Chapter – 5
FINDINGS, SUGGESTIONS & CONCLUSION

In this final chapter, a summary of findings that have emerged from the analysis is presented. Also, certain suggestions are made on the basis of observations made during the study.

FINDINGS OF THE STUDY

1. Equity investment is not influenced by age. 40% of the respondents in the age-group of 24-30, 35% of the respondents in the age-group of 31-40, 42% of the respondents in the age-group of 41-50 and 25% of the respondents above the age of 50, invest in equity.

2. Equity investment is influenced by gender. 43% of the male respondents and 31% of the female respondents invest in equity.

3. Equity investment is not influenced by marital status. 41% of the married respondents and 30% of the unmarried respondents invest in equity.

4. Equity investment is influenced by family structure. 48% of the nuclear-family respondents and 27% of the Joint-family respondents invest in equity.

5. Equity investment is influenced by teaching experience. 24% of the respondents having teaching experience of 0-5 years, 39% of respondents having teaching experience of 6-10 years, 54% of respondents having teaching experience of 11-15 years and 31% of respondents having teaching experience of more than 20 years invest in equity.

6. Equity investment is influenced by annual income. 23% of the respondents earning less than ₹ 2 Lakhs, 18% of the respondents earning between ₹ 2 L – ₹ 3L, 50% of the respondents earning between ₹ 3L – ₹ 5 L and 70% of the respondents earning above ₹ 5Lakhs invest in equity.
7. Bond investment is not influenced by age. 18% of the respondents in the age-group of 24-30, 14% of the respondents in the age-group of 31-40, 18% of the respondents in the age-group of 41-50 and 50% of the respondents above the age of 50, invest in Bonds.

8. Bond investment is not influenced by gender. 17% of the male respondents and 19% of the female respondents invest in Bonds.

9. Bond investment is not influenced by marital status. 19% of the married respondents and 13% of the unmarried respondents invest in Bonds.

10. Bond investment is not influenced by family structure. 18% of the nuclear-family respondents and 16% of the Joint-family respondents invest in Bonds.

11. Bond investment is not influenced by teaching experience. 21% of the respondents having teaching experience of 0-5 years, 13% of respondents having teaching experience of 6-10 years, 20% of respondents having teaching experience of 11-15 years and 23% of respondents having teaching experience of more than 20 years invest in Bonds.

12. Bond investment is not influenced by annual income. 21% of the respondents earning less than ₹ 2 Lakhs, 14% of the respondents earning between ₹ 2 L – ₹ 3L, 18% of the respondents earning between ₹ 3L – ₹ 5 L and 20% of the respondents earning above ₹ 5Lakhs invest in Bonds.

13. Mutual Funds investment is influenced by age. 3% of the respondents in the age-group of 24-30, 86% of the respondents in the age-group of 31-40, 20% of the respondents in the age-group of 41-50 and 94% of the respondents above the age of 50, invest in Mutual Funds.

14. Mutual Funds investment is influenced by gender. 51% of the male respondents and 37% of the female respondents invest in Mutual Funds.
15. Mutual Funds investment is influenced by marital status. 55% of the married respondents and 15% of the unmarried respondents invest in Mutual Funds.

16. Mutual Funds investment is influenced by family structure. 54% of the nuclear-family respondents and 35% of the Joint-family respondents invest in Mutual Funds.

17. Mutual Funds investment is influenced by teaching experience. 25% of the respondents having teaching experience of 0-5 years, 33% of respondents having teaching experience of 6-10 years, 77% of respondents having teaching experience of 11-15 years and 46% of respondents having teaching experience of more than 20 years invest in Mutual Funds.

18. Mutual Funds investment is influenced by annual income. 2% of the respondents earning less than ₹ 2 Lakhs, 65% of the respondents earning between ₹ 2 L – ₹ 3L, 36% of the respondents earning between ₹ 3L – ₹ 5 L and 98% of the respondents earning above ₹ 5Lakhs invest in Mutual Funds.

19. ULIPs investment is influenced by age. 54% of the respondents in the age-group of 24-30, 38% of the respondents in the age-group of 31-40, 3% of the respondents in the age-group of 41-50 and 13% of the respondents above the age of 50, invest in ULIPs.

20. ULIPs investment is not influenced by gender. 30% of the male respondents and 35% of the female respondents invest in ULIPs.

21. ULIPs investment is influenced by marital status. 27% of the married respondents and 47% of the unmarried respondents invest in ULIPs.

22. ULIPs investment is not influenced by family structure. 32% of the nuclear-family respondents and 33% of the Joint-family respondents invest in ULIPs.

23. ULIPs investment is influenced by teaching experience. 21% of the respondents having teaching experience of 0-5 years, 48% of respondents having teaching
experience of 6-10 years, 43% of respondents having teaching experience of 11-15 years invest in ULIPs.

24. ULIPs investment is influenced by annual income. 21% of the respondents earning less than ₹ 2 Lakhs, 47% of the respondents earning between ₹ 2 L – ₹ 3L, 27% of the respondents earning between ₹ 3L – ₹ 5 L and 30% of the respondents earning above ₹ 5Lakhs invest in ULIPs.

25. Insurance investment is influenced by age. 71% of the respondents in the age-group of 24-30, 70% of the respondents in the age-group of 31-40, 82% of the respondents in the age-group of 41-50 and 100% of the respondents above the age of 50, invest in Insurance.

26. Insurance investment is influenced by gender. 63% of the male respondents and 92% of the female respondents invest in Insurance.

27. Insurance investment is not influenced by marital status. 73% of the married respondents and 80% of the unmarried respondents invest in Insurance.

28. Insurance investment is influenced by family structure. 64% of the nuclear-family respondents and 87% of the Joint-family respondents invest in Insurance.

29. Insurance investment is influenced by teaching experience. 28% of the respondents having teaching experience of 0-5 years, 93% of respondents having teaching experience of 6-10 years, 77% of respondents having teaching experience of 11-15 years, 100% of the respondents having teaching experience of 16-20 years and 77% of respondents having teaching experience of more than 20 years invest in Insurance.

30. Insurance investment is influenced by annual income. 52% of the respondents earning less than ₹ 2 Lakhs, 83% of the respondents earning between ₹ 2 L –₹ 3L, 89% of the respondents earning between ₹ 3L – ₹ 5 L and 28% of the respondents earning above ₹ 5Lakhs invest in Insurance.
31. Bank-Deposit investment is influenced by age. 58% of the respondents in the age-group of 24-30, 53% of the respondents in the age-group of 31-40, 77% of the respondents in the age-group of 41-50 and 100% of the respondents above the age of 50, invest in Bank-Deposit.

32. Bank-Deposit investment is influenced by gender. 71% of the male respondents and 51% of the female respondents invest in Bank-Deposit.

33. Bank-Deposit investment is influenced by marital status. 56% of the married respondents and 82% of the unmarried respondents invest in Bank-Deposit.

34. Bank-Deposit investment is influenced by family structure. 48% of the nuclear-family respondents and 80% of the Joint-family respondents invest in Bank-Deposit.

35. Bank-Deposit investment is influenced by teaching experience. 54% of the respondents having teaching experience of 0-5 years, 40% of respondents having teaching experience of 6-10 years, 71% of respondents having teaching experience of 11-15 years, 100% of the respondents having teaching experience of 16-20 years and 100% of respondents having teaching experience of more than 20 years invest in Bank-Deposit.

36. Bank-Deposit investment is influenced by annual income. 29% of the respondents earning less than ₹ 2 Lakhs, 47% of the respondents earning between ₹ 2 L – ₹ 3L, 77% of the respondents earning between ₹ 3L – ₹ 5 L and 100% of the respondents earning above ₹ 5Lakhs invest in Bank-Deposit.

37. Post-Office Deposits investment is influenced by age. None of the respondents in the age-group of 24-30, 29% of the respondents in the age-group of 31-40, 1% of the respondents in the age-group of 41-50 and none of the respondents above the age of 50, invest in Post-Office Deposits.

38. Post-Office Deposits investment is influenced by gender. 16% of the male respondents and 6% of the female respondents invest in Post-Office Deposits.
39. Post-Office Deposits investment is not influenced by marital status. 10% of the married respondents and 18% of the unmarried respondents invest in Post-Office Deposits.

40. Post-Office Deposits investment is not influenced by family structure. 14% of the nuclear-family respondents and 10% of the Joint-family respondents invest in Post-Office Deposits.

41. Post-Office Deposits investment is influenced by teaching experience. 26% of the respondents having teaching experience of 0-5 years, 20% of respondents having teaching experience of 6-10 years, 1% of respondents having teaching experience of 11-15 years and 1.5% of respondents having teaching experience of more than 20 years invest in Post-Office Deposits.

42. Post-Office Deposits investment is influenced by annual income. None of the respondents earning less than ₹ 2 Lakhs, 35% of the respondents earning between ₹ 2 L – ₹ 3L, 4% of the respondents earning between ₹ 3L – ₹ 5 L and none of the respondents earning above ₹ 5Lakhs invest in Post-Office Deposits.

43. Gold/Silver investment is influenced by age. 28% of the respondents in the age-group of 24-30, 34% of the respondents in the age-group of 31-40, 98% of the respondents in the age-group of 41-50 and 100% of the respondents above the age of 50, invest in Gold/Silver.

44. Gold/Silver investment is not influenced by gender. 53% of the male respondents and 51% of the female respondents invest in Gold/Silver.

45. Gold/Silver investment is influenced by marital status. 64% of the married respondents and 15% of the unmarried respondents invest in Gold/Silver.

46. Gold/Silver investment is influenced by family structure. 69% of the nuclear-family respondents and 33% of the Joint-family respondents invest in Gold/Silver.
47. Gold/Silver investment is influenced by teaching experience. 24% of the respondents having teaching experience of 0-5 years, 41% of respondents having teaching experience of 6-10 years, 51% of respondents having teaching experience of 11-15 years, 100% of the respondents having teaching experience of 16-20 years and 97% of respondents having teaching experience of more than 20 years invest in Gold/Silver.

48. Gold/Silver investment is influenced by annual income. 48% of the respondents earning less than ₹ 2 Lakhs, 16% of the respondents earning between ₹ 2 L – ₹ 3L, 67% of the respondents earning between ₹ 3L – ₹ 5 L and 100% of the respondents earning above ₹ 5Lakhs invest in Gold/Silver.

49. Real Estate investment is influenced by age. 2% of the respondents in the age-group of 24-30, 20% of the respondents in the age-group of 31-40 and 41% of the respondents in the age-group of 41-50, invest in Real Estate.

50. Real Estate investment is influenced by gender. 23% of the male respondents and 14% of the female respondents invest in Real Estate.

51. Real Estate investment is influenced by marital status. 26% of the married respondents and 2% of the unmarried respondents invest in Real Estate.

52. Real Estate investment is influenced by family structure. 33% of the nuclear-family respondents and 4% of the Joint-family respondents invest in Real Estate.

53. Real Estate investment is influenced by teaching experience. 1% of the respondents having teaching experience of 0-5 years, 19% of respondents having teaching experience of 6-10 years, 29% of respondents having teaching experience of 11-15 years and 28% of respondents having teaching experience of more than 20 years invest in Real Estate.

54. Real Estate investment is influenced by annual income. None of the respondents earning less than ₹ 2 Lakhs, 3% of the respondents earning between ₹ 2 L – ₹ 3L,
30% of the respondents earning between ₹ 3L – ₹ 5 L and 6% of the respondents earning above ₹ 5Lakhs invest in Real Estate.

55. PPF investment is influenced by age. 26% of the respondents in the age-group of 24-30, 52% of the respondents in the age-group of 31-40, 89% of the respondents in the age-group of 41-50 and 94% of the respondents above the age of 50, invest in PPF.

56. PPF investment is influenced by gender. 63% of the male respondents and 46% of the female respondents invest in PPF.

57. PPF investment is influenced by marital status. 70% of the married respondents and 15% of the unmarried respondents invest in PPF.

58. PPF investment is influenced by family structure. 71% of the nuclear-family respondents and 39% of the Joint-family respondents invest in PPF.

59. PPF investment is influenced by teaching experience. 21% of the respondents having teaching experience of 0-5 years, 46% of respondents having teaching experience of 6-10 years, 81% of respondents having teaching experience of 11-15 years and 82% of respondents having teaching experience of more than 20 years invest in PPF.

60. PPF investment is influenced by annual income. 47% of the respondents earning less than ₹ 2 Lakhs, 36% of the respondents earning between ₹ 2 L – ₹ 3L, 63% of the respondents earning between ₹ 3L – ₹ 5 L and 98% of the respondents earning above ₹ 5Lakhs invest in PPF.

61. NSC investment is influenced by age. 13% of the respondents in the age-group of 24-30, 25% of the respondents in the age-group of 31-40, 37% of the respondents in the age-group of 41-50 and 13% of the respondents above the age of 50, invest in NSC.

62. NSC investment is not influenced by gender. 21% of the male respondents and 29% of the female respondents invest in NSC.
63. NSC investment is influenced by marital status. 32% of the married respondents and none of the unmarried respondents invest in NSC.

64. NSC investment is influenced by family structure. 35% of the nuclear-family respondents and 12% of the Joint-family respondents invest in NSC.

65. NSC investment is influenced by teaching experience. 21% of the respondents having teaching experience of 0-5 years, 1% of respondents having teaching experience of 6-10 years, 53% of respondents having teaching experience of 11-15 years, 100% of the respondents having teaching experience of 16-20 years and 15% of respondents having teaching experience of more than 20 years invest in NSC.

66. NSC investment is influenced by annual income. 23% of the respondents earning less than ₹ 2 Lakhs, none of the respondents earning between ₹ 2 L – ₹ 3L, 40% of the respondents earning between ₹ 3L – ₹ 5 L and 30% of the respondents earning above ₹ 5Lakhs invest in NSC.

67. NPS investment is influenced by age. None of the respondents in the age-group of 24-30, 18% of the respondents in the age-group of 31-40, 1% of the respondents in the age-group of 41-50 and 13% of the respondents above the age of 50, invest in NPS.

68. NPS investment is not influenced by gender. 10% of the male respondents and 6% of the female respondents invest in NPS.

69. NPS investment is influenced by marital status. 11% of the married respondents and none of the unmarried respondents invest in NPS.

70. NPS investment is influenced by family structure. 16% of the nuclear-family respondents and none of the Joint-family respondents invest in NPS.

71. NPS investment is influenced by teaching experience. None of the respondents having teaching experience of 0-5 years, none of respondents having teaching experience of 6-10 years, 29% of respondents having teaching experience of 11-15 years and none
of the respondents having teaching experience of 16-20 years and none of respondents having teaching experience of more than 20 years invest in NPS.

72. NPS investment is influenced by annual income. None of the respondents earning less than ₹ 2 Lakhs, none of the respondents earning between ₹ 2 L – ₹ 3L, 12% of the respondents earning between ₹ 3L – ₹ 5 L and 28% of the respondents earning above ₹ 5Lakhs invest in NPS.

73. Following is the master table depicting the impact of demographics on various investment avenues,

<table>
<thead>
<tr>
<th>Investment Avenues</th>
<th>Demographics of the Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Age</td>
</tr>
<tr>
<td>Equity</td>
<td>No</td>
</tr>
<tr>
<td>Bond</td>
<td>No</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>Yes</td>
</tr>
<tr>
<td>ULIPs</td>
<td>Yes</td>
</tr>
<tr>
<td>Insurance</td>
<td>Yes</td>
</tr>
<tr>
<td>Bank Deposits</td>
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<tr>
<td>Post-office Deposits</td>
<td>Yes</td>
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<tr>
<td>Gold/Silver</td>
<td>Yes</td>
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<tr>
<td>Real Estate</td>
<td>Yes</td>
</tr>
<tr>
<td>PPF</td>
<td>Yes</td>
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<tr>
<td>NSC</td>
<td>Yes</td>
</tr>
<tr>
<td>NPS</td>
<td>Yes</td>
</tr>
</tbody>
</table>

74. The top three investment avenues amongst male respondents are Bank-Deposits, Insurance and PPF.
75. The top three investment avenues amongst female respondents are Insurance, Bank-Deposits and Gold/Silver

76. ‘Returns’ is the most important factor considered by respondents while investing, followed by safety and tax-shield

77. There exists a significant difference in respondents risk appetite with regard to investment, based on their gender

78. There exists a significant difference in respondents prime objective of investment, based on their gender

SUGGESTIONS

The following suggestions are made, based on the findings of the study. The investors invest in a particular investment avenue or a portfolio consisting of various assets with the expectation of a return, which in turn depends on the assumption of the risk that underlies the corresponding asset class. There is a large basket of assets that the investors can choose from, depending on his objectives and goals. Such investment objectives and goals need to be clearly defined.

- Financial awareness programs need to be organized by the institutions to enhance the investment knowledge of the investing community

- There is a real need to stimulate investing habit amongst the people. This can be done by initiating various schemes by the Government both at State-level and Central-level that encourages the investing community to invest a part of their income

- A push towards social-security measures is the need of the hour. Government and Employers need to facilitate measures towards retirement planning and encourage people to invest in such avenues
• Investment-cells could be placed to provide various information with regard to investment avenues, risk-return dynamics, tax-planning, marketability, liquidity, safety etc

• Simplification of TDS process is very much required; specially in case of salaried class

• Tax planning has to be widened and many more tax-friendly investment avenues must be included

• SIP investment must be aggressively promoted, since it enhances savings and investment culture and acts as an excellent mode of systematic and continuous investment

• Investor Guidelines must be much more transparent and miss-selling must be addressed

• Investors need to personally appraise, evaluate, understand the investment that he makes and he should not be just carried away by peer pressure/broker’s advise/media etc

• Inflation management should be the priority governance area to the Government. Lesser inflation more disposable income, which can ultimately be translated into increased investments. It also helps economy to grow as a whole.

• Real-estate regulator needs to be formed at the earliest. There is a huge amount of fraudulent activities and lobbying happening in real estate. Severe actions need to be taken against such illegal activities. Hence, a need for real-estate regulator is quite significant.
CONCLUSION

A balanced and disciplined investment plan is a pre-requisite for a sustainable financial health and should be looked on priority basis in order to achieve personal goals and objectives with financial implications. The investor needs to focus on asset allocation and concentrate on selection of right securities and right investment avenue.

The investment goals need to be properly defined and the investor must match the investment with these pre-defined goals. The goals could be either to receive a regular periodical income or to build a corpus or a mixture of both. Hence investment pattern should certainly match the investment goals.

Diversification is the most important key to the scientific and systematic investment plan. As the old adage goes, “Don’t put all your eggs in one basket”, the investor should not invest entire money in a certain asset class. He/she should rather put the hard earned money in a diversified portfolio. At the same time, he should neither over-diversify nor under-diversify. The right mix of asset classes is the most important step in an investment plan.

The investor should understand the risk-return dynamics of the various asset-classes. Different assets have different risk attributes and investor should thoroughly analyze these parameters. Though higher risks yield higher returns, the investor should make sure that undue risks beyond his capabilities are unwarranted for. Professional assistance could be sought before investing and thorough research needs to be carried out in this regard.