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**Chhatrapati Shahu Institute of Business
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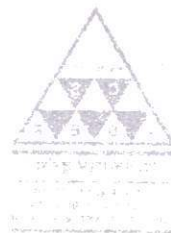
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Editorial Note

In the last six months the business sector in India is experiencing a slow growth phase. The favorable policy environment put in place by the Government does not seem to be encouraging the entrepreneurs. In such a slowdown of economic activity there is a need for multi pronged strategy to revive to business activity in the different sectors.

Accordingly in the present issue articles pertaining to various issues of management have been incorporated for the benefit of the readers. As a mark of respect to the Founder Director of CSIBER, we publish an article on Prof. Dr. A. D. Shinde. His life and experiments in higher education is an example for the current and future generations.

The research articles included in the issue are employee empowerment, domestic capital formation, savings and investment preference of retail investors. The unique feature of the articles is the use of advanced statistical techniques for analyzing the primary / secondary data. These articles show a direction to young researchers regarding the method in which analysis can be performed with the help of statistical tools.

As the journal is published from Kolhapur it becomes the duty of the publisher to highlight the case studies from industrially rich belt of Kolhapur. The case of turnaround story of Kolhapur steel in included to fulfill this requirement. The last feature of journal is the book review on marketing. The reviewer systematically presents the highlights of the sixth edition of the book exhaustively.

The present issue of the journal is therefore expected to be a good asset for young researchers as well as management teachers in different functional areas.

Dr. T. V. G. Sarma
Editor

BEHAVIOURAL ANALYSIS OF INVESTMENT PREFERENCE OF RETAIL INVESTORS

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Abstract : Households don't spend all of their income but save some of them for various purposes. One of these purposes is to invest. The choice of investment avenues and criteria of investment are affected not only by financial factors but also by socio-psychological factors. It is seen that investors are more loyal and attached with a particular type of investment preferences. So it is very important to study the motivational factors that drive them for selecting the investment avenues. It plays a vital role in determining the behavior of investors. Present paper analyzes investment pattern and criteria adopted by retail investors while investing their money. In this paper, motivational factors for investment are classified into five categories and investment choices are classified into nine categories. Ranking analysis is used to study investment preference on the basis of socio-economic factors of investors. The results show that investment choices of households are affected not only by economic factors but also by personal factors. This study will help not only the investors but also the different financial institutions, organizations and consultants in identifying the main factors that induces investors to invest in different avenues.

Key words: Investment avenues, safety and security, Liquidity, Better Returns, Future Plan, Family Obligation

1.0 Introduction

The money you earn is partly spent and the rest saved for meeting future expenses. Instead of keeping the savings idle you may like to use savings in order to get return on it in the future is called as investment. It involves the commitment of funds made in the expectation of some positive rate of return. Investment means putting money into something with the expectation of gain, which upon thorough analysis, has a high degree of security for the principal amount, as well as security of return, within an expected period of time. In contrast putting money into something with an expectation of gain without thorough analysis, without security of principal, and without security of return is speculation or gambling.

In finance, investment means the purchase of a financial product with an expectation of favorable future returns. Various investment options are for the retail investor such as bank deposit, mutual fund, shares, debenture, bonds, insurances, real estate, bullion market etc. offering differing risk-reward tradeoffs. Each investment options has its own features which are mentioned below.

1.1 Investment Objectives of Retail Investors

Investing is a process to utilize savings and many have made their fortunes in that process. The starting point in this process is to determine the characteristics of the various investments and then matching them with the individuals need and preferences. All personal investing is designed in order to achieve certain

objectives. These objectives may be tangible such as buying a vehicle, real estate etc. and intangible objectives such as social status, security etc. similarly; these objectives may be classified as financial or personal objectives. Financial objectives are safety, profitability, and liquidity. Personal or individual objectives may be related to personal characteristics of individuals such as family commitments, status, dependents, educational requirements, income, consumption and provision for retirement etc. Secondary objectives of the retail investors are cost of inflation, tax minimization and retirement.

1.2 Investment Avenues

There are various investment avenues available in the market for the retail investor such as bank deposit, mutual fund, shares, debenture, bonds, insurances, real estate, bullion market etc. Each one has its own features which are mentioned below.

1.2.1 Bank Deposits

They cover the fixed deposits of varied tenors offered by the commercial banks and other non-banking financial institutions. These are generally a low risk propositions as the commercial banks are believed to return the amount due without default. By and large these FDs are the preferred choice of risk-averse Indian investors who rate safety of capital & ease of investment above all parameters. Largely, these investments earn a marginal rate of return of 06 to 08 percent per annum.

1.2.2 Mutual Funds

There is a collection of investors in Mutual funds that have professional fund managers that invest in the stock market collectively on behalf of investors. Mutual funds offer a better route to investing in equities for lay investors. A mutual fund acts like a professional

fund manager, investing the money and passing the returns to its investors.

1.2.3 PPF / EPF

The public provident fund (PPF) is an attractive scheme introduced in 1969. The period of public provident fund (PPF) account is stated is to be 15 years, the numbers of operations have to be 16. The maximum permissible deposit per year is Rs. 70,000. PPF Deposit earns currently interest rate of 8.5% per annum which is totally exempted from tax. Employee provident fund (EPF) provide a separate account in which both the employer and employee are required to contribute a certain amount on a monthly basis where the contribution made by the employee is fully tax exempt, the contribution made by the employee can be deducted before computing the taxable income.

1.2.4 Equity Shares & Preference Shares

Stocks are a unique kind of investment because they allow you to take partial ownership in a company. Because of this, the returns are potentially bigger and they have a history of being a wise way to invest your money.

1.2.5 Real Estate

Real Estate is a tangible kind of investment. It includes your land and anything permanently attached to your piece of property. This may include your home, rental properties, your company or empty pieces of land. Real estate is typically a smart and can make you a lot of money over time. Returns are almost guaranteed because property values are always on the rise due to a growing world population.

1.2.6 Life Insurance Scheme

Insurance in India is mostly sold and bought as investment products. They are preferred because of their add-on benefits like

financial life-cover, tax-savings and satisfactory returns. Life Insurance policies are another kind of investment that is fairly popular. It is a way to ensure income for your family when you die. It allows you a sense of security and provides a valuable tax deduction.

1.2.7 Bullion (Gold & Silver)

Precious metals like gold and silver had been a safe heaven for Indian investors since ages. Besides jewellery these metals are used for investment purposes also. Gold and silver have highly appreciated in value both in the domestic as well as the international markets. In addition to its attributes as a store of value, the case for investing in gold revolves around the role it can play as a portfolio diversifier.

1.2.8 Private Lending

Private money lending is also known as money lending, or fund loaned by a private investor who is supplying the funds from personal assets. Private money loans often operate under the same terms as more common loans, and are often made for a smaller amount. Family, relatives and friends are one of the first source of private loans.

2.0 Objectives of the Research

1. To understand investment pattern of retail investors
2. To analyze preference of investors about investment avenues.
3. To evaluate the criteria adopted by retail investors while investing their money.

3.0 Methodology

Research Methodology adopted in the present study to find investment pattern of salary earners and professionals has been described hereunder. This study is explorative in nature, in the sense that it focuses basically on exploring awareness of investment avenues and considerations while investment.

Present study attempts to study the factors that the respondents consider most before investing money. Sample size of 200 is selected at random those who have surplus income to invest. For this purpose, five factors were suggested to a sample 200 respondents from Solapur city, each one was asked to rank them according to the importance given by the respondents to the factor while investing their money.

- ☐ Safety & Security (SS)
- ☐ Liquidity (LI)
- ☐ Better Returns (BR)
- ☐ Future Plan (FP)
- ☐ Family Obligation (FO)

The result were analyzed for all the 200 respondents and also for different categories of respondents, based on socio-economic factors, age, gender, occupation and educational qualification with the help of Spearman's Rank Correlation and t-statistic $\{t = R \sqrt{n-2} / 1 - R^2\}$ is used to test of significance of the value obtained. This indicates the most & least considered factor by respondents while investing their money.

In order to study the investment preference about investment avenues (Gold, Shares, Deposits, Pension Fund, Mutual Fund, Real Estate, Insurance, Private lending) respondents was asked to rank them according to the preference. The result were analyzed for different categories of respondents, based on socio-economic factors, age, gender, occupation and educational qualification with the help of Spearman's Rank Correlation and t-statistic is used to test of significance of the value obtained. Weighted score were calculated for ranked factors and avenues to find out weighted rank.

4.0 Review of Literature

Some studies have been carried out to examine the investment preferences and practices of the individual investors. Lewellen (1977) found that age, sex, income and education affect investors' preferences. The investment decision making process of individuals has been explored through experiments by Barua and Srinivasan (1986, 1987, 1991). They conclude that the risk perceptions of individuals are significantly influenced by the skewness of the return distribution. This implies that while taking investment decisions, investors are concerned about the possibility of maximum losses in addition to the variability of returns. Thus the mean variance framework does not fully explain the investment decision making process of individuals. Study by Rajarajan (2000) revealed an association between lifestyle clusters and investment related characteristics. Bandgar (1998) in his study found that investors are educated in investment decision making. Study carried out by V K Somsundaram in the year 1999 in Coimbatore district to understand investment pattern of salaried class. Soch and Sandhu (2000) have studied perceptions of bank depositors on quality circles, customer complaint cell, quality, priority banking, tele-banking, and customer meets in private banks. Study by Rafael La Porta et al., (2000) reveal that a strong investor protection is a manifestation of the security of property. Karmaker (2000) has found that the life insurance policy is the most popular investment avenue. Huberman (2001) is of the opinion that a person is more likely to invest in companies known to him and stay away from the unknown avenues. ASSOCHAM (2010) in a nationwide study of investment pattern in urban India found

that 65 percent investment by the Indians was in real estates, 20 percent in gold and precious metals, 10 percent in governments bonds , deposits in nationalized banks, insurance, provident fund and post offices. Only 5 percent investments by the urban Indians was in Stocks, Debentures and Mutual Funds (Hindu 13th Dec 2010 New Delhi ed.)

5.0 Empirical Analysis

Table 1, shows socio-economic profile of respondents, total sample size is 200, out of which 81% are male and 19 % are female. 47% respondents are below the age of 35 years and 53% are above the age of 35 years. Out of total 33% respondents having income of up to 01 lacs 32.5% respondents has income 01 to 02 lacs, 14.5% respondents belongs to the income group of 02 to 03 lacs, 20% of the respondents having income of above 03 lacs. Around 57% investors do expect 10 to 20 percent returns on their investment and 12% respondents expects above 20 percent returns on their investment. Around 76% respondents have their own house and 24% respondents live in rented house. As far as level of risk tolerance is concern 2.5% respondents belongs to high risk category, 31.5% respondents ready to accept moderate risk, 12% respondents bear low level risk, 33.5% respondents admits average level risk and 20.5% respondents belongs to no risk tolerance category. 42% of the investors take their investment decision with the consult of friends and relatives and 21% with the consultants of professional consultants.

From the table 2, it is clear that investors invest their money by giving first preference to security of their money followed future plan. Thus the respondents under study give very less preference to liquidity and family obligations.

Table 1 : Socio - Economic Profile of the Respondents

| | Characteristics | No. of respondents | in % |
|---|--------------------|--------------------|------|
| | | 200 | 100 |
| Gender | Male | 162 | 81 |
| | Female | 38 | 19 |
| Age | Below 25 Years | 8 | 4 |
| | 25 to 35 Years | 86 | 43 |
| | 35 to 45 Years | 63 | 31.5 |
| | Above 45 Years | 43 | 21.5 |
| Occupation | Salary Earners | 148 | 74 |
| | Professionals | 52 | 26 |
| Annual Income (in lakh) | Up to 01 lakh | 66 | 33 |
| | 01 to 02 lakh | 65 | 32.5 |
| | 02 to 03 lakh | 29 | 14.5 |
| | 03 to 04 lakh | 12 | 6 |
| | Above 05 lakh | 28 | 14 |
| Expected Rate of Investment | Up to 10 % | 63 | 31.5 |
| | 10% to 20% | 113 | 56.5 |
| | Above 20% | 24 | 12 |
| Ownership of house | Own house | 152 | 76 |
| | Rented house | 48 | 24 |
| Level of Risk Tolerance | High Risk | 05 | 2.5 |
| | Moderate Risk | 63 | 31.5 |
| | Low Risk | 24 | 12 |
| | Average Risk | 67 | 33.5 |
| | No Risk | 41 | 20.5 |
| Source of Information for Investment Decision | Advertisement | 08 | 04 |
| | Friends/ Relatives | 84 | 42 |
| | Agents | 37 | 18.5 |
| | Consultants | 42 | 21 |
| | Business News | 29 | 14.5 |

Table 3, indicates that Spearman's rank correlation coefficient is '0.9' that means there is high degree association between ranking about investment motives by male & female respondents.

Table 4, respondents below 25 years of age group has given first preference to security, second preference for better returns followed by future plan and family obligations. The respondent belongs to the age group of 25 to 35 years age group gave first preference to safety

and security, second preference to return on investment, this group of investors has given least preference to future plan and family obligations and average importance to liquidity. The investors of our study of between the ages of 35 to 45 years consider future plan is the most preferred factor followed by better returns and security. The investors belongs to age of above 45 years have given first preference to future plan and second preference to security, least considered factors of this age group are liquidity and family obligations.

Table 2 : Gender of the Respondents and Motives of the Investment
Weighted Score and Weighted Ranks of the Respondent about Motives of Investment

| Motivating Factor | I Rank | II Rank | III Rank | IV Rank | V Rank | Weighted Score | Weighted Rank |
|-------------------|--------|---------|----------|---------|--------|----------------|---------------|
| SS | 77 | 30 | 63 | 18 | 12 | 742 | 1 |
| LI | 8 | 34 | 42 | 44 | 72 | 462 | 5 |
| BR | 31 | 60 | 42 | 47 | 20 | 635 | 3 |
| FP | 63 | 41 | 24 | 55 | 17 | 678 | 2 |
| FO | 21 | 35 | 29 | 36 | 79 | 483 | 4 |
| Total | 200 | 200 | 200 | 200 | 200 | | |

Source: Primary Data

Table 5, depicts rank correlation coefficient between investment motive and different age groups. It is seen that there is a high degree of correlation coefficient found in the age group of 35 to 45 years and above 45 years age group. To test significance of the coefficient of rank correlation t-statistic was used at a 5% level of significance. The result indicates that there is no significant difference between the motivational factors considered by different age groups of investors.

From the table 6, it is ascertained that most of the investors assign first preference to gold, second preference to fixed deposits with motive of security and better return on investment. Then they have given preference to investment in real estate, provident fund, and pension fund in anticipation of future planning. The investors have given less preference to private lending, mutual fund, insurance and shares.

Table 3 : Ranking of Investment Motives on the basis of Gender of the Respondents

| Motivating Factor | Male N= 162 (1) | Female N= 38 (2) | (1-2) ² d1 ² |
|--|---------------------|----------------------|---------------------------------------|
| SS | 1 | 1 | 0 |
| LI | 4 | 5 | 1 |
| BR | 3 | 2 | 0 |
| FP | 2 | 3 | 0 |
| FO | 5 | 4 | 1 |
| | | | $\Sigma d1^2 = 2$ |
| $R = 1 - \{6 \Sigma d1^2 / N^3 - N\}$ $R = 0.9$ | | | |

Source: Primary Data

From the table 7, we can say that male investors have given first preference to invest their money in gold and second preference to fixed deposit and followed by real estate and provident fund but given less preference to insurance, shares and mutual funds. On the other hand female investors have assign first

preference to investment in fixed deposits and second preference to gold and remaining preferences are similar to male investors. Spearman's rank correlation coefficient between male and female respondents is '0.81' indicates high degree positive association.

Table 4 : Ranking of Investment Motives on the basis of Age of the Respondents

| | Below 25 Years | 25 to 35 Years | 35 to 45 Years | Above 45 Years | | | | | | |
|--------------------|----------------------|----------------------|----------------------|----------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Investment Motives | N = 8 (1) | N=86 (2) | N=63 (3) | N=43 (4) | (1-2) ² d1 ² | (1-3) ² d2 ² | (1-4) ² d3 ² | (2-3) ² d4 ² | (2-4) ² d5 ² | (3-4) ² d6 ² |
| SS | 1 | 1 | 2.5 | 2 | 0 | 2.25 | 1 | 2.25 | 1 | 0.25 |
| LI | 5 | 3 | 5 | 5 | 4 | 0 | 0 | 4 | 4 | 0 |
| BR | 2 | 2 | 2.5 | 3 | 0 | 0.25 | 1 | 0.25 | 1 | 0.25 |
| FP | 3.5 | 4 | 1 | 1 | 0.25 | 6.25 | 6.25 | 9 | 9 | 0 |
| FO | 3.5 | 5 | 4 | 4 | 2.25 | 0.25 | 0.25 | 1 | 1 | 0 |
| | | | | | $\Sigma d1^2 =$ 6.5 | $\Sigma d2^2 =$ 9 | $\Sigma d3^2 =$ 8.5 | $\Sigma d4^2 =$ 16.5 | $\Sigma d5^2 =$ 16 | $\Sigma d6^2 =$ 0.5 |

Table 8, indicates that ranking of investment avenues according to different income slabs of investors. Most of the respondents have given first preference to

investment in gold followed by deposits. Respondents have assigned less preference to private lending, shares and mutual fund.

Table 5 : Result of Rank Correlation - Relationship Between Age and Investment Motives

| Category | R Value | Calculated t' Value | Degree of Freedom | Table Value | Hypothesis Result |
|----------|----------|---------------------|-------------------|-------------|-------------------------|
| (1-2) | 0.6668 9 | 1.55011 | 3 | 3.18 | No association exist |
| (1-3) | 0.52632 | 1.07211 | 3 | 3.18 | No association exist |
| (1-4) | 0.56429 | 1.18387 | 3 | 3.18 | No association exist |
| (2-3) | 0.1539 | 0.26977 | 3 | 3.18 | No association exist |
| (2-4) | 0.2 | 0.35355 | 3 | 3.18 | No association exist |
| (3-4) | 0.97468 | 7.54 983 | 3 | 3.18 | Close association exist |

Source: Primary Data

It is seen from table no. 09, that there is high degree positive correlation coefficient between rankings for different income group of investors. The significance of the coefficient of rank correlation was tested by using t- statistic at

a 5% level of significance. The result indicates that there is close association exist between preference for investment avenues and different income group of investors at a 5% level of significance.

Table 6 : Weighted Score and Ranking of the Respondent about Investment Avenues Rank

| Investment Avenues | I | II | III | IV | V | VI | VII | VII | IX | Total | Weigh ted Score | Weigh ted Rank |
|--------------------|----|----|-----|----|----|----|-----|-----|----|-------|-----------------|----------------|
| Gold | 49 | 54 | 48 | 12 | 9 | 8 | 12 | 8 | 0 | 200 | 1410 | 1 |
| Shares | 10 | 9 | 12 | 27 | 26 | 23 | 35 | 25 | 33 | 200 | 818 | 6 |
| Deposits | 46 | 48 | 25 | 31 | 20 | 4 | 4 | 9 | 13 | 200 | 1318 | 2 |
| PF | 20 | 16 | 39 | 37 | 31 | 25 | 15 | 13 | 4 | 200 | 1133 | 4 |
| Pension Fund | 12 | 8 | 20 | 31 | 34 | 40 | 40 | 11 | 4 | 200 | 974 | 5 |
| Mutual Fund | 0 | 1 | 0 | 25 | 36 | 44 | 49 | 31 | 14 | 200 | 737 | 8 |
| Real Estate | 48 | 21 | 33 | 5 | 23 | 23 | 8 | 27 | 12 | 200 | 1158 | 3 |
| Insurance | 16 | 32 | 4 | 12 | 13 | 15 | 9 | 44 | 55 | 200 | 795 | 7 |
| Private Lending | 0 | 11 | 19 | 20 | 8 | 18 | 23 | 40 | 61 | 200 | 663 | 9 |

Source: Primary Data

Table 10, indicate that there uniformity in first two preferences by salary earners and professionals those are gold and fixed deposit accordingly. As most of the investment preferences of salary earners and professionals are similar, least preferred avenues are also

common those are private lending, insurance, mutual funds and shares. The spearman rank correlation between these two is categories is '0.85', implies high degree of positive association.

Table 7 : Ranking for Investment Preference on the basis Gender of the Respondents

| Investment Avenues | Male N= 162 (1) | Female N= 38 (2) | $(1-2)^2$ $d1^2$ |
|---|--------------------|---------------------|---------------------|
| Gold | 1 | 2 | 1 |
| Shares | 7 | 7 | 0 |
| Deposits | 2 | 1 | 1 |
| PF | 4 | 3 | 1 |
| Pension Fund | 5 | 4 | 1 |
| Mutual Fund | 8 | 6 | 4 |
| Real Estate | 3 | 5 | 4 |
| Insurance | 6 | 9 | 9 |
| Private Lending | 9 | 8 | 1 |
| | | | $\Sigma d1^2 = 22$ |
| $R = 1 - \{6 \Sigma d1^2 / N^3 - N\}$ $R = 0.81$ | | | |

Source: Primary Data

Table 8 : Weighted Ranks of Respondents for Investment Avenues on the basis of Income Groups

| Investment Avenues | Up to 01 Lakh N = 66 (1) | 01 to 02 lakh N = 65 (2) | 02 to 03 lakh N = 29 (3) | 03 to 04 lakh N = 12 (4) | Above 05 lakh N = 28 (5) |
|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Gold | 1 | 3 | 1 | 1 | 1 |
| Shares | 7 | 9 | 8 | 6 | 5 |
| Deposits | 2 | 1 | 3 | 2.5 | 2 |
| PF | 4 | 4 | 2 | 2.5 | 3 |
| Pension Fund | 5 | 5 | 5 | 4.5 | 4 |
| Mutual Fund | 9 | 8 | 6 | 7 | 6 |
| Real Estate | 3 | 2 | 4 | 4.5 | 3 |
| Insurance | 6 | 7 | 7 | 8 | 7 |
| Private Lending | 8 | 6 | 9 | 9 | 8 |

6.0 Findings:

- Out of the total respondents most of the investors invest their money in anticipation of good return as compared to provision for future.
- Expected rate of return on investment

categorized is lying between 10 to 20%. Out of total respondents. 56.5% respondents expect 10% to 20% return on investment.

- Both male & female respondents up to 35 years of age invest their money keeping in mind safeguard of their principal as well as good return on their investment, but

- respondents above 35 years of age invest to safeguard their future.
- All respondents have given first preference to invest their money in gold and second preference to fixed deposit followed by real estate and provident fund. There is high degree positive correlation in ranking by male and female respondents for investment avenues.
 - Most of the investment decisions are induced through the information from friends and relatives rather than advertisements, news, consultants etc.
 - In general safety and security is the most considered factor while investment decision followed by future plan. There is high degree association between ranking by male and female respondents about investment motives.

Table 9 : Result of Rank Correlation - Relationship Between Investment Avenues and Income Groups of Investors

| Income Groups | R Value | Calculated Value - t | Degree of Freedom | Table Value | Hypothesis Result |
|---------------|-------------|----------------------|-------------------|-------------|-------------------------|
| (1-2) | 0.866666667 | 4.596194078 | 7 | 2.365 | Close association exist |
| (1-3) | 0.85 | 4.26910122 | 7 | 2.365 | Close association exist |
| (1-4) | 0.873980439 | 4.758271569 | 7 | 2.365 | Close association exist |
| (1-5) | 0.895273786 | 5.316688403 | 7 | 2.365 | Close association exist |
| (2-3) | 0.75 | 3 | 7 | 2.365 | Close association exist |
| (2-4) | 0.705907278 | 2.636797812 | 7 | 2.365 | Close association exist |
| (2-5) | 0.739573997 | 2.90714723 | 7 | 2.365 | Close association exist |
| (3-4) | 0.941209704 | 7.371338662 | 7 | 2.365 | Close association exist |
| (3-5) | 0.914736259 | 5.989743748 | 7 | 2.365 | Close association exist |
| (4-5) | 0.98133584 | 13.50154312 | 7 | 2.365 | Close association exist |

Source: Primary Data

Table 10 : Ranking for Investment Avenues by Salary Earners and Professionals

| Investment Avenues | Salary Earners N= 148 (1) | Professionals N= 52 (2) | (1-2) ² d1 ² |
|---|---------------------------------|-------------------------------|---------------------------------------|
| Gold | 1 | 1 | 0 |
| Shares | 7 | 6.5 | 0.25 |
| Deposits | 2 | 2 | 0 |
| PF | 3 | 4 | 1 |
| Pension Fund | 5 | 5 | 0 |
| Mutual Fund | 8 | 8 | 0 |
| Real Estate | 4 | 3 | 1 |
| Insurance | 6 | 9 | 9 |
| Private Lending | 9 | 6.5 | 6.25 |
| | | | $\Sigma d1^2 = 17.5$ |
| $R = 1 - \{6 \Sigma d1^2 / N^3 - N\}$ $R = 0.85$ | | | |

- It is found except one case there is medium degree of positive correlation between investment motive and different age groups investors, and there is no significant difference between rankings for motivational factors by different age groups of the respondents at 5% level of significance.
- There is high degree positive correlation coefficient in ranking by different income group of investors for investment avenues.
- As most of the investment preferences of salary earners and professionals are similar, the spearman rank correlation between these two is categories is '0.85', implies high degree of positive association.

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