It is seen that a majority of the respondents 243 (69.4 per cent) were willing to invest in gold in the form of jewelry as this was the most preferred form of investment which had multiple utility. Secondly 179 (51.1per cent) of the respondents were interested to invest in the form of coins as this had a high liquidity with minimum loss in conversion into cash.

It is seen that a majority of the respondents174 (49.7 per cent) felt that capital appreciation was the driving force towards gold investment and 134 (38.3 per cent) had stated that it was safe to invest in gold as it came mostly in physical form and 83(23.7 per cent) felt that it had high liquidity at the time of emergency. According to the financial experts the most significant reason for investment in gold was that it acted as a hedge against inflation but the investors lacked awareness on this score.

Hence it is seen that respondents felt that they should invest a respectable percentage of their savings in gold to fulfill various goals of investment adhering to minimum risk. It is seen that the investors were willing to take up a longer time frame while investing in gold since volume of appreciation of gold in value was certain to go up several times.

The real estate sector in India had boomed into one of the major investment sectors to-day. It can be seen that 209 (59.71 per cent) respondents felt the reason for investing in real estate was that it provided high capital appreciation and secondly a large number of respondents 125 in number (35.71 per cent) had opted for life time investment and (34.29 per cent) were interested in investments in real estate business for safety purposes..

It is discernable that 163 (46.6 per cent) of the respondents invested 10 – 25 per cent of their savings in real estate sector. It was also found that 90 (25.7per cent) had invested 25 to 50 per cent and 62 (17.7per cent) invested less than 10 per cent in real estate business. Hence it was observed that if the investors invested a considerable percentage of their savings in real estate they would be able to achieve high capital appreciation with minimum risk involvement. This indicates that investors were willing to take up a longer time frame while investing in real estate sector as a fair amount of appreciation is assured.

Life insurance provided financial security to the family of a policy holder in the event of death. But till date, only 20 per cent of the total insurable population of India was covered under various life insurance schemes. Hence it can be surmised that the respondents were cautious in selecting their investment schemes in insurance sector.

The reason for taking a insurance policy differed from investor to investor. It is observed that nearly 171(48.9 per cent) of the respondents stated that the major reason for opting for an insurance policy was for tax savings purposes. Most of the policies were offered by the organization with tax exemptions and thirdly 158 (45.1 per cent) had said that the policies were sought after as an element of protection against risk of life factor and only a minimum percentage (10.6 per cent) said that it was chosen for the reason that these policies offered capital appreciation when invested for long term.

It is obvious that 297 (84.9 per cent) of the respondents in the sample size preferred public sector and 36 (10.3 per cent) of them preferred to take insurance policies in banks because banks were involved in cross selling of products .The respondents least preferred the private organizations as they wanted to have safety for the funds and also timely service claims.

It is seen that most of the respondents 173(49.4 per cent) paid less than 10 per cent of their savings as premium and 146 (41.7 per cent) of the respondents paid for life policies up to 10 to 25 per cent of their savings. Only four (1.1 per cent) of the respondents were investing more than 50 per cent of their savings as premium towards their insurance policies. It was also seen that majority of the respondents were paying monthly premiums. It appeared that the investors were willing to take up a longer time frame while investing in insurance policies.

It is concluded from the sixth chapter that among the respondents' attitude towards the different investment options, post office savings schemes were considered by them as giving maximum safety with low risk. With regard to the perception of the respondents all the investment options were considered to fall in the medium category. The relationship between the personal variables and their influence on choosing a particular investment was shown with significance in age, marital status, family type and educational qualification, as these variables helped the respondents to form an opinion about the investment options.

7.2 Major Findings from the Study

i. Personal Profiles of the Respondents

- It was found that 89.1 per cent of the respondents were married and only 10.9 per cent were unmarried. Among them 58.9 per cent were males and 41.1 per cent were females and 59.7 % of the respondents lived in nuclear families. Some 44.6 per cent of the respondents had reported that they had two to four members in their families. It was found that 63.1 per cent of the respondents belonged to the age group of 35 years. And 27.7 per cent belonged to the age group of 35 to 55 years and only 9.1 per cent of the respondents belonged to the age group of above 55 years. A majority of 63.1 per cent belonged to category of assistant professors and 27.1 per cent belonged to associate professors category. Only a few some nine per cent of them were professors. Most of them were in the middle age group.A 56.29 per cent of the respondents worked in aided colleges and 38.0 per cent belonged to self finance stream. Only 5.71 per cent worked in government colleges. A 53.4 per cent were in the humanities discipline and 46.5 per cent of the respondents belonged to the science discipline.
- It was seen that 50 per cent among the respondents had an experience between 10 to 20 years, 30 per cent had experience between five to ten years and only 20 per cent of the respondents had experience of above 20 years. 74 per cent of the respondents had two earning members in the family and 18 per cent had only single income earner.

Around 77.4 per cent of the respondents reported that they did not have any income from other sources. And only 22.6 per cent respondents had stated that they had some income from other sources apart from their regular income. A 48.3 per cent of the respondents earned income ranging from Rs30,000 to 60,000 and 32.3 per cent earned less than Rs. 30,000. Only 8.9 per cent had reported that their income was between Rs.90,000 to 1, 20,000..It was found that the disparities in the salary existed between the government, aided and self finance staff. Around 64.6 per cent of the respondents had stated that they saved funds from their income for meeting emergencies. And 62.9 per cent said they saved to meet the educational needs of their children and nearly 50.0 per cent had said they saved funds for investing in various investment options to reduce the tax liability.

ii. Major Findings of the Study

Nextly, the major findings that had originated from the study were presented**.**

- The respondents depended on the returns from their investment for fulfilling their financial needs. A 48.6 per cent of the respondents depended on the investment for income and meeting emergency needs. It is found majority among the respondents were willing to take acceptable risks. With regard to the awareness level about the seven different investment options there tended to be differences ranging from knowing about the different schemes from sources like post office, gold and real estate. In comparing among the investment options 74.28 per cent of the respondents were aware about the post office savings schemes. It was found that nearly 50 per cent of the respondents had framed their investment pattern by including in their portfolio post office savings schemes, bank deposits, real estate and gold. Even though they were aware of equity and mutual fund investment, only a minimum extent of equity participation and mutual fund investment were made by the respondents. This showed that they were highly hesitant to choose these investment alternatives among the options available. The awareness level about the insurance policies was lower.

- **I**t was observed that there existed significant relationship between the age of the respondents and sectors represented. The marital status was found to influence the investor in choosing the investment options. Educational qualification had significant relationship with regard to the goodwill and determining the investment goals. The designation of the respondents tended to influence the factors like volume of business and sectors represented while choosing among different investment options.
- It was found from the study that 51.7 per cent of the respondents liked to invest in the large cap firms as they felt that these companies had sustainable growth which resulted in consistent performance. It was found that the respondents preferred to invest in sectors like fast moving consumer goods and pharmaceuticals as these sectors were having a minimum of market fluctuations as they were essential commodities always having market demand.
- A 27.8 per cent of the respondents liked to invest in income shares and 24.1 per cent preferred blue chip shares as these shares promised regular returns. This showed that they were not willing to take risks by investing in equity shares for a longer time.
- A majority of 54 per cent of the respondents group liked to invest in index schemes of mutual funds as these schemes were monitored by the companies, stock market and the regulatory authorities. They were found to be ideal for respondents as they were satisfied with a return approximately equal to that of an index movement.
- Forty six per cent of the respondents invested in mutual fund schemes with an attitude to save tax and they chose schemes which were eligible for tax exemption. It was found that 37.4per cent of the investors chose tax savings schemes as the majority of college professional had taxable income. 51.7 per cent of the respondents preferred to invest in the schemes of private Indian companies as they showed impressive growth

performance and offered wide variety of schemes which facilitated them to make either lump sum payment or make a systematic regular payment on installment basis.

- It was seen from the study 55.7 per cent of the respondents had considered fixed deposit as a good form of investment option as it was highly safe and there were many banks which offered fixed deposit accounts with add on facility. It was observed that majority of the respondents had said that they preferred nationalized banks for depositing their funds. This shows that the respondents had confidence only in nationalized banks.
- A 64 per cent of the respondents said that they considered post office recurring deposit to be a good investment option as it offered higher flexibility. Most of the other schemes offered by the post office were less known to the investor respondents. A majority of 60.6 per cent had allocated less than 10 per cent towards post office small savings schemes. Another 52.07 per cent had expressed their opinion that the time frame for investing in post office savings schemes should be less than five years.
- Nearly 70 per cent of the investor respondents liked to make investment in gold in the form of jewelry and 51 per cent preferred to invest in the form of gold coins. Nearly 50 per cent of the respondents had said they invested in gold because it provided capital appreciation. A 42 per cent of the respondents had stated that they invested 10 to 25 per cent in the form of gold due to the reason it acted as a hedge against inflation and also it was the most attractive form of investment for the women folk who saw it as a status symbol. Thirty seven per cent of the investors had chosen a time frame of above five years for gold investment because the value of appreciation tended to be higher with the time period. In the opinion of the respondents gold fetched high capital appreciation and many of them had also given a higher score that gold investments were liquid.
- Maximum number of respondents had given their opinion that real estate investment promised high capital appreciation but its liquidity was low. They also felt that to some extent it was risk free linked with the possibility of tax planning. It is found that the

mean score for Gold investment was the highest followed by the post office savings schemes, mutual funds, bank deposits and insurance schemes. The equity investment and real estate investment had got the minimum with the lowest mean. It was found that the respondents rated gold and post office savings to be more appropriate forms of investment option. It was found that 57 per cent of the investors accepted the most preferred form of investment among various forms of real estate viz., house property as it provided high capital appreciation and had a unique position in the physical form of investment. Sixty per cent of the respondents gave this opinion as the real estate investment promised high capital appreciation. It was seen from the study that 32 per cent of the investors felt that the suitable time frame were above 10 years for real estate investment.

❖ Savings through insurance was yet to make a big head way among the investors. Investors aimed to fetch good returns from their insurance policies at frequent intervals and 34.3 per cent stated that they liked to take a whole life policy as they were desirous to pass on the benefit to their descendants. Even though there were many types of policies they were not much prominent among the investors. A 49 per cent of the respondents had stated that they took insurance policies for tax savings purposes. Some 45 per cent had stated they invested for the purpose of risk coverage. Nearly 80 per cent of the investors preferred to invest in insurance policies only through the public sector institution that is Life insurance Corporation of India. Almost 49 per cent the respondents allocated less than 10 per cent of the savings to be invested in life insurance policies. A 49 per cent of the investors found the time frame for insurance policies was above 10 years and it was convenient to them. The money back and whole life polices involved long term payment of premium in easy installments.

- ❖ The perception scores for different investment options and the attitude of a majority of sample respondents came under the medium category with respect to the seven investment options covered under the study.
- ❖ Age of the respondents was reckoned as a crucial factor while taking decisions on investment.

7.3 Suggestions

The following suggestions have arisen from the Study-

- ❖ The Government and the regulatory authorities should take ample steps to create awareness among the college teachers about the different investment option available. There is an urgent need for a financial literacy program to make respondents understand about the investment options and financial needs at different life stages.
- ❖ Financial security is an essential element of inclusive growth and therefore households in India look forward to viable financial instruments to meet their asset accumulation and old-age security goals.
- ❖ The current tax incentives do not encourage individuals to keep saving for 15-20 years. The tax benefits they get from a more flexible 1-2 years as investment in tax-saving mutual funds or bank fixed deposits are more attractive. The organization offering long term schemes needs to work out strategy to attract investors by offering them substantial returns from their investments.
- ❖ More focus should be given by the Government while making financial reforms to draw the funds from this group of investors and channelize them to direct equity investment and mutual funds
- ❖ Too much leaning upon the professional advisors should be avoided by the investors.
- ❖ Balanced portfolio formation is essential and each investor needs to have representation of all types of investment options in his portfolio.

- More number of schemes similar to Rajiv Gandhi Equity scheme could be offered by the Government for higher salaried people among the college teachers to encourage the culture of direct equity investment. Increase in tax exemption limit from Rs. 10,000 to 25,000 in the Rajiv Gandhi Equity Savings Scheme may attract more investors to avail of this scheme.
- It is suggested that respondents could consider investing in real estate sector as it has the potential to provide good returns. As the respondents group belonged to the high income group, it is highly feasible to make lump sum of investment in such an asset class
- Simplification of procedure is to be made to enable people to invest in mutual fund or trading in stock markets without any hassle. Right now there is too much of paper work involved and due to this the investors are hesitant to venture in this field of investment.
- The Government could introduce schemes pertaining to pension funds through mutual fund schemes with tax benefits. Tax benefits on pensions and long-term savings need to be increased to envisage more number of respondents to include such investment options in their pattern of investment.
- The All India Mutual fund Association could help in the introduction of mutual fund schemes with value averaging method. Systematic investment plans now are designed on rupee cost averaging method. Value averaging is better than rupee cost averaging.
- Granting of 80c exemption to debt, balanced funds and gold funds would help the investors to show adequate interest to invest in various mutual fund schemes.
- Re-introduction of Infra bonds under 80ccf and increasing the limit to at least Rs 50,000 will be of great contribution towards encouragement to invest.
- Decrease in the lock in period of Public Provident Fund from 15 years to lesser number of years may attract many investors to invest in the scheme. Encouraging contractual savings in the form of public provident funds is highly needed as many of the college

teachers' work in self financed stream where they are not provided with the regular provident fund.

7.4 Conclusion

The respondents group taken for the study had high level of disposal income which was required to be mediated through savings and investment. Even though the awareness of investment options was present among them, it appeared that an in-depth knowledge was lacking in them relating to the different investment alternatives. The college teachers required ample guidance in this area as many of them were not found to be well versed in selecting the investment options for framing their own investment pattern. Inclusiveness of appropriate assets was highly required to attain the investment objective and this would result in the optimal investment pattern resulting in maximum benefit for the funds sacrificed and invested with expectations.

7.5 Future Research Studies

This study forms a basis for many future studies on the subject as the researcher had concentrated only on seven prime investment options. Many research works could be taken in this area as many more investment options are available for the investors. The prospective researchers may venture into the following areas on the subject.

- Prospective growth of real estate industry in India.
- Investors attitudes towards equity investments
- Implication of gold investment on growth of Indian economy
- Financial literacy among graduates in Madurai.

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