Savings and Investments form an integral part of one’s life. Investments refer to the employment of funds with an objective of earning a favourable return on it. In other words, investment is a process, where money is being utilized with a hope of making more money.

Investment is the commitment of money that have been saved by deferring the consumption and purchasing an asset, either real or financial with an expectation that it could yield some positive future returns.

The Indian economy is growing at a faster pace, which has resulted in higher disposable income level and a plethora of investment avenues. Government savings deposits, banks, financial institutions and mutual fund houses are vying for a share in the savings of investors. Investors now have varied options for making investments like debt instruments, stocks, mutual funds, gold etc. (Kathuria 2012).

Investment is an acquisition of a financial product or other item of value with an anticipation of favourable future returns. Investing is a serious subject that can have a major impact on investors’ future well-being. Investors have series of investment avenues and each of them differ in terms of risk, return, safety, security, regular income and various other parameters. The investor has to choose proper investment avenue, depending upon his specific need, risk preference and expected returns. (Kothari 2013)
There is a plethora of investment avenues, each associated with varied risk-return trade-offs. Every investment avenue is distinct in its characteristic, which makes the investment decision fascinating. The investor thus needs to carefully analyze each of its characteristics and build a basket of assets that suits his risk profile and complies with his objectives and goals. Hence, investment decision making is a fascinating task for the investor.

Investment per se is a risky proposition. Investment is certain, but returns are risky and uncertain. The problem is further comprehended due to the fact that there is a plethora of investment avenues that are available for investments.

In India, unlike certain western countries, social security is a big concern. There is no any form of security or retirement benefits post 2004. Till 2004, there was a definite benefit in terms of pension for government employees. Post 2004, there is no any defined benefit or defined returns. Only there is a defined contribution made by the employee. The returns thereof are purely market driven.

Teaching Community is busy with their own assignments of teaching, examinations, evaluations, new syllabus, new subjects, etc. As such, they do not have enough time and scope for study into investment analysis and avenues. Now that, a majority of teaching community is in private sector, they have very less appetite for investments. Of course, even the teaching community in government sector is not guaranteed of any retirement pension. This makes the situation worse and academicians are desperately in need of good investments to plan their retirement life.
Hitherto, no survey is being made to address this issue. Hence, this project is undertaken to study the investment pattern among the academicians in Bangalore, the investment behaviour and the extent of investment awareness amongst them. The study also aims to explore the risk return dynamics on the investment made by them.

The study mainly concentrates on the analysis of the investment pattern, investor behaviour and risk – return dynamics of investments made by the academicians in Bangalore.

The study tries to analyze the investment strategies taking into consideration the risk and return parameters.

The study covers different asset classes including equity, debt, real estate, gold, insurance, NPS, etc.

The respondent profile is basically academicians or teaching community at the pre-university, under-graduate and post-graduate levels.

The planned sample was 400. There were actually 428 respondents, from whom the data were collected. 41 respondents’ questionnaire had to be discarded due to incomplete response or mistakes.
Outline of the study

The research report comprises five chapters, as under,

First Chapter covers the basic concepts of savings and investment. It also focuses on risk-return dynamics, investment attributes, investment objectives, speculation, portfolio management, investors’ life cycle, investment process etc.

Second Chapter has two parts;

- The first part reviews the various literatures with regard to the savings and investment and tries to understand the concepts, research methodology and research gap.
- The second part deals with the research design, highlighting the statement of the problem, objectives of the study, methodology, sample analysis, limitations of the study and so on.

Third Chapter discusses the various asset classes that are available to the investor in the present context in India. It also brings out the characteristic features associated with each of the asset classes.

Fourth Chapter analyzes the responses of the respondents, collected through the questionnaire. Based on the analysis, hypotheses testing are undertaken with the help of statistical tools and the results are discussed and interpreted.

Fifth Chapter summarizes the various findings that were observed during the course of the research. Also an attempt is made to point out certain suggestions aimed at investors, regulators and Government.