CHAPTER-VII

CONCLUSIONS AND SUGGESTIONS

The individual investors consider their income and savings, present and future requirements of funds, investment-mix etc. In addition, they also perceive risk and return, capital appreciation, statutory protection to investment, liquidity of the proposed investments. These perceptions strongly influence their savings and investment behaviour. As a result, the institutions offering investment avenues are compelled to carefully consider these perceptions so as to retain the existing investors and also attract the potential investors.

The study presents insights on savings and investment behaviour of individual investors in general and investment behaviour with regard to financial assets in particular. It also examines the perceptions of individual investors with reference to institutional investment avenues such as bank deposits, post office savings/certificates, government securities, life insurance policies and corporate securities. The study is based on the primary data collected from the individual investors of Bijapur district. Non-probability convenient sampling has been used as a mode of conducting the survey. Statistical tools such as Mean, Standard deviation, Co-efficient of variation, Chi-square Test, t – Test etc. are used for the analysis of the data as well as testing of the hypotheses.
FINDINGS OF THE STUDY

The major findings of the study are as follows:

I. General profile of the individual investors

1. Sex: The majority of respondent individual investors are the male investors (72.67%) and the remaining are female investors (27.33%).

2. Age: The majority of investors are in the age group of 36 to 45 years (28.33%), which is followed by the other age groups of 26 to 35 years (23.67%), above 55 years (21.67%), 46 to 55 years (20.33%) etc.

3. Marital status: The majority of investors are married. Among them, 90.67% are the male investors and 9.33% are the female ones.

4. Education: The majority of investors are graduates (37.67%) who are followed by the matriculates (20.66%), non matriculates (15.67%), master’s degree holders (11.67%) etc.

5. Occupation: Equal number of investors engaged in agriculture, business, service, profession and others are covered in the study.

6. Domicile: The majority of investors belong to the semi urban domicile (44.33%) which is followed by the rural domicile (39.67%) and the urban domicile (16.00%).

7. Family size: The majority of investors have the large family size (i.e. more than five members), who are followed by the family size of four members (27.00%), five members (21.33%) etc.

8. Tax liability: The majority of investors (63.67%) pay income tax who are followed by the non-tax payers (33.33%) and the tax exempted investors (3.00%).
II. Analysis of savings and investment behaviour

A. Analysis of savings behaviour

1. Annual income: The majority of investors (32%) have the annual income ranging from Rs 1,50,001 to Rs 3,00,000. 26% of the investors earn an income varying between Rs 3,00,001 to Rs 6,00,000. This is followed by the other income groups such as Rs 30,001 to 90,000, Rs 90,001 to Rs 1,50,000 etc.

2. Size of savings: 34% of the investors save within a range between Rs 37,501 to Rs 75,000, whereas 28% of the investors save between Rs 75,001 to Rs 1,50,000. The rest of the investors save an amount ranging from Rs 22,501 to Rs 37,500, Rs 7,501 to Rs 22,500, exceeding Rs 1,50,000 and below Rs 7,500.

3. Ratio of per capita savings to per capita income: The trends in the ratio of per capita savings to per capita income lies within a range of 24% to 25%.

4. Occupation wise ratio of per capita savings: The investors engaged in professions (doctors, lawyers, engineers etc) save more than the investors engaged in business, service, agriculture and others.

5. Savings motivators: Earning a stable and regular income has motivated the majority of investors (24%). This is followed by the other motivators such as spending on children's education, marriage, ceremonies, festivals, old age, sickness etc.

B. Analysis of investment behaviour

1. Size of investment: The majority of investors (33%) invest annually between Rs 37,501 to Rs 75,000. This size of investment is followed by the other sizes such as Rs 75,001 to Rs 1,50,000, Rs 15,001 to Rs 37,500, less than Rs 15,000 etc. About 5% of the investors invest an amount exceeding Rs 1,50,000.
2. Ratio of per capita investment to per capita savings: This ratio varies between 91% (1997-98 and 1998-99) to 92% (1999-00). This ratio registered a further growth of 96% (2000-01) which declined during the subsequent years.

3. Reasons for underinvestment: The majority of investors (28%) do not find investment as a means to save tax any more. Difficulty in accessing the avenues of investment, fear of higher taxes, absence of knowledge of investment opportunities etc. are the other reasons for investing less than what they saved.

4. Investment-mix: The majority of investors (65%) have preferred to invest in financial assets rather than in physical assets due to their unique characteristics such as risk-return, liquidity, safety etc.

C. Analysis of investment behavior with special reference to physical assets

1. Size and pattern of investment: About 58% of the investors invested within a range of Rs 37,501 to 1,50,000, whereas about 37% of the investors invested below Rs 37,500 and 5% of the investors invested an amount exceeding Rs 1,50,000.

2. Asset wise preferences: The agricultural land is found as the most preferred form of physical assets. This is followed by the other assets such as the real estate, gold, silver etc.

3. Investment drivers: The easy manageability of physical assets is the strongest driver of investment, while the procedural simplicity, the local accessibility of assets, the relatively satisfying quality of assets etc. are the other investment drivers.

4. Length of investment experience: The majority of investors (26%) are investing in physical assets since the last 16 to 20 years whereas 21% of the investors have an
experience of 6 to 10 years. The remaining have an investment experience of 21 to 25 years, above 25 years, 11 to 15 years and below 5 years.

5. Periodicity of investment: The majority of investors (26%) invest yearly in physical assets, whereas 21% invest once in two years. This periodicity is followed by once in three years, once in five years and once in more than five years.

6. Trends in size of investment: The trend analysis reveals that the investment in physical assets has decreased from 22.54% (1998-99) to -30.24% (2002-03).

D. Results of testing of hypotheses relating to investment behaviour

H_1: The amount of investment of individual investors is influenced by their income: This hypothesis is proved valid in the case of investors engaged in professions as they generally earn more and invest more than the other category of investors.

H_2: Investors tend to invest less than their savings: The statistical t - Test has proved valid at 5% level of significance that the investors tend to invest less than their savings. This is due to diversion of savings towards other uses, difficulty in accessing to investment avenues and apprehension of higher income taxes.

H_3: Investors prefer to invest more in financial assets vis-à-vis physical assets: The Chi-square ($X^2$) Test at 5% level of significance for 1 d.f. has revealed that the association between the two attributes such as the forms of investment and the investors' preferences for these forms of investment is significant. Hence, this hypothesis is proved invalid. It is further noticed that the investors have greater preference for both the forms of investment (physical and financial assets).
III. Analysis of investment behavior with reference to selected investment avenues

1. Investment preferences: The majority of investors have preferred to invest in a single investment scheme under the respective institutional avenues.

2. Investment motivators: The insurance cover (bank deposits), the regular and steady income (post office savings/certificates), the liquidity of investment (government securities), the protection of family (life insurance policies) and the capital appreciation (corporate securities) are the strongest motivators in respect of each institutional avenue.

3. Size of investment: The majority of investors have invested in bank deposits as well as in life insurance policies within a range of Rs 37,501-Rs 75,000, whereas it exceeds Rs 1,50,000 in the case of post office savings/certificates and corporate securities. In the case of government securities, the majority of investors have invested within a range of Rs 22,501-Rs 30,000.

4. Length of investment: The majority of investors have an investment experience of 16 to 20 years in the case of bank deposits and 11 to 15 years in the case of post office savings/certificates. The investment experience varies from 6 to 10 years in the case of government and corporate securities and 21 to 25 years in the case of the life insurance policies.

5. Period of holding investment: Period of holding exceeds 6 years in the case of bank deposits as well as post office savings/certificates. It varies between 11 to 15 years in the case of government securities, while it exceeds 25 years in the case of life
insurance policies. The period of holding corporate securities lies between 6 to 10 years.

6. Periodicity of investment: The periodicity of investment in the case of bank deposits and life insurance policies is once in a year (annually) whereas it is once in five years in the case of post office savings/certificates and government/corporate securities.

7. Sources of information: The family members provide the required information while investing in banks. The institutions themselves (post offices and insurance companies) serve as source of information for investment in post office savings/certificates and life insurance policies. Professionals act as a source of information for the majority investors in government securities. The media is found as a major source of information for investment in the corporate securities.

8. Sources of funds: The occupational income is the major source of funds for investment in institutional investment avenues. In addition, the investors arrange the funds by planning (minimizing) of expenses as well as from external borrowings.

9. Execution of investment plans: Investment in bank deposits is done on the basis of their own decision while the advice of spouse and family members is sought for investment in post office savings/certificates. The investment plan in government securities is executed on the basis of advice of the government agencies. Advice from the life insurance companies and corporates help in execution of investment plan in insurance policies and corporate securities respectively.

10. Bases of review of investment: The rates of return/bonus serve as the bases of review in the case of investment in bank deposits, government securities and life
insurance policies. Guidelines of the regulatory authority enable the review of investment in post office savings/certificates while the degree of risk in the case of corporate securities.

11. Frequency of review: The investments are reviewed periodically-monthly, quarterly, half yearly, annually etc.

12. Time gap between the conceiving an investment idea and actual investment: The time gap is less than a week in the case of bank deposits. It varies between a week to a fortnight (post office savings/certificates) a month to a quarter (government securities) and a quarter to half a year (life insurance policies and corporate securities).

IV. Evaluation of perceptions of individual investors

A. Evaluation of the financial perceptions

1. Reasonableness of amount of investment: The hypothesis titled as “The amount of investment in different institutional avenues covered under the study is reasonable” has been proved valid by the mean analysis in the case of bank deposits, life insurance policies and corporate securities. On the other hand, the coefficient of variation analysis in the case of corporate securities has proved valid this hypothesis. It shows that the opinion of the investors regarding the reasonableness of amount of investment in corporate securities is the most consistent one as compared to other avenues.

2. Regular and steady income: The study has found that the hypothesis “Each institutional investment avenue generates regular and steady income” has been proved valid based on the mean analysis in the case of bank deposits and life insurance policies.
policies whereas the coefficient of variation analysis in the case of bank deposits has proved valid this hypothesis. Thus, the investors' opinion regarding the regular and steady income from bank deposits is stable.

3. Chance of capital appreciation: The hypothesis captioned as "There is a capital appreciation on each institutional investment" has been proved valid (mean analysis) in the case of life insurance policies and corporate securities while the coefficient of variation analysis in the case of corporate securities has proved valid this hypothesis. Thus, there is a chance of capital appreciation in the case of corporate securities.

4. Possibility of tax benefits: The mean analysis has proved valid the hypothesis titled as "Investors avail of the tax benefits on their investment in different institutional avenues" in the case of post office savings, government securities and life insurance policies. The coefficient of variation analysis in the case of life insurance policies has proved valid this hypothesis.

5. Minimum transaction costs: The hypothesis called as "The transaction costs of investment are the minimum" has been proved valid in the case of post office savings/certificates. Thus, it signifies that the transaction costs are the minimum in the case of post office savings/certificates.

6. Provision of premature withdrawal facility: The present study has found that the hypothesis captioned as "The investments have a provision (facility) of premature withdrawal" has been proved valid based on the mean analysis in the case of all institutional investment avenues. However, the coefficient of variation analysis in the case of bank deposits has proved valid this hypothesis. It reveals that the bank deposits enjoy more facility of premature withdrawals.
7. Liquidity of investment: The hypothesis worded as “The investments are liquid/marketable” has been proved valid (mean analysis) in the case of bank deposits, post office savings/certificates, life insurance policies and government securities. On the other hand, the coefficient of variation in the case of bank deposits has proved valid this hypothesis reflecting the investors’ consistent opinion on the liquidity of bank deposits.

B. Evaluation of the non financial perceptions

1. Low intensity of risk: The mean analysis has proved valid the hypothesis “The intensity of risk is low in institutional investments covered under this study” in the case of bank deposits, post office savings/certificates, government securities and life insurance policies while the coefficient of variation analysis in the case of government securities has proved valid this hypothesis. It reveals that the risk of investment in government securities is low as compared to other institutional investments.

2. Easy accessibility to avenues: The hypothesis captioned as “The investors have an easy accessibility to institutional avenues” has been proved valid by the mean analysis in the case of bank deposits, post office savings/certificates, life insurance policies and corporate securities. On the other hand, the coefficient of variation analysis in the case of bank deposits has proved valid this hypothesis. Thus, the bank deposits are easily accessible to the depositors at the right place and at the right time.

3. Benefit of statutory protection to investment: The hypothesis worded as “The investments are statutorily protected” has been proved valid in the case of institutional investment avenues. But the coefficient of variation analysis in the case of
government securities has proved valid this hypothesis. The investors' opinion on the statutory protection to investment is relatively stable in government securities.

4. **Flexibility in the timings of investment:** Mean analysis finds that the hypothesis titled as “There is flexibility in the timings of investment” has been proved valid in the case of all the institutional investment avenues whereas the coefficient of variation analysis has proved valid this hypothesis in the case of bank deposits. Thus, the investors find the timings of investment in bank deposits flexible.

5. **Moderate length of investment:** The mean analysis has proved valid the hypothesis “The length of investment is moderate” in the case of all the institutional investments. On the other hand, the coefficient of variation analysis in the case of bank deposits as well as life insurance policies has proved valid this hypothesis.

6. **Accessibility to sources of information:** The hypothesis worded as “The investors have accessibility to sources of information” has been proved valid in the case of all institutional investment avenues based on the mean analysis while the coefficient of variation analysis in the case of bank deposits has proved valid this hypothesis. Thus the investors obtain the required information while depositing in banks.

7. **Appropriate service delivery:** Mean analysis finds that the hypothesis “The quality of service delivery by the institutions is appropriate” has been proved valid in the case of all the institutional investments. However, the coefficient of variation analysis in the case of corporate securities has proved valid this hypothesis. Thus, the corporates render the appropriate services to the investors.

8. **Collateral quality investment:** The hypothesis captioned as “The investments provide a collateral security while seeking further financial accommodation” has been
proved valid for all avenues based on the mean analysis. On the other hand, the coefficient of variation analysis in the case of bank deposits has proved valid this hypothesis.

**Recommendations**

The household sector comprising individual investors contributes about 21.6% to the gross domestic savings, whereas the private and the public sectors contribute about 4% and -2.3% respectively. The individual investors can be attracted further by the institutions offering different investment avenues. The need of the hour is to provide a conducive investment environment which can ensure the confidence of the individual investors. The investors would prefer to invest if their interest is guarded. In addition, they would be prompted to invest more if their perceptions are well understood by the institutions. In fact, these perceptions hold a key to the investment decisions. Hence, they are to be essentially considered by the institutions while designing and offering different investment schemes under the respective avenues.

The majority of investors are living in semi-urban and rural areas. Their knowledge and understanding of the intricacies of investment management affect their investment decisions. As a result, enabling the individual investors to develop right perceptions about the institutional investment becomes a challenging task. Hence, the following recommendations are proposed in this context.

1. **Promotion of savings**: Savings (and the consequent investment) strengthen the present as well as the future socio-economic status of the investors. The study traces that the investors of professional category save more than the others. Mere savings without investments defeats the purpose of savings. Hence, the efforts must be made
to encourage savings habits as well as to channelize the entire savings in the right investment avenues without diverting them towards unproductive uses. Hence, the following suggestions are offered to promote the savings:

a. Convincing prospective investors on the importance of savings in one’s life;

b. Imparting the knowledge to the individuals to inculcate the savings habits;

c. Offering awards to the individuals who save more at the gram panchayat, taluk panchayat and jilla panchayat levels by the respective institutions; and

d. Disseminating success stories in the mass media of the individuals with savings habits.

2. Non diversion of savings: Savings take care of the future financial emergencies if they are fully put in the right investment direction. The diversion of savings towards other purposes, if any, defeats the economic significance of savings. Hence, the investors are to be motivated to invest their entire savings in one or the other institutional investment avenues. The followings measures are proposed to check the diversion of savings:

a. The institutions should express their commitment to fulfill investors’ expectations and act accordingly;

b. The information required for investment be fully available to the investors as and when required (at the right place and at the right time). They must be guided in the right utilization of savings;

c. The institutions should open up their retail investment outlets at convenient places to the investors; and

d. The government should offer higher tax incentives to individuals for saving and
investing more in the specified investment schemes.

3. **Investment in physical assets**: The investment in physical assets cannot be ruled out because of their indispensability. As a result, a portion of savings is also invested in physical assets. The investment in these assets has to be made attractive by simplifying the investment procedures offering exhaustive information to the investors in these assets, enacting suitable laws to guard the interest of the investors possessing physical assets, assisting the potential investors through professional consultancy/guidance etc.

4. **Promotion of investment in financial assets**: It is found that Indian investors generally tend to invest more in physical assets on account of their semi-urban and rural domiciles and lack of adequate knowledge of different investment avenues. The relative per capita investment in financial assets is low as against the developed countries. For the promotion of investment in financial assets, the institutions offering investment opportunities may consider the following suggestions:
   
a. Disseminating information on the significance of financial assets;

b. Conducting the investors meetings to highlight the significance of investment in financial assets;

c. Making the institutions to assure of a minimum return on the investment schemes wherever feasible;

d. Educating the investors in the management of different investment avenues;

e. Providing attractive tax concessions/tax relief on investment in financial assets under the provisions of Income Tax Act 1961;

f. Assuring of the safeguard of the interests of the investors;
g. Ensuring easy accessibility of investment schemes to the investors; and
h. Offering of lottery schemes for select investment schemes.

5. **Building a diversified investment portfolio**: There is a strong inclination of the investors for a select investment schemes. There is a need for an appropriate diversified portfolio that can reduce risk as well as assure attractive returns. The investors should invest in risky avenues considering their capacity to bear any loss arising out of failure on the part of the institutions offering investment avenues. In addition, they should invest more in less risky avenues in order to ensure the safety of their funds. Moreover, the investors with greater tolerance for the risk and with longer investment horizon should incline their portfolio in favor of the variable return investment schemes, whereas the investors with lesser tolerance for risk and with a shorter investment horizon should incline their portfolio in favor of the fixed return investment schemes.

6. **Provision of adequate and timely information**: The information is a key for making investment decisions. If the required information is inadequate and not available timely, the appropriate investment decisions cannot be taken by the investors. Hence, the related information should be made available to the prospective investors through different means that include a door to door campaign, street dramas, get together functions, use of mass media such as radios and TVs, publicity in local languages, wall posters in prominent places, distribution of pamphlets and handouts etc. It is essential to ensure that the information widely published should be complete, transparent and unbiased.
7. **Procurement of funds:** The study reveals that the investors arrange the funds for investment from their occupational income. In the case of inadequacy of the owned funds, they can also procure from the external sources after carefully considering the conditionalities of borrowings. These borrowed funds can be invested in those investment avenues where the rates of return are higher than the rates of interest on the borrowing. Resorting to borrowing is recommended with a view to activate the investment process.

8. **Seeking professional advice:** It is found that the investors seek the advice of spouse/friends/colleagues as well as the institutions offering investment schemes. It is suggested that the investors shall also seek the advice of the professional consultants while investing their funds. These professionals can offer the expert advice on the intricacies of investment, especially with regard to financial assets in general and corporate investment in particular.

9. **Periodic review:** Effective management of investments necessitates their frequent reviews by the investors. This study has found that the revision of investment is made annually implying the investors' inability to review frequently. Hence, the investors are suggested to review their investment frequently which ensures a better management and control over the diversified investment portfolios. Further, it is also suggested that the institutions offering different investment avenues should help investors in the review of investments by providing appropriate information on investment schemes periodically.

10. **Risk management in investment:** Risk i.e. the possibility of a loss of funds invested or the variability in the expected returns is inherent in the investment process.
In addition, there are other risks such as the risk of non-payment of the principal and the interest, the risk of possible failure of institutions, the liquidity risk, the purchasing power risk, the interest rate risk etc. The investors may be trained well in management of these risks. Risk can be reduced through diversification of portfolio. In the case of the fixed return investment avenues, the risk would be low if they are secured against the properties of the institutions and the fixed rate of return/dividend is paid on these investments. It is relatively high in the case of variable return investment avenues if they are unsecured and the return/dividend is not predetermined or variable one. In addition, the risk also depends on the type of institutions offering investment avenues. The investments in the government or public institutions, for example, are less risky as compared to investments in the private institutions. Thus, the risk varies from investments to investments. Hence, the risk management plays a significant role while making investment decisions. The following proposals are offered for effective risk management in institutional investments.

a. The investors who are the risk averse may invest in the investments which are secured against the properties of the institutions offering avenues;

b. The investors shall project on the basis of past experience the nature of risk that they are likely to suffer and plan to reduce or avoid the same by diversifying investment portfolio; and

c. The investors shall be able to determine the type of risk associated with an investment scheme. This helps the investors to take appropriate decisions for diversification of portfolio and for making any new investment.
11. **Investors' protection**: The investors shall have a right to seek redressal under the provisions of the Consumer Protection Act 1986 of their grievances such as inconvenience, financial loss and any mental tension suffered by them. These grievances should be expedited fastly to the satisfaction of the investors. In addition, there is a need to scrutinize the claims that the institutions make in their prospectuses meant for public, make mandatory the publication of financial results at regular intervals, their audit and their control by the respective regulatory authorities etc. This ensures the investors' confidence and motivates them to invest their funds in such institutions.

12. **Investor service**: No institutional investment avenue is worth considering unless it is backed by adequate investor services. This issue has assumed increased importance with the entry of foreign institutions that are competing with each other to provide better services to the investors. Hence, the following investors’ services are recommended:
   a. Collection of deposits/premiums/subscriptions at convenient places;  
   b. Dispatch of certificates/ acknowledgement of receipts/ policies/documents to the respective addresses given by the investors;  
   c. Effecting immediate change in addresses, if any, of depositors/ certificate or security or instrument holders/policyholders;  
   d. Providing suitable nomination facility; and  
   e. Timely dispatch of principal/interest/bonus cheques and dividend warrants.

13. **Investors' education**: The institutions can attract more number of investors only when the investors are educated on the investment schemes offered by them. A sarva
shikshan abhiyan may be started to provide mass education on investment schemes suitable for poor and rich individuals, for daily wage earners and salary income earners, for males and females and for younger and older investors. The individuals be taught of the importance of investment in one’s life and the procedures regarding how to invest, where to invest, when to invest etc.

14. Designing investors’ friendly investment avenues: The investors wish to invest in those schemes/avenues which would fulfill their requirements such as safety of investment, liquidity of investment and regularity in return. Hence, new investment schemes shall consider and give due weightage to the requirements of all the investors. In this context, the following new investment schemes are proposed to be offered:

a. Savings bank account being operatable in any branch of any bank with the help of online facility;

b. Mobile banking facility;

c. Automatic conversion of post office savings deposits into post office term deposits or monthly income scheme;

d. Short term government securities with greater tax benefits; and

e. Money back cum whole life insurance policies.

15. Suggestions based on the perceptual analysis: Each individual investor develops perceptions according to one’s own personal frame of reference as well as from stimuli obtained from the investment environment. The perceptions both financial and non-financial with regard to different investment avenues signify the awareness and mental interpretation of the investors amidst the investment climate. As
a result, they perceive the associated aspects of investment strongly or weakly. As far as possible, these perceptions should represent the reality. Based on the feedback of the perceptual analysis, following suggestions are made in respect of those avenues where the investors' perceptions are found weak.

a. **Reasonableness of amount of investment:** The study finds that the ratings of investors are neutral about the reasonableness of amount of investment in the case of post office savings/certificate and government securities. Hence, there is a need to offer the investment products in these avenues with reasonable face values which are affordable by all the investors.

b. **Regular and steady returns:** The investors' perceptions are indifferent to regular and steady returns in the case of post office savings/certificates, government securities and corporate securities. Hence, it is suggested to offer the investment schemes that provide regular and steady returns.

c. **Tax benefits:** The possibility of tax benefits in the case of bank deposits and corporate securities is perceived weakly. Hence, it is suggested to launch the investment schemes with tax benefits.

d. **Transaction costs:** The study has revealed that the investors' ratings are indifferent with regard to minimum transaction costs in the case of bank deposits, government securities, life insurance policies and corporate securities. Hence, it is suggested to offer the investment schemes in these institutional avenues where transaction costs would be the minimum and affordable to the investors.

e. **Liquidity of investment:** The study finds that the ratings of investors are neutral on the liquidity of investment in the case of corporate securities. Hence, it is proposed
to offer the investment products in this avenue that enable the investors to dispose of as and when they require to do so without much delay and financial loss.

f. **Intensity of risk:** The investors find that the intensity of risk of investment is high in the case of corporate securities as compared to investments in the other avenues. It should be noted that the investors always prefer safety to return from their investments. Hence, it is suggested that the corporates shall introduce the investment instruments which are less risky to attract more number of investors to invest.

g. **Accessibility to avenues:** The investors' perception relating to easy accessibility to avenues is found weak in the case of government securities. Hence, it is proposed that the investment schemes in this avenue should be made easily accessible to the investors at the convenient places.

These suggestions go a long way in promoting the savings and investments in financial assets by the individual investors. They also offer insights to the institutions in designing and offering appropriate investment products that can fulfill the expectations of the investors.

**Scope for further research**

After carrying out this study on investors' perceptions towards institutional investment, it is observed that the indepth studies may be carried out further in the areas of promotion of savings and investment in financial assets, investors' education, protection to small investors and risk management in investment in financial assets.