

A PROJECT REPORT

(18MBAPR407)

on the Topic

A Study on Investment Awareness and Financial Planning Among Salaried Employees with Reference to Bengaluru City, India

By

HARINI.R

USN: ICR18MBA15

MBA 4th Semester

Submitted to VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI
in partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION



Under the Guidance of

INTERNAL GUIDE
Mr. Kathari Santosh
Assistant Professor



DEPARTMENT OF MASTER OF BUSINESS ADMINISTRATION
CMR INSTITUTE OF TECHNOLOGY

#132, AECS Layout, ITPL Main Road, Kundalahalli,
BENGALURU-560037

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CERTIFICATE

This is to certify that **Ms. Harini R** bearing USN **1CR18MBA15** is a bonafide student of Master of Business Administration Programme of the Institute (2018-20 Batch), affiliated to Visvesvaraya Technological University, Belagavi. Project report on **“A STUDY ON INVESTMENT AWARENESS AND FINANCIAL PLANNING AMONG SALARIED EMPLOYEES WITH REFERENCE TO BENGALURU CITY, INDIA”** is prepared by her under the guidance of **Mr Kathari.Santosh**, Assistant Professor, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belagavi in Karnataka.


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Signature with Date

2) Name of internal evaluator

DECLARATION

I, Ms. HARINI. R hereby declare that the Project report entitled “A Study On Investment Awareness and Financial Planning Among Salaried Employees with Reference to Bangalore City, India” prepared by me under the guidance of Prof. Kathari Santosh, faculty of MBA Department, CMR Institute of Technology. I also declare that this project work is towards the partial fulfillment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a summer project for a period of six weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted to any other University/Institution for the award of any degree/diploma.

Place: *Bangalore*

Date: 26-06-2020

Harini.R
Signature of the Student

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ACKNOWLEDGEMENT

I have been fortunate enough to get good timely advice and support from a host of people to whom I shall remain grateful.

I take this opportunity to express my heartfelt thanks to **Dr. Sanjay Jain**, Principal, CMR Institute of Technology, Bangalore, for his support and cooperation to undertake and complete the project work.

I am extremely thankful to **Prof. Sandeep Kumar**, Head of the Department of Management Studies and Research, CMR Institute of Technology, Bangalore, for his advice and support throughout the completion of the project work.

It gives me immense pleasure to record my thanks to my Internal Guide, **Prof. Kathari Santosh**, CMR Institute of Technology, Bangalore, for his valuable guidance and untiring support and cooperation in completing the project work.

And finally, there is deepest of thanks for the patience and cooperation of the family and friends, without whom the endeavor would not have been possible.

Ms. HARINI. R

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EXECUTIVE SUMMARY:

The nature of Investment and financial planning has changed drastically. Investing in different investment product have become complex task among people because of terms and conditions of investment products and rules and regulations offered by the company.

The investment company must conduct few awareness programs about financial planning and different investment avenues among people for better understanding. Many people talk about investing in certain asset classes in order to meet their financial objective. Investor can invest in different avenues like PPF, FD, Gold, Equities, Mutual Funds and Real Estate etc.

The golden rule of investing says, if investment is started early, one might be in for a surprise in later years. Apart from the compounding effect, there are other few factors that one should consider while planning for investment such as inflation and time value of money. So, every person who are earing should be aware and motivated to save and invest his/her money in various investment avenues and time in financial planning.

The study is conducted among salaried employees referred to Bangalore city to find out the investment awareness level about various investment avenues, preferences and consideration for investing their money the product. A survey was conducted with a sample size of 120 respondents in and around Bangalore city, India. The major focus of the study was to find the awareness level among the respondents and does demographic factor play important role in investment preferences or decision making of selecting the investment products. The study disclose has that demographic factor (age, gender, income and education etc.) have a significant factor in investing their money. The respondents prefer to mostly invest products which gives more safety. Mutual funds, Gold, Bank Deposit, real estate and insurance is the most preferred investment avenues among majority of the investors.

So, A rupee today is worth more than a rupee tomorrow. Ideally, if you start early, you will make more than what you will make by investing later.

CHAPTER-1

1. INTRODUCTION:

Why should one invest?

The answer to this question is to create wealth which eventually helps individuals to fulfil their financial goals for future needs. So, what is investing and how does it help individuals in creating wealth? Investment is defined as an asset or item that is procured in anticipation that it will generate returns or capital appreciation in the future. Many people talk about investing their money in certain asset classes in order to meet their financial objectives. The investment can either be done in fixed deposits, mutual funds, equities, gold or even real estate.

Among all asset classes, fixed deposit is the most widely invested asset class among the investors. That's mainly because of its nature of being risk free and it also gives fixed return in the form of interest to its investors. But in the current scenario, mere savings in fixed deposits may not work for an individual in order to meet the long-term goals.

The lifestyle, necessities and standard of living of people have also evolved with the passage of time. So, in order to meet all the requirements, it has become very essential to plan an alternative investment plan accordingly.

Most individuals are dependents on a single source of income and there are various needs that are either immediate, medium or long-term in nature. As said by Warren Buffet, "Never depend on one source of income, but make investments to create another source". For instance, when one moves from one goal to another with current accumulated savings, one would be left with minimal savings for long-term goals. Hence, it is important to not only keep money in savings bank account, but also invest in asset classes that will help in creating wealth over a long period time.

One of the golden rules of investing says, if investment is started early, one might be in for a surprise in the later years. It's all because of the compounding factor which works along with the investments. Yes, some people also call it as the eighth wonder of the world because of its power of multiplying money over a period.

Thus, if you invest in a disciplined manner and give your investments time to grow, you can achieve most of your goals without any hassle.

There is no investment duration or age specified for one to start investing. But it is advised, "the earlier one starts, the better", as one can take the advantage of compounding returns on their investments.

The three golden rules of investing are as follows:

1. Invest Early.
2. Invest Regularly.
3. Invest for Long-Term & not Short-Term.

Financial Planning is a systematic process of achieving financial goals through need-based investments. Goals can be planning vacation, buying a house, children's education, marriage, etc. Financial Planning helps having a systematic approach towards achieving financial goals and planning the investments, accordingly, keeping in mind factors such as risk appetite, time horizon and savings.

Life is full of competing priorities where some may plan for it and some may not. For instance, things like buying a house, planning for children's education, marriage and having enough money for comfortable retirement. But certain unexpected expenses like hospital bills or sudden breakdown in car, etc. can strain one's finances. Hence, a financial plan can put an individual in control so that they can stay on track regardless of the ups and downs in life.

Financial planning is an ongoing process because goals change and so does earnings of an individual. The aim of having an effective financial plan is to gain the financial clarity in all aspects of life. Thus, financial planning acts as a navigation through which an individual can step towards the hassle-free life of financial freedom. To help sort through the myriad of what needs to be done, here is a short description of key financial planning components:

1. Cash flow planning or money management.
2. Tax planning.
3. Investment planning.
4. Insurance planning.
5. Retirement planning.
6. Debt planning and management.

CHAPTER-2

2. CONCEPTUAL BACKGROUND AND LITERATURE

REVIEW:

2.1 Theoretical Background of the Study:

“The highest use of capital is not to make more money, but to make money do more for the betterment of life” - Henry Ford.

Investors are always looking for investment options to deposit their money, until the need for them arises. With the growing economy, investors today have a variety of investment opportunities, such as short-term investments and long-term investments. It is obvious that investors may get confused as to which asset class will work out for them, whether one should invest in short-term or long-term investment plans.

Any investment option which has a time period of maximum one year are termed as short-term investments. The purpose of short-term investments made by investors is to save the funds for near future; hence these investments are also called temporary investments. Short-term investments are FD/RD/NSC AND Post Offices Saving Schemes etc.

Long-term investment can be considered as, if the investment horizon is more than one year. In case of these investments, one should select an investment class depending on the money required for their goals. Long-term investments are PPF, Equities, Bonds and Mutual Funds etc.

2.2 Literature Review:

Sonali Patil (2014): Studied Investment products preferred among salaried class with sample of 40 investors has been take from Pune city, India. The result of research was found that only 60% of investors were aware and 40% of investors were not aware about the investment avenues.

V. R. Palanivelu & K. Chandra Kumar (2013): Conducted a Survey on salaried employee’s choices in Namakkal Taluk, Tamil Nadu, India with sample size of 100 respondents. It reveals that employee’s investment in different avenues, age factor and income level are also important while selecting investments.

Chitra and Sreedevi (2011): Analysed the influence of seven personality traits – stability, return, emotional, risk, agreeability, extraversion, conscientiousness and reasoning – on the choice of the investment pattern. The results on the study of personality traits of the investors have an impact on people while taking decision and strong influence on

determining the method of investment. The research found that personality traits influence the decision of investment is more compared to that of demographic variables.

Nagpal and Bodla: Studied the lifestyle characteristics of the respondents and influence on investment choices. This study concludes that investors lifestyle decides the risk-taking capacity of investors. The study found that despite phenomenal growth in security market, the individual prefers to invest in less risky investment, viz., fixed deposits with post office, bank, insurance policy PPF and NSC

Davar and Gill (2009): Investigated the underlying dimensions in the selection of different investment for the households. The finding of the research reveal emphasis on familiarity, opinion, satisfaction and demographic dimensions for all investment avenues.

CA Yogesh. Patel and CS Charul Y. Patel (2012): This study is on behavioural pattern of salaried employees on investment which comprised of 50 sample size which is limited to Mumbai city, India. The finding results that India youth preferences are not on traditional savings options like post office schemes and fixed deposits. 30 sample out of 50 feels that Mutual Funds are more favoured is what young saver and investor has to say.

Avinash Kumar Singh (2006): This study is conducted in Bangalore city and Bhubaneswar which analysis the investment pattern of people and the study was undertaken with help of survey method. After the analysis of data, it is found that Bhubaneswar is less aware and Bangalore investors are aware about the various investment avenues and risk associated. Except people like who are above 50 give more important to insurance, fixed deposits and tax saving benefits and other age groups give more important to invest in equity.

Karthikeyan (2001): Has conducted a survey on Post Office Saving Schemes and they have found that there have difference significant level among different age groups, level of awareness on products like Kisan Vikas Patra (KVP), Deposit Scheme for Retired Employees (DSRE) and National Savings Scheme (NSS) results in that awareness level among young age group is less when compare to old age group.

Puneet Bhushan Sood and Yajulu Medury (2012): In this study, survey method was adopted to collect the primary information from the salaried individuals. The sample of 133 was drawn from Delhi, Gurgaon and Noida. This study shows that most of the investors are 41-50 years, Males prefer Mutual Funds and Life Insurance products whereas Females prefer Recurring Deposits and Market Investments.

Sandhu and Singh (2004): The study was conducted in Amritsar between Oct and Nov in 2002 with a sample size of 50 non-adopters and 50 adopters with structured primary data.

The results which were analysed shows that non-adopter's convenience and economy were the important features and other factors like safety, market quality and liquidity, in case of adopter's transparency, economy judged, convenience, safety and liquidity.

Patil and Nandewar(2014): have observed in their study, 'A Study on Preferred Investment Avenues Among Salaried People With Reference to Pune, India', that investment options such as banks, gold, real estate, postal services ,mutual funds are studied by the researchers. The data has been analysed by using Percentage, Chi Square Test and Pearson Correlation Co-efficient. It has been identified by them that the investors are aware about investment avenues available in India but still preferred to invest in bank deposits, real estate and gold Investors preferred security and regular income on investments as an important factor while making investments.

Prasad (2009): Examined various investment awareness among 100 sample investors taken from two cities Secunderabad and Hyderabad on various investment alternatives. The results show that tradition traders felt online trading is not acute process for stock trading and they didn't like to participate on net trading because of risk of a system failure and 75% of net traders use online stock trading which have strong technology base.

Verma (2008): Researcher studied the effect of personality on choice among Indian investors and found that Mutual Funds were popular among students, self-employed and professionals. Retirees displayed their risk aversion by not investing in mutual funds and equity shares. it was also found that higher the education, higher was the level of understanding of investment complexities preferred to invest in equity shares as well as mutual funds.

Manish Mittal and Vyas (2008): Over the past years, investment decision among investors have emotional weaknesses and cognitive. Researchers of behavioural finance scientifically say that investors do not act rationally always. Investors have behavioural biases which lead to systematic errors in investment decision. Many have classified that investors invest based on relative capacity of risk-taking. They also advise that factors like age, education, income and marital status affect investment decision of individuals. in this study Indian investors in different personality types and various demographic factors exhibited by the investor's decision.

Sathiyamoorthy and Kirshanmurthy (2015): have revealed in their study, "Investment Pattern and Awareness of Salaried Class Investors in Tiruvannamalai District of Tamil Nadu", that to understand the investment pattern and awareness towards salaried class investors. To further analyse the factors influencing the investors perception and awareness

regarding investment pattern. The results highlight that most of the salaried class look after safety of their investment rather than high returns. It further reveals that factors like education level, age of investors, number of family members etc makes a significant impact while deciding on the avenues for investment. The study is based on primary data and the statistical tools used for analysis are T- test and Chi Square Test. The research shows that majority of the respondents are saving money as Bank Deposits and the main purpose of investment is for the children education, marriage and security after retirement.

2.3 Research Gap:

From the extensive review of the literature it has been depicted that people are investing in traditional investment avenues. The factors motivating investment decisions are safety, liquidity and tax benefits plan. Savings are influenced by the investment opportunities available in the economy which further depends upon the growth prospects and return availability on them. The major factors for determining savings are personal income, education and life cycle of the employees. To make the investors more in the right direction and properly use their valuable and hard-earned financial resources so they are maximized. Financial education is necessary to ensure awareness among investors. Creating financial awakening can play crucial role in equipping the people with relevant information, fundamental knowledge and skill to evaluate various financial alternatives in the proper direction.

CHAPTER-3

3. RESEARCH DESIGN:

3.1 Statement of the Problem:

All the relevant information for the study has been obtained from the representative samples of the salaried section and without referring to any records. As the study is for current and a short period, those data seen to be reliable.

3.2 Need for the Study:

Salaried employees in general have fixed flow of income and their investments choices are found different. In connection with researcher has tried to find out investment behavior and saving planning of salaried investors in Bangalore region. It will be helpful to understand the investment preferences of investors. The research paper will become the helping hand to the research scholars as well as students for their further studies in their respective area.

3.3 Objectives of the Study:

- To study the behavioural pattern of financial planning among salaried employees working in private, government and self-employed groups.
- To study the different in perception of an individual related to various investment alternatives.
- To provide an insight into factors considered for an appropriate investment.
- To identify the elements of income and savings of the selected respondents of the study.
- To know the source of motivation of salaried employees.

3.4 Scope of the Study:

This study is focusing on the preference of investment by salaried class people in Bangalore city only and it will be helpful to identify the different and better investment options that are available in the market.

3.5 Research Methodology:

- It is an exploratory research.
- Primary and Secondary will be collected.
- CHI-TEST Hypothesis is used to observe the significances of the data found and test hypothesis.
- Purposive Sampling will be used to collect Primary Data.
- Sample size shall be total of 120 salaried employees.

3.6 Sample:

The study sample comprised of 120 salaried people in private sector. Using stratified random sampling method of 66 were male and 54 were female.

3.7 Tools:

- A questionnaire was framed which has awareness related to methods and reasons of saving and investment consisting of 20 open-end and close-end questions which had covered the demographic profile, personal and other related data were collected.
- Hypothesis analysis is done through CHISQ.TEST, $P = \text{CHISQ.TEST}(\text{actual_range}, \text{expected_range})$.

3.8 Hypothesis:

Several researches have shown that investment choice is affected by various factors associated with the individual. The target population of this research work is salaried individuals who are assumed to have relatively more exposure, hence expected to behave rationally irrespective of various factors like Annual Income. For the purpose of this study, following hypothesis have been proposed.

- **Hypothesis 1:**

H₀: Investment preference of FD/RD/SB/POS is Independent of Annual Income.

H₁: Investment preference of FD/RD/SB/POS is Not Independent of Annual Income.

- **Hypothesis 2:**

- H₀: Investment preference of PPF/KVB/NSC/SSY is Independent of Annual Income.

- H₁: Investment preference of PPF/KVB/NSC/SSY is Not Independent of Annual Income.

- **Hypothesis 3:**

- H₀: Investment preference of NPS/APY is Independent of Annual Income.

- H₁: Investment preference of NPS/APY is Not Independent of Annual Income.

- **Hypothesis 4:**

- H₀: Investment preference of Mutual Funds is Independent of Annual Income.

- H₁: Investment preference of Mutual Funds is Not Independent of Annual Income.

- **Hypothesis 5:**

- H₀: Investment preference of Debt and Equity Markets is Independent of Annual Income.

- H_1 : Investment preference of Debt and Equity Markets is Not Independent of Annual Income.
- **Hypothesis 6:**
- H_0 : Investment preference of RBI Taxable Bonds is Independent of Annual Income.
- H_1 : Investment preference of RBI Taxable Bonds is Not Independent of Annual Income.
- **Hypothesis 7:**
- H_0 : Investment preference of Real Estate is Independent of Annual Income.
- H_1 : Investment preference of Real Estate is Not Independent of Annual Income.
- **Hypothesis 8:**
- H_0 : Investment preference of Gold Investments is Independent of Annual Income.
- H_1 : Investment preference of Gold Investments is Not Independent of Annual Income.
- **Hypothesis 9:**
- H_0 : Investment preference of Commodity Markets is Independent of Annual Income.
- H_1 : Investment preference of Commodity Markets is Not Independent of Annual Income.
- **Hypothesis 10:**
- H_0 : Investment preference of Insurance is Independent of Annual Income.
- H_1 : Investment preference of Insurance is Not Independent of Annual Income.

3.9 Limitations of the Study:

- The study has been limited to Bangalore city only.
- Sample was limited to 120 respondents.
- The study period was limited to 6 weeks only.
- Questionnaires was limited to working employees only.
- All the observation and recommendation will be made on the feedback obtained from survey.

CHAPTER-4

4. DATA ANALYSIS AND INTERPRETATION:

TABLE4.1:

Demographic Characteristics of Respondents:

<u>VARIABLE</u>		<u>FREQUENCY</u>	<u>PERCENTAGE</u>
GENDER	Male	66	55%
	Female	54	45%
AGE (IN YEARS)	22-25	38	32%
	26-30	28	23%
	31-40	31	26%
	41-50	13	11%
	50 Above	10	8%
ANNUAL INCOME (IN LAKHS)	1-2	15	13%
	2-5	48	40%
	5-10	45	37%
	10 Above	12	10%
MARITAL STATUS	Single	60	50%
	Married	60	50%
NATURE OF EMPLOYMENT	Government	40	33%
	Private	50	42%
	Self-Employed	30	25%

After analyzing the demographic profile of the respondents, it was observed that 55% respondents are male and 45% are female. 32% and 26% of the respondents fall in the age group of 22-30 years and 31-40 years respectively. Around 40% and 37% respondents have an annual income of Rs. 2-5 lakhs and 5-10 lakhs. Majority of the respondents are private employee with 42% and 50% of respondents are married.

TABLE 4.1.1:

Education of respondents:

<u>Variables</u>	<u>Count of Education</u>
10th	2
Others	27
PG	39
PUC	2
UG	50

Above table shows the education of respondents were majority of the respondents are Undergraduate of 50 and Postgraduate of 39, 27 of respondent's others, were 2 people 10th and 2 people 12th.

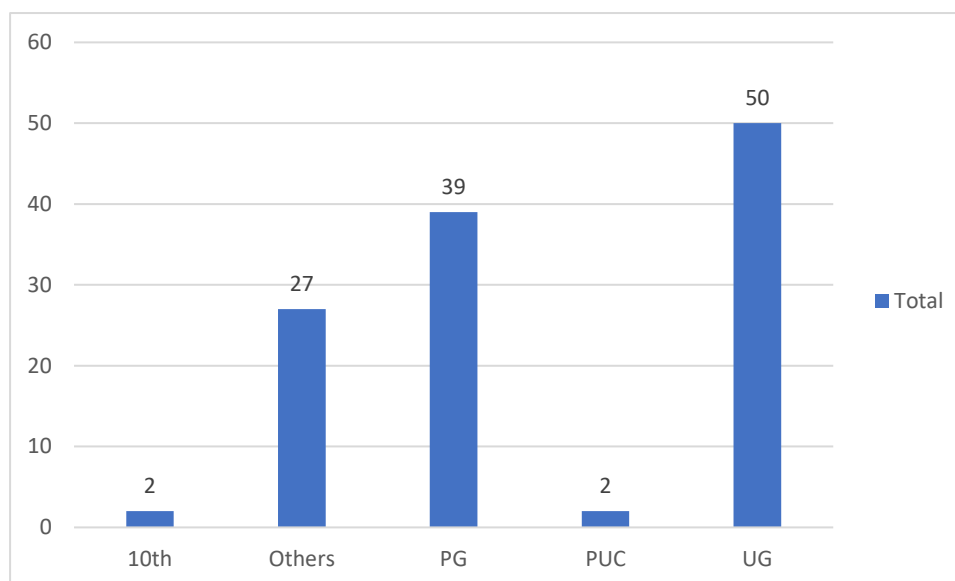


Chart 4.1.1 Education of respondents

TABLE 4.2:

Monthly Savings of Respondents:

<u>Variables</u>	<u>Count of Percentage Wise Monthly Savings</u>
10-20%	57
21-30%	36
31-40%	17
41-50%	5
Above 50%	5

In is table it shows that most of the respondent's choices 10%-20% and 21%-30% of monthly savings, were 57 and 36 employees respectively. Other choices were 17 employees save in 31%-40%, 5 employees make their savings in 41%-50% and 5 employees make monthly savings in above 50%.

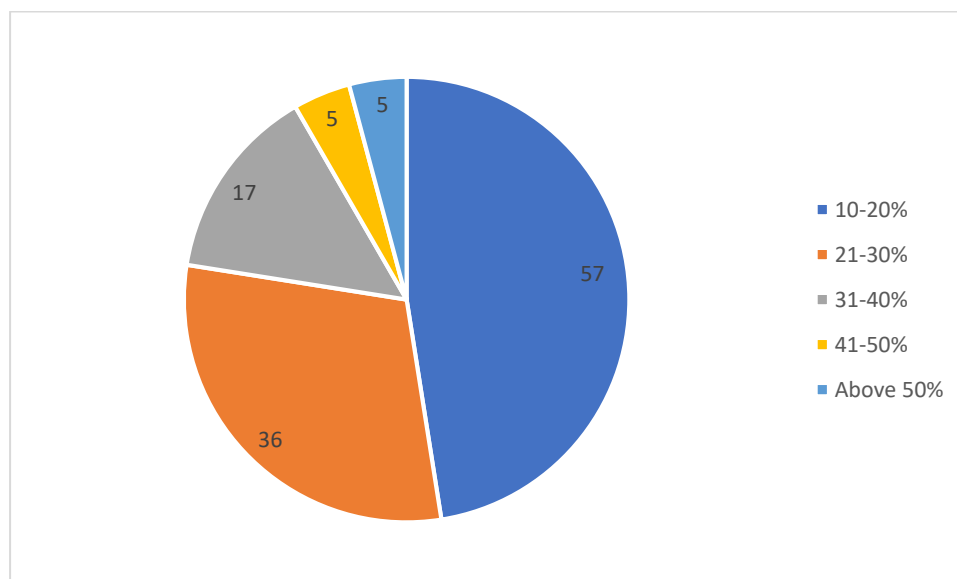


Chart 4.2 Monthly savings of respondents

TABLE4.3:

Annual Savings of Respondents:

<u>Variables</u>	<u>Count of Annual Savings (in lakhs)</u>
Below 1	29
1-2	42
2-4	36
4-5	9
Above 5	4

In the above table 36 respondents make savings from 2-4 lakhs, 42 respondents make savings in 1-2 lakhs, 29 make savings in below 1 lakh, 9 and 4 respectively make savings in 4-5 lakhs and above 5 lakhs.

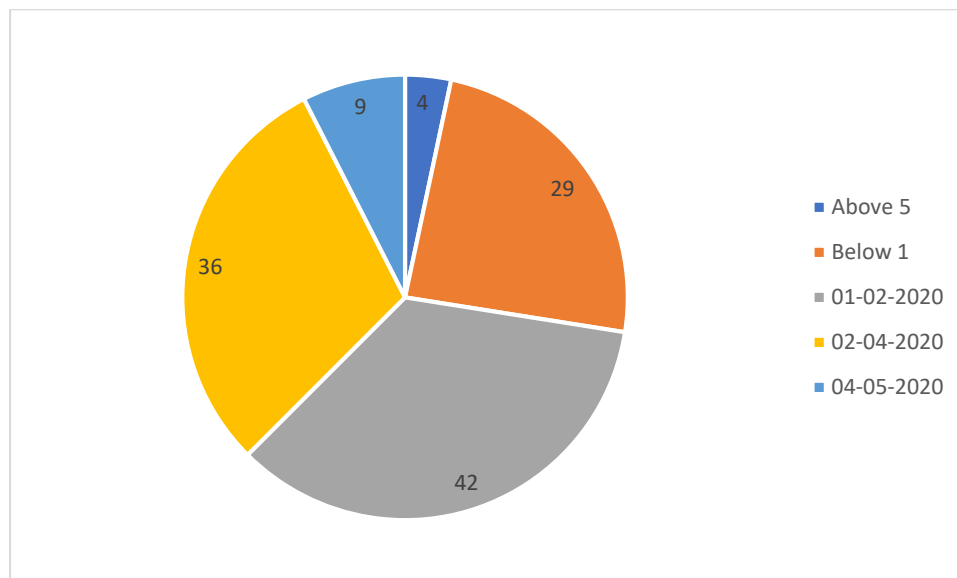


Chart 4.3 Annual savings of respondents

TABLE 4.4:

Awareness about all Investment:

<u>GENDER</u>	<u>ARE YOU AWARE ABOUT ALL INVESTMENT AVENUES</u>		
	No	Yes	Grand Total
Female	18	36	54
Male	13	53	66
Grand Total	31	89	120

In the above that out of 120 respondents 89 of the respondents are aware about all the investment and 31 respondents are not aware of investment.

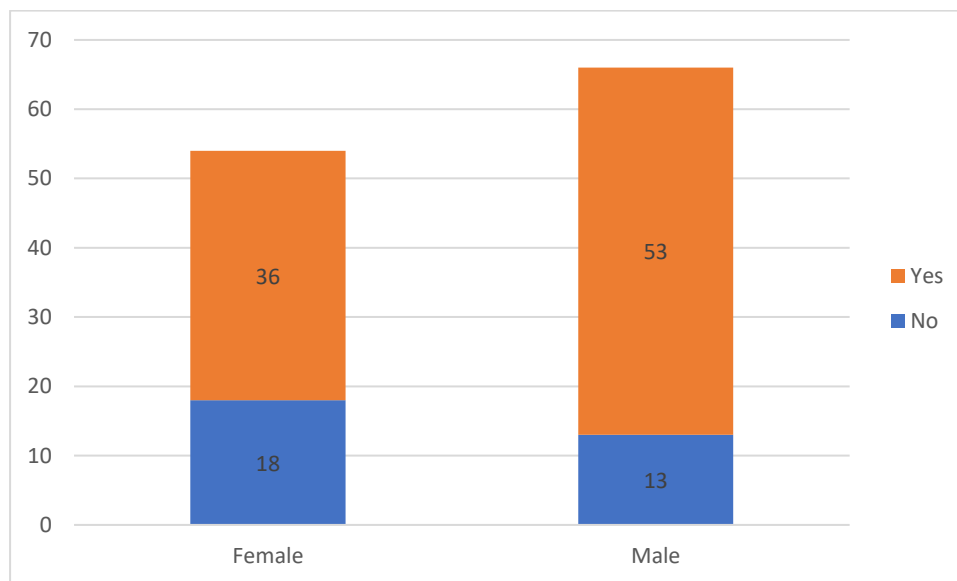


Chart 4.4 Awareness about all investment

TABLE 4.5:

Investment Awareness of Various Products:

4.5.1 FD/RD/SB/Post Office Savings:

<u>VAEIABLES</u>	<u>[FD/RD/SB/POST OFFICE SAVINGS]</u>					
	<u>Aware</u>	<u>Highly Aware</u>	<u>Highly unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand Total</u>
22-25	11	11	4	6	6	38
25-30	11	11	2	3	1	28
31-40	17	8		6		31
41-50	10	1		2		13
50 above	4	1		5		10
Grand Total	53	32	6	22	7	120

In this above table respondents ranging from 31-40, 41-50 and above 50 are more aware about the investment scheme were as respondents ranging from 22-25 and 26-30 are neutral and unaware about, the investment.

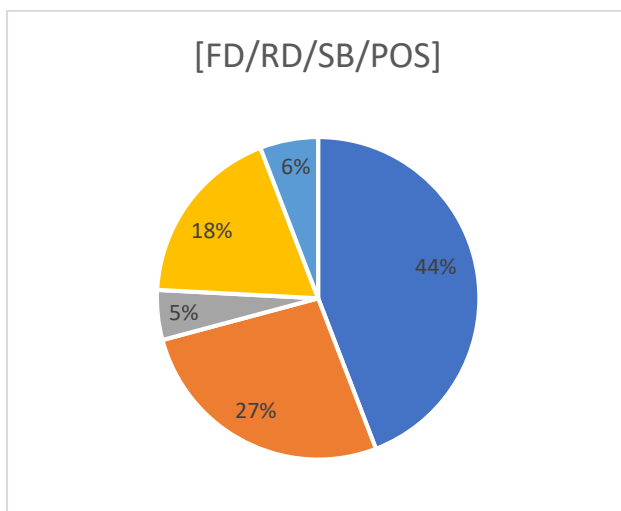


Chart 4.5.1 FD/RD/SB/POS

This chart show that 44% of respondents are aware, 27% are highly aware, 18% are neutral, 5% are highly unaware and 6% are unaware.

4.5.2 PPF/KVB/NSC/SSY:

<u>VAEIABLES</u>	<u>[PPF/KVB/NSC/SSY]</u>					
	<u>Aware</u>	<u>Highly</u> <u>Aware</u>	<u>Highly</u> <u>unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand</u> <u>Total</u>
22-25	9	5	7	6	11	38
26-30	12	4	2	6	4	28
31-40	12	6		10	3	31
41-50	9	2		2		13
50 above	2			7	1	10
Grand Total	44	17	9	31	19	120

In this above table respondents ranging from 31-40, 41-50 and 26-30 are more aware about the investment scheme were as respondents ranging from 22-25 and above 50 are neutral and unaware about the investment.

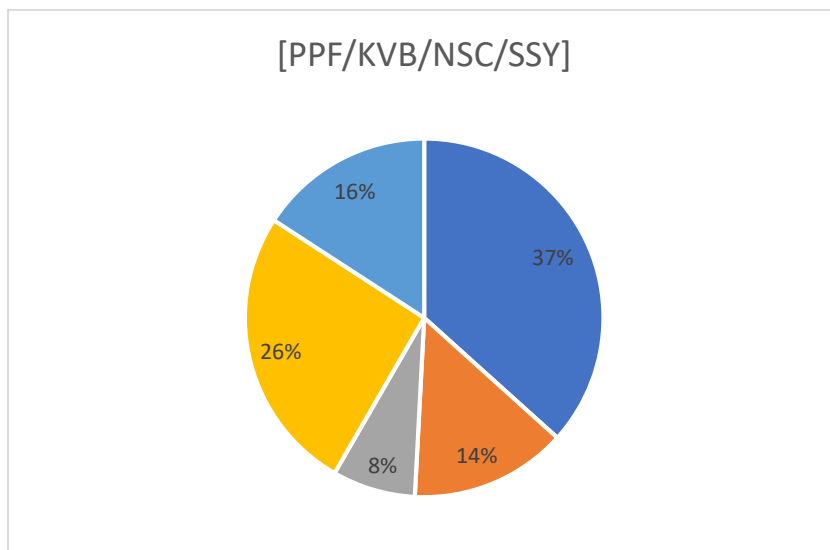


Chart 4.5.2 PPF/KVB/NSC/SSY

This chart show that 37% of respondents are aware, 14% are highly aware, 26% are neutral, 8% are highly unaware and 16% are unaware.

4.5.3 NPS/APY:

<u>VAEIABLES</u>	<u>[NPS/APY]</u>					
	<u>Aware</u>	<u>Highly Aware</u>	<u>Highly unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand Total</u>
22-25	1	6	8	5	18	38
26-30	13	2	1	8	4	28
31-40	12	7		9	3	31
41-50	9	2		2		13
50 above	2			7	1	10
Grand Total	37	17	9	31	26	120

In this above table respondents ranging from 31-40, 41-50 and 26-30 are more aware about the investment scheme were as respondents ranging from 22-25 and above 50 are neutral and unaware about the investment.

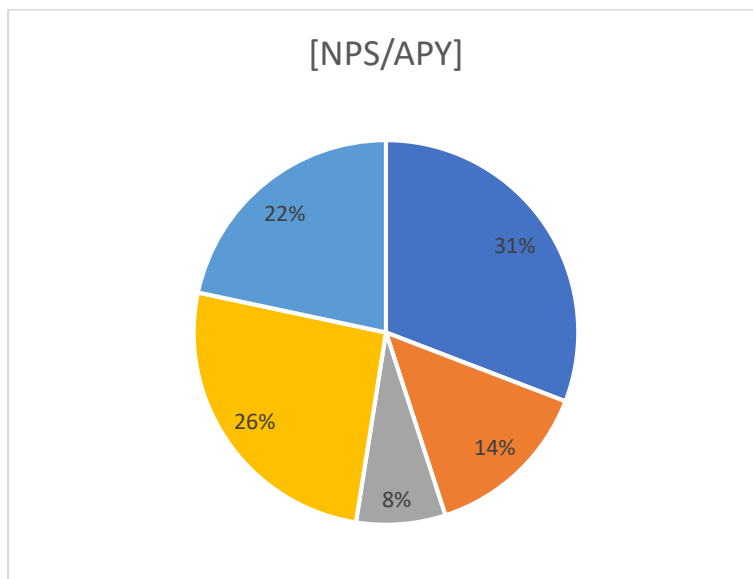


Chart 4.5.3 NPS/APY

This chart show that 31% of respondents are aware, 14% are highly aware, 26% are neutral, 8% are highly unaware and 22% are unaware.

4.5.4 Mutual Funds:

<u>VAEIABLES</u>	<u>[MUTUAL FUNDS]</u>					
	<u>Aware</u>	<u>Highly Aware</u>	<u>Highly unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand Total</u>
22-25	13	8	6	8	3	38
25-30	10	13	1	2	2	28
31-40	11	17	2	1		31
41-50	5	6		2		13
50 above	8	1		1		10
Grand Total	47	45	9	14	5	120

In this above table mostly all respondents ranging from 22-25. 26-30, 31-40, 41-50 and above 50 are more aware about the investment scheme were as few respondents ranging from 22-25 and 26-30 are neutral and unaware about the investment.

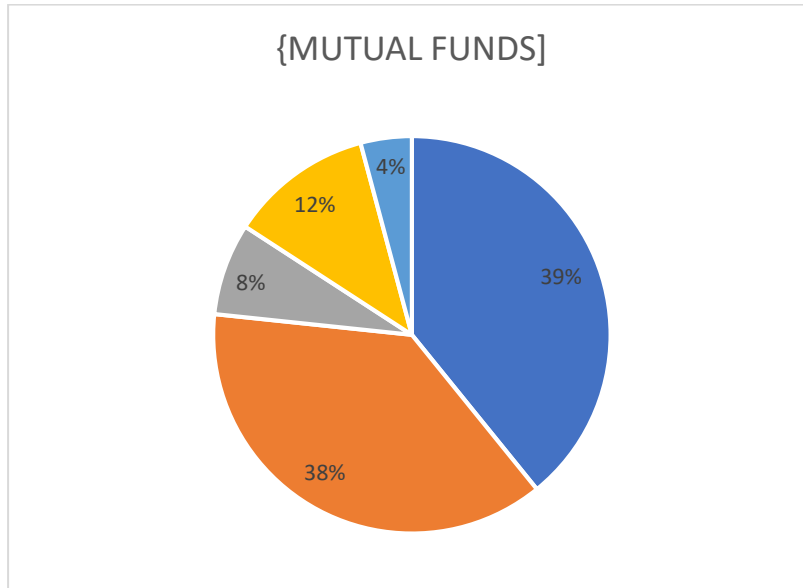


Chart 4.5.4 Mutual Funds

This chart show that 39% of respondents are aware, 38% are highly aware, 12% are neutral, 8% are highly unaware and 4% are unaware.

4.5.5 Debt and Equity Markets:

VAEIABLES	[DEBT AND EQUITY MARKETS]					
	Aware	Highly Aware	Highly unaware	Neutral	Unaware	Grand Total
22-25	9	5	3	12	9	38
25-30	9	11	1	2	5	28
31-40	13	10	2	6		31
41-50	5	6	1	1		13
50 above	8	1		1		10
Grand Total	44	33	7	22	14	120

In this above table respondents ranging from 31-40, 41-50 and above 50 are more aware about the investment scheme were as few respondents ranging from 22-25, 26-30 and 31-40 are neutral and unaware about the investment.

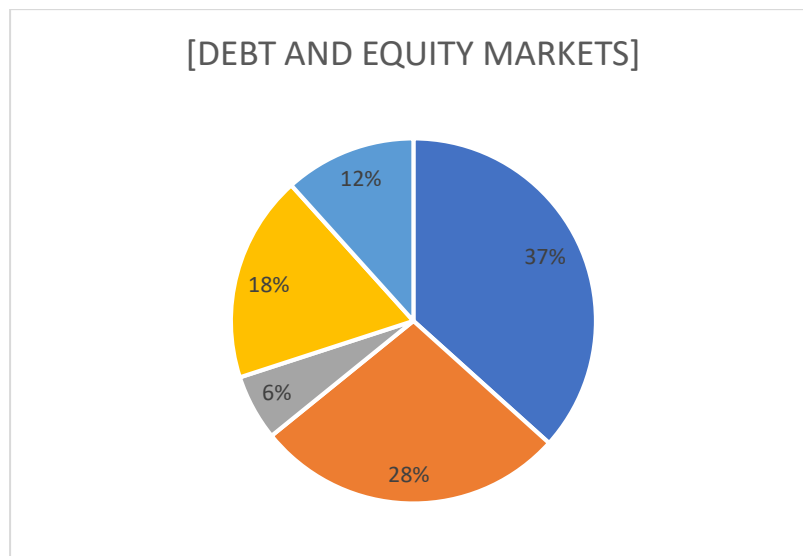


Chart 4.5.5 Debt and equity markets

This chart show that 37% of respondents are aware, 28% are highly aware, 18% are neutral, 6% are highly unaware and 12% are unaware.

4.5.6 RBI Taxable Bonds:

<u>VAEIABLES</u>	<u>[RBI TAXABLE BONDS]</u>					
	<u>Aware</u>	<u>Highly</u> <u>Aware</u>	<u>Highly</u> <u>unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand</u> <u>Total</u>
22-25	8	3	4	9	14	38
25-30	11	10	2		5	28
31-40	13	11	1	4	2	31
41-50	4	6	1	2		13
50 above	8	1			1	10
Grand Total	44	31	8	15	22	120

In this above table respondents ranging from 41-50 and above 50 are more aware about the investment scheme were as respondents ranging from 22-25, 26-30 and 31-40 are neutral and unaware about the investment.

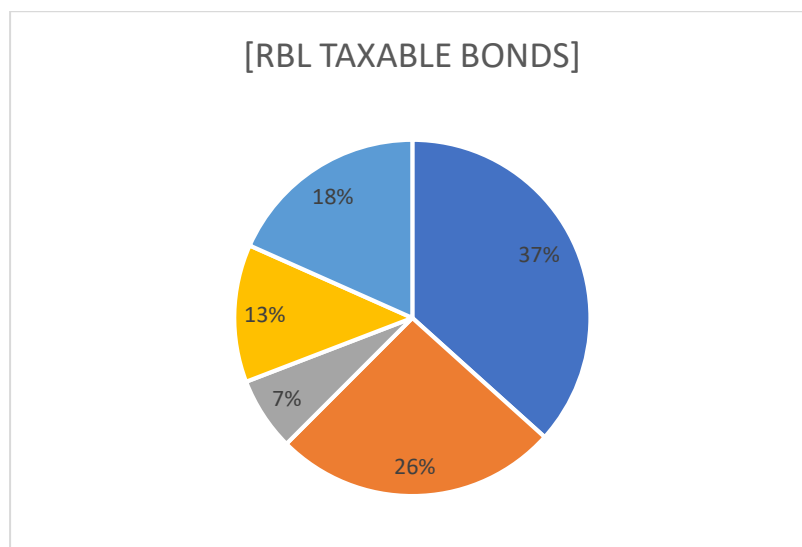


Chart 4.5.6 RBI Taxable Bonds

This chart show that 37% of respondents are aware, 26% are highly aware, 13% are neutral, 7% are highly unaware and 18% are unaware.

4.5.7 Real Estate:

<u>VAEIABLES</u>	<u>[REAL ESTATE]</u>					
	<u>Aware</u>	<u>Highly</u> <u>Aware</u>	<u>Highly</u> <u>unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand</u> <u>Total</u>
22-25	13	7	1	11	6	38
26-30	11	11	1	3	2	28
31-40	10	16	1	3	1	31
41-50	5	6	1	1		13
50 above	7	3				10
Grand Total	46	43	4	18	9	120

In this above table respondents ranging from 31-40, 41-50, 26-30 and above 50 are more aware about the investment scheme were as respondents ranging from 22-25 are neutral and unaware about the investment.

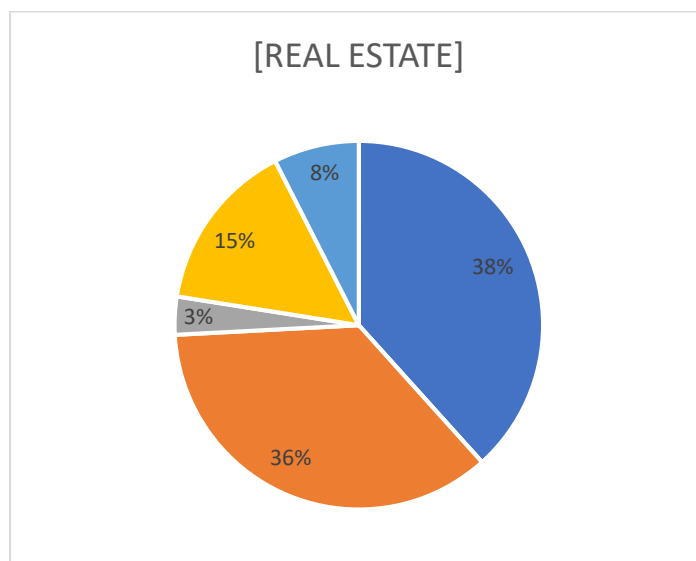


Chart 4.5.7 Real Estate

This chart show that 38% of respondents are aware, 36% are highly aware, 15% are neutral, 3% are highly unaware and 8% are unaware.

4.5.8 Gold Investments:

<u>VAEIABLES</u>	<u>[GOLD INVESTMENTS]</u>					
	<u>Aware</u>	<u>Highly Aware</u>	<u>Highly unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand Total</u>
22-25	13	10	3	7	5	38
26-30	10	12	1	3	2	28
31-40	12	17		2		31
41-50	5	6	1	1		13
50 above	8	2				10
Grand Total	48	47	5	13	7	120

In this above table respondents ranging from 31-40, 41-50, 26-30 and above 50 are more aware about the investment scheme were as few respondents ranging from 22-25 and 26-30 are neutral and unaware about the investment.

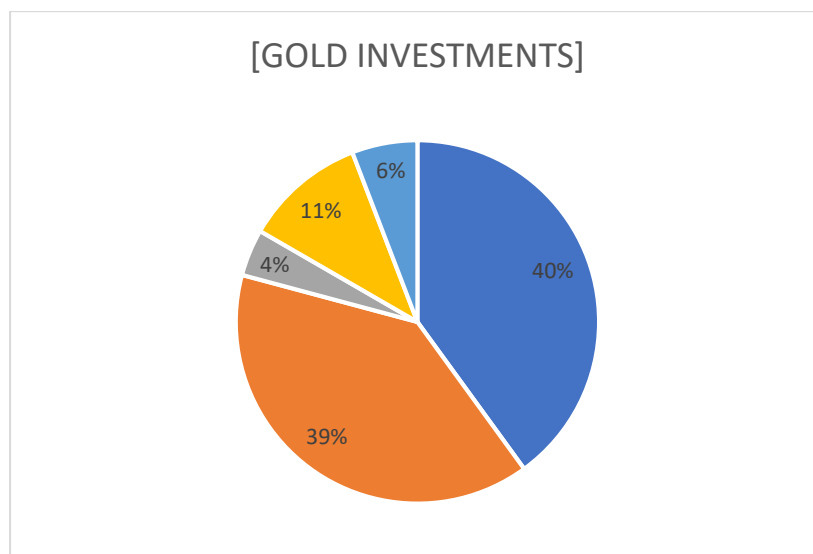


Chart 4.5.8 Gold Investments

This chart show that 40% of respondents are aware, 39% are highly aware, 11% are neutral, 4% are highly unaware and 6% are unaware.

4.5.9 Commodity Market:

<u>VAEIABLES</u>	<u>[COMMODITY MARKET]</u>					
	<u>Aware</u>	<u>Highly Aware</u>	<u>Highly unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand Total</u>
22-25	7	5	2	14	10	38
26-30	9	10	2	2	5	28
31-40	15	9	1	5	1	31
41-50	5	6	1	1		13
50 above	6	2		1	1	10
Grand Total	42	32	6	23	17	120

In this above table respondents ranging from 31-40, 41-50, 26-30 and above 50 are more aware about the investment scheme were as respondents ranging from 22-25 are neutral and unaware about the investment.

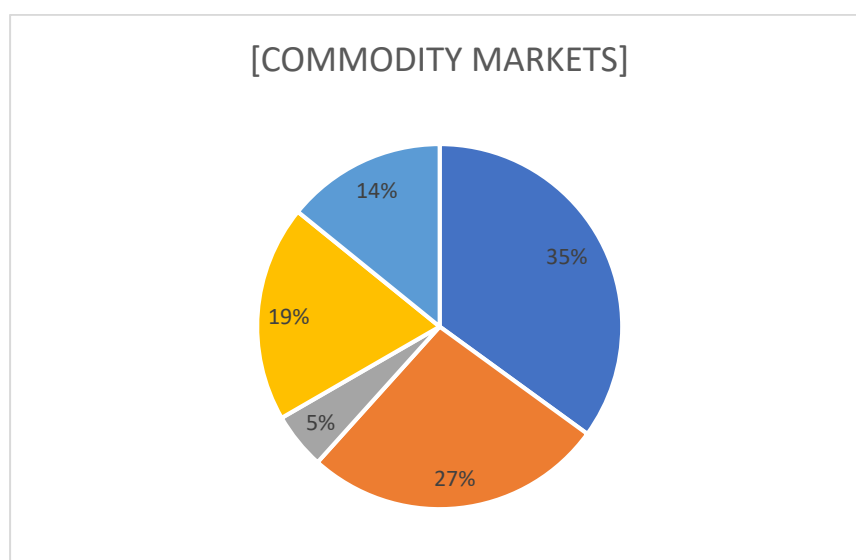


Chart 4.5.9 Commodity Market

This chart show that 35% of respondents are aware, 27% are highly aware, 19% are neutral, 5% are highly unaware and 14% are unaware.

4.5.10 Insurance:

<u>VAEIABLES</u>	<u>[INSURACNE]</u>					
	<u>Aware</u>	<u>Highly</u> <u>Aware</u>	<u>Highly</u> <u>unaware</u>	<u>Neutral</u>	<u>Unaware</u>	<u>Grand</u> <u>Total</u>
22-25	13	11	3	6	5	38
26-30	9	15	2	1	1	28
31-40	12	17		2		31
41-50	6	6		1		13
50 above	7	3				10
Grand Total	47	52	5	10	6	120

In this above table respondents ranging from 22-25, 31-40, 41-50, 26-30 and above 50 are more aware about the investment scheme were as few respondents ranging from 22-25 are neutral and unaware about the investment.

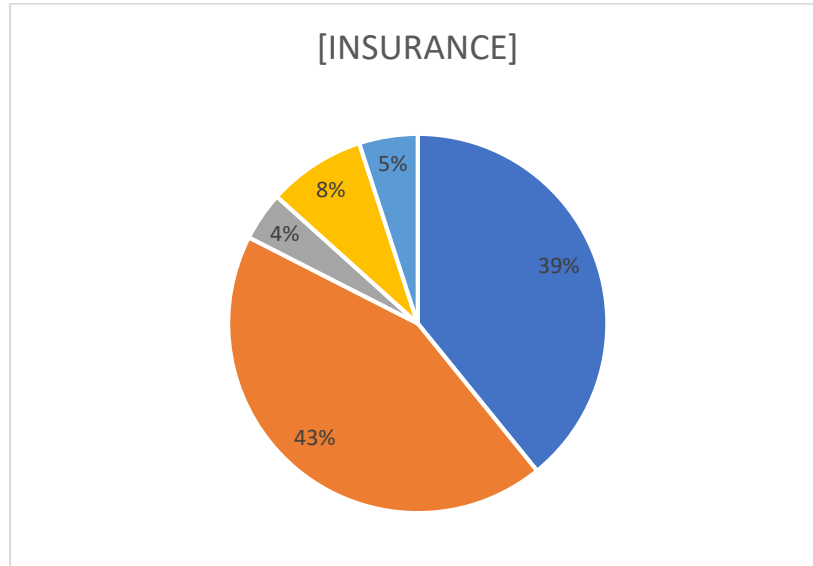


Chart 4.5.10 Insurance

This chart show that 39% of respondents are aware, 43% are highly aware, 8% are neutral, 4% are highly unaware and 5% are unaware.

TABLE4.6:

Investment Preferences:

4.6.1 FD/RD/SB/POS:

<u>ANNUAL</u> <u>INCOME (in</u> <u>lakhs)</u>	<u>[FD/RD/SB/POST OFFICE SAVINGS]</u>					
	<u>Agree</u>	<u>Disagree</u>	<u>Strongly</u> <u>Agree</u>	<u>Strongly</u> <u>Disagree</u>	<u>Undecided</u>	<u>Grand</u> <u>Total</u>
1-2	8	1	3	1	2	15
2-5	19	3	15	3	8	48
5-10	20	4	13	1	7	45
10 above	5	4			3	12
Grand Total	52	12	31	5	20	120

According to this table respondents whose income is ranging from 2-5 and 5-10 lakhs agree most and respondent's income ranging from 1-2 and 10 above lakhs is disagree with the investment preferences.

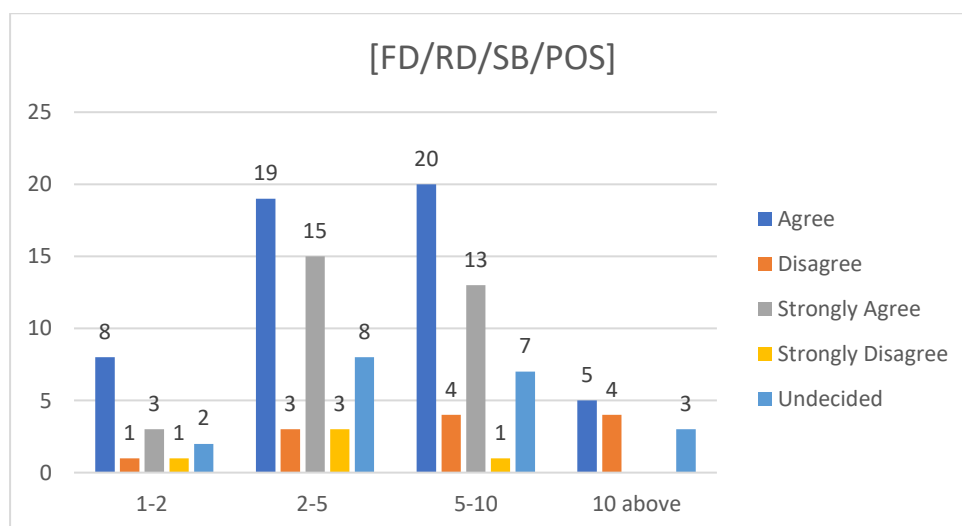


Chart 4.6.1 FD/RD/SB/POS

As per the CHI-SQUARE test P-value (0.561296736) is more than the significance level (0.05), we accept the null hypothesis. Thus, we conclude that it is not significance.

4.6.2 PPF/KVB/NSC/SSY:

<u>ANNUAL</u> <u>INCOME (in</u> <u>lakhs)</u>	<u>[PPF/KVB/NSC/SSY]</u>					
	<u>Agree</u>	<u>Disagree</u>	<u>Strongly</u> <u>Agree</u>	<u>Strongly</u> <u>Disagree</u>	<u>Undecided</u>	<u>Grand</u> <u>Total</u>
1-2	7			3	5	15
2-5	16	5	8	3	16	48
5-10	18	4	8	1	14	45
10 above	4	2		1	5	12
Grand Total	45	11	16	8	40	120

According to this table respondents whose income is ranging from 2-5 and 5-10 lakhs agree most, few respondents ranging from 2-5, 5-10 lakhs are undecided and respondent's income ranging from 1-2 and 10 above lakhs is disagree with the investment preferences.

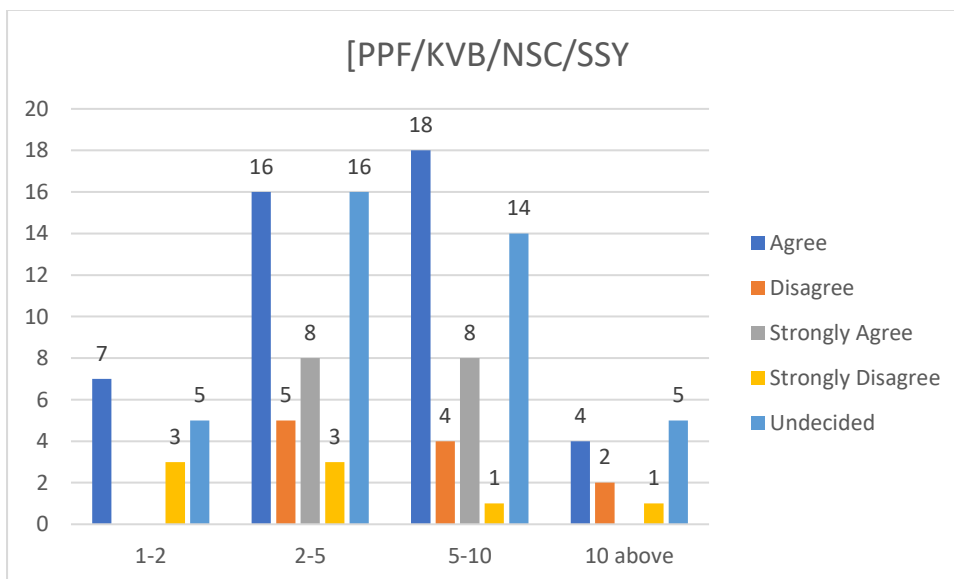


Chart 4.6.2 PPF/KVB/NSC/SSY

As per the CHI-SQUARE test P-value (0.762075053) is more than the significance level (0.05), we cannot reject null hypothesis. Thus, we conclude that it is not significance.

4.6.3 NPS/APY:

ANNUAL INCOME (in lakhs)	[NPS/APY]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	3	1		3	8	15
2-5	15	5	7	4	17	48
5-10	21	6	5	1	12	45
10 above	3	2			7	12
Grand Total	42	14	12	8	44	120

According to this table few respondents whose income is ranging from 2-5 and 5-10 lakhs agree, few undecided and respondent's income ranging from 1-2 and 10 above is disagree with the investment preferences.

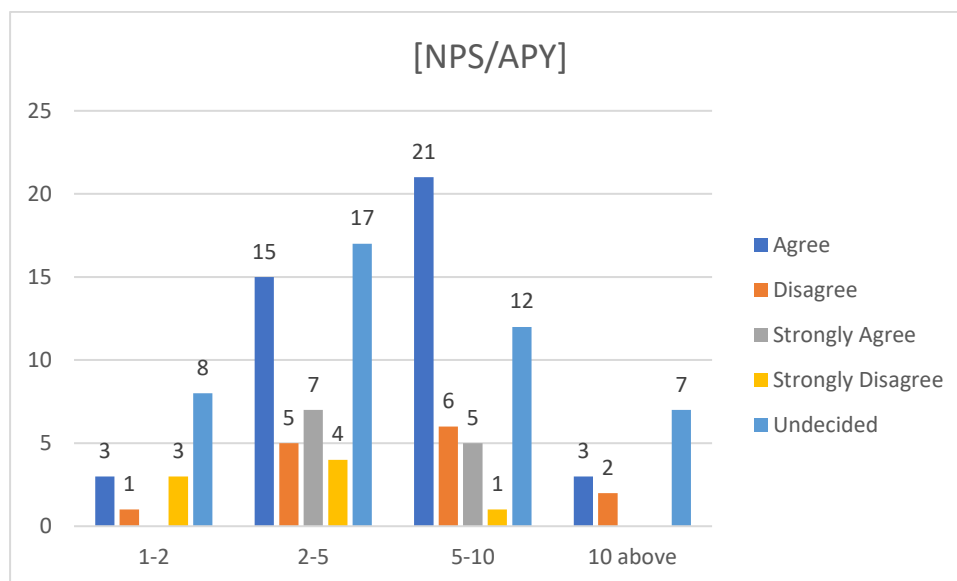


Chart 4.6.3 NPS/APY

As per the CHI-SQUARE T-test, Since the P-value (0.268878059) is less than the significance level (0.05), we cannot accept null hypothesis. Thus, we conclude that it is significance.

4.6.4 Mutual Funds:

ANNUAL INCOME (in lakhs)	[MUTUAL FUNDS]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	5		3	1	3	12
2-5	6	1	2	2	4	15
5-10	23	6	15	2	2	48
10 above	14	2	22	2	5	45
Grand Total	48	9	42	7	14	120

According to this table few respondents whose income is ranging from 10 above and 5-10 lakhs agree and respondent's income ranging from 1-2 and 2-5 lakhs is disagree with the investment preferences.

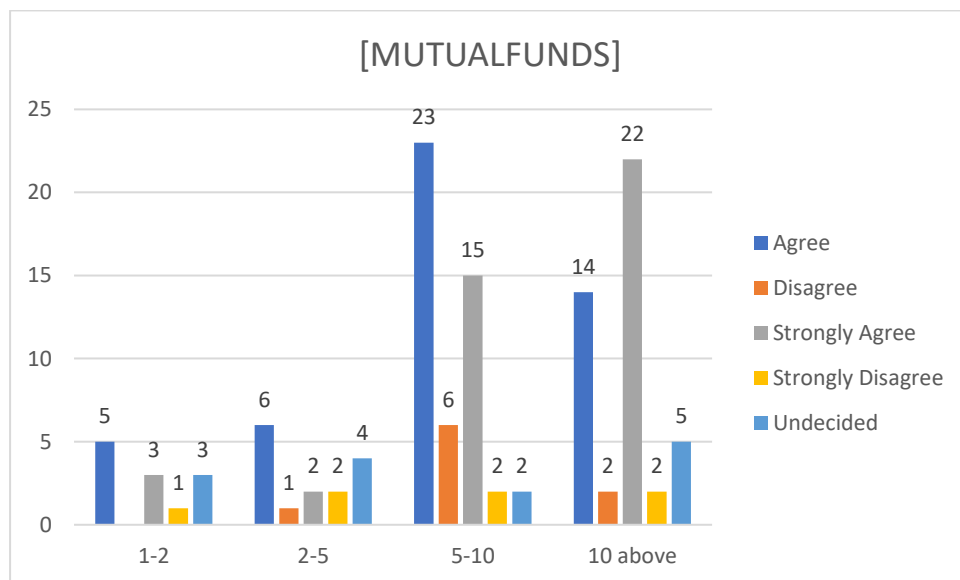


Chart 4.6.4 Mutual Funds

As per the CHI-SQUARE test, Since the P-value (0.120285201) is less than the significance level (0.05), we cannot accept null hypothesis. Thus, we conclude that it is significance.

4.6.5 Debt and Equity Markets:

ANNUAL INCOME (in lakhs)	[DEBT AND EQUITY MARKETS]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	6		2		4	12
2-5	8	1	1	2	3	15
5-10	20	5	10	2	11	48
10 above	20	4	15	1	5	45
Grand Total	54	10	28	5	23	120

According to this table few respondents whose income is ranging from 10 above and 5-10 lakhs agree and undecided and respondent's income ranging from 1-2 and 2-5 lakhs is agree, only few disagree with the investment preferences.

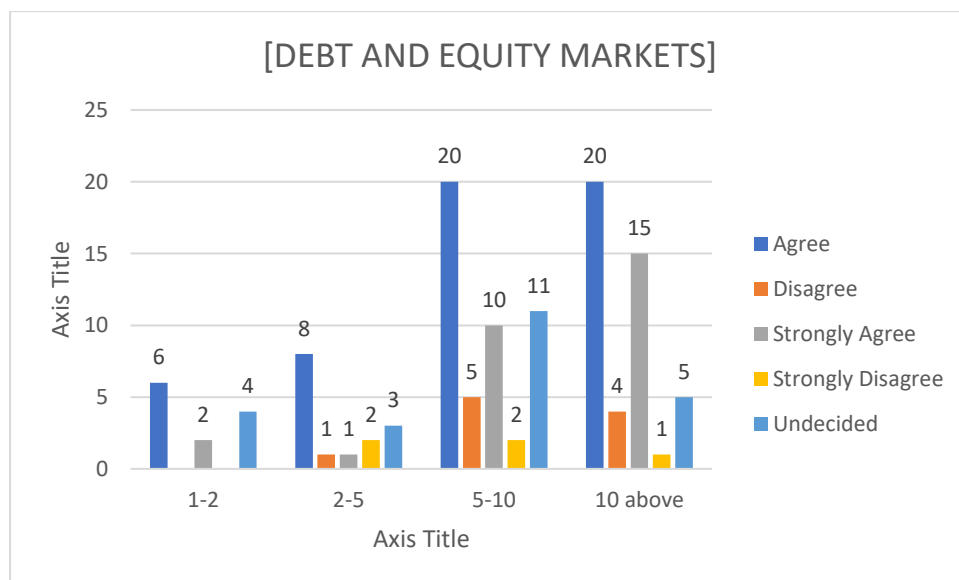


Chart 4.6.5 Debt and Equity Markets

As per CHI-SQUARE test on the data observe the significance of data found and tested show. Since the P-value (0.496759111) is less than the significance level (0.05), we cannot accept null hypothesis. Thus, we conclude that it is significance.

4.6.7 RBI Taxable Bonds:

ANNUAL INCOME (in lakhs)	[RBI TAXABLE BONDS]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	6	1	2	1	2	12
2-5	6	1	1	2	5	15
5-10	22	5	10	3	8	48
10 above	18	3	13	2	9	45
Grand Total	52	10	26	8	24	120

According to this table few respondents whose income is ranging from 10 above and 5-10 lakhs agree, few disagree and undecided and respondent's income ranging from 1-2 and 2-5 lakhs is agree with the investment preferences.

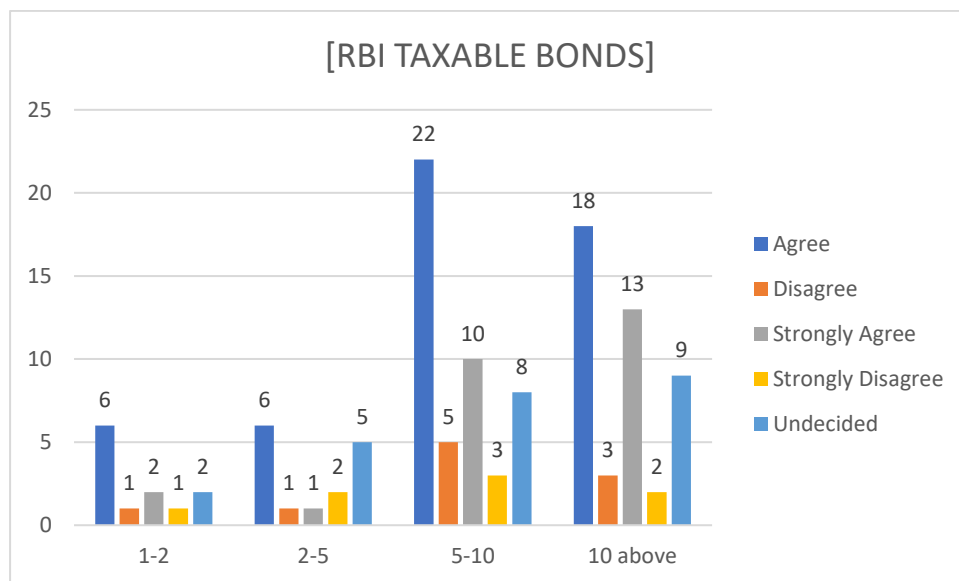


Chart 4.6.6 RBI Taxable Bonds

As per CHI-SQUARE test on the data observe the significance of data found and tested show. Since the P-value (0.879635493) is more than the significance level (0.05), we cannot reject null hypothesis. Thus, we conclude that it is not significance.

4.6.7 Real Estate:

ANNUAL INCOME (in lakhs)	[REAL ESTATE]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	5	1	4	1	1	12
2-5	6	1	3	2	3	15
5-10	22	3	16	3	4	48
10 above	15	3	19	2	6	45
Grand Total	48	8	42	8	14	120

According to this table few respondents whose income is ranging from 1-2, 2-5, 10 above and 5-10 lakhs agree and only few respondents ranging from all income group is disagree with the investment preferences.

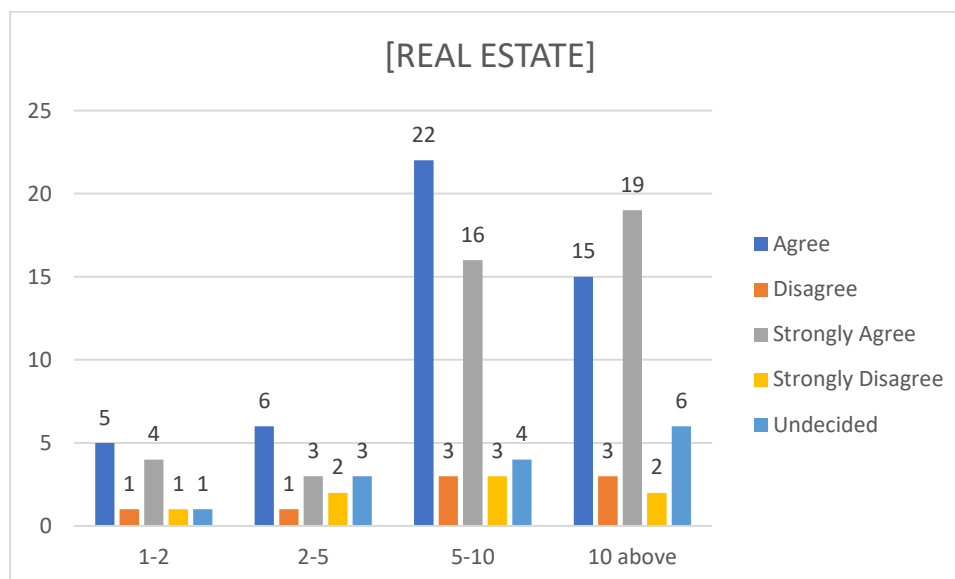


Chart 4.5.7 Real Estate

As per chi-square test on date to observe the significance of the data found and tested show. Since the P-value (0.933619286) is more than the significance level (0.05), we accept null hypothesis. Thus, we conclude that it is not significance.

4.6.8 Gold Investments:

ANNUAL INCOME (in lakhs)	[GOLD INVESTMENTS]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	4	1	5	1	1	12
2-5	8	1	1	1	4	15
5-10	20	3	19	3	3	48
10 above	14	3	22	2	4	45
Grand Total	46	8	47	7	12	120

According to this table few respondents whose income is ranging from 1-2, 2-5, 10 above and 5-10 lakhs agree and only few respondents disagree with the investment preferences.

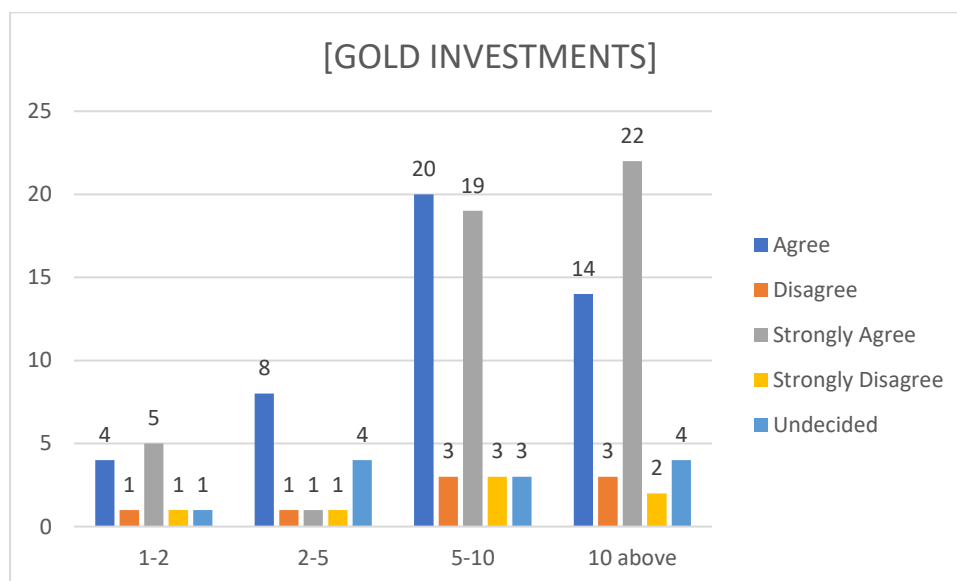


Chart 4.6.8 Gold Investments

As per CHI-SQUARE test on data to observe the significance of data found and tested show. Since the P-value (0.243051801) is less than the significance level (0.05), we cannot accept null hypothesis. Thus, we conclude that it is significance.

4.6.9 Commodity Market:

ANNUAL INCOME (in lakhs)	[COMMODITY MARKET]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	7	1	2	1	1	12
2-5	8	1		2	4	15
5-10	20	4	9	2	13	48
10 above	18	3	12	3	9	45
Grand Total	53	9	23	8	27	120

According to this table few respondents whose income is ranging from 1-2, 2-5, 10 above and 5-10 lakhs agree and undecided and few respondent's income ranging from 5-10 and 10 above lakhs is disagree with the investment preferences.

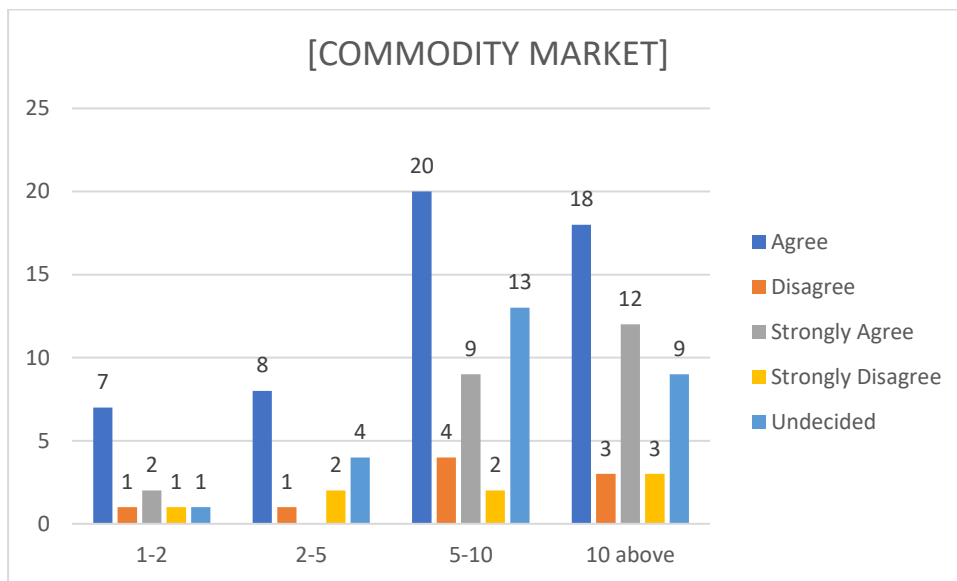


Chart 4.6.9 Commodity Market

As per the CHI-SQUARE test, Since the P-value (0.925356399) is more than the significance level (0.05), we cannot reject null hypothesis. Thus, we conclude that it is not significance.

4.6.10 Insurance:

ANNUAL INCOME (in lakhs)	[INSURANCE]					
	Agree	Disagree	Strongly Agree	Strongly Disagree	Undecided	Grand Total
1-2	5		4	1	2	12
2-5	7	1	3	1	3	15
5-10	21	4	17	2	4	48
10 above	16	1	23	2	3	45
Grand Total	49	6	47	6	12	120

According to this table few respondents whose income is ranging from 1-2, 2-5, 10 above and 5-10 lakhs agree and few respondent's income ranging from 5-10 lakhs is disagree and undecided with the investment preferences.

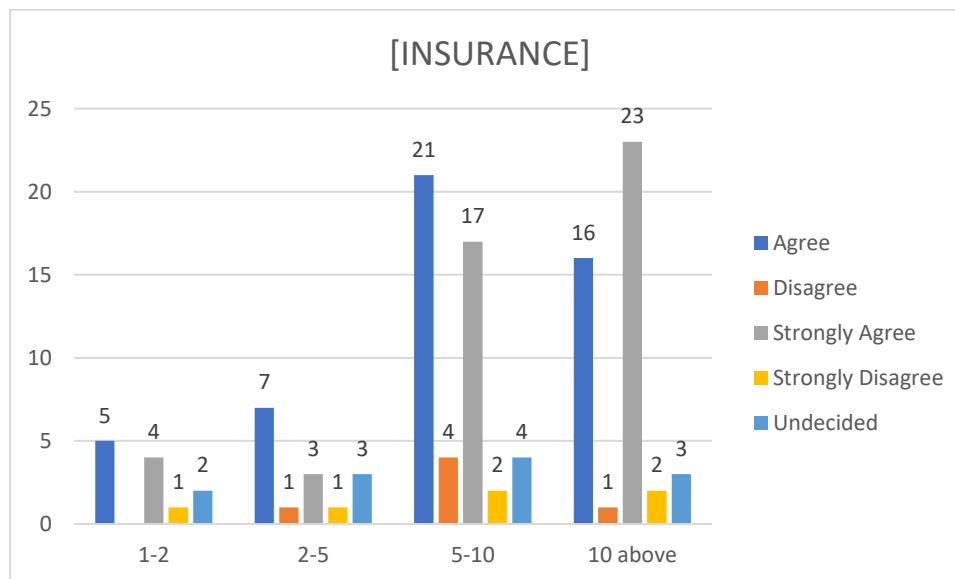


Chart 4.6.10 Insurance

As per the CHI-SQUARE test, Since the P-value (0.718876434) is more than the significance level (0.05), we accept null hypothesis. Thus, we conclude that it is not significance.

TABLE 4.7:**Objectives of your investments:**

Objectives of your Investment						Grand Total
	22-25	25-30	31-40	41-50	50 above	
Future Security	2					2
Future Security;Capital appreciation			1			1
Future Security;Capital appreciation;Children Career			2			2
Future Security;Capital appreciation;Others	1	2	2	3		8
Future Security;Children Career	2	1	1			4
Future Security;Good Returns	9	2	1	1		13
Future Security;Good Returns;Capital appreciation;Children Career;Others					1	1
Future Security;Good Returns;Capital appreciation;Tax Savings		1				1
Future Security;Good Returns;Capital appreciation;Tax Savings;Children Career		1	1			2
Future Security;Good Returns;Capital appreciation;Tax Savings;Others			1			1
Future Security;Good Returns;Children Career	3					3
Future Security;Good Returns;Children Career;Others				1		1
Future Security;Good Returns;Liquidity;Capital appreciation;Tax Savings;Children Career;Others			1			1
Future Security;Good Returns;Liquidity;Tax Savings;Children Career		3	3			6
Future Security;Good Returns;Tax Savings	3	2	1	1		7
Future Security;Good Returns;Tax Savings;Children Career		3	1	3	4	11
Future Security;Good Returns;Tax Savings;Children Career;Others	1		1		3	5
Future Security;Liquidity;Children Career			2			2
Future Security;Liquidity;Tax Savings	1		1			2
Future Security;Liquidity;Tax Savings;Children Career		1	5			6
Future Security;Liquidity;Tax Savings;Others			2			2
Future Security;Others	1					1
Future Security;Tax Savings	4					4
Future Security;Tax Savings;Children Career		1	1	1	2	5
Future Security;Tax Savings;Others		2		1		3
Good Returns;Capital appreciation	2		1			3
Good Returns;Capital appreciation;Children Career	1					1
Good Returns;Capital appreciation;Tax Savings;Children Career			1			1
Good Returns;Children Career	3	1				4
Good Returns;Liquidity	1	2				3
Good Returns;Liquidity;Capital appreciation			1			1
Good Returns;Liquidity;Tax Savings	1					1
Good Returns;Liquidity;Tax Savings;Children Career		1				1
Good Returns;Tax Savings	2	2				4
Good Returns;Tax Savings;Children Career		2	1			3
Liquidity				1		1
Liquidity;Tax Savings				1		1
Others	1					1
Tax Savings;Children Career		1				1
Grand Total	38	28	31	13	10	120

According to this above table we can analyze that respondent's investment objective is more likely to Future Security, Good Returns, Tax Savings, Children Career and Capital Appreciation. Respondents who are aged between 22-25 and 26-30 mostly choices Good Returns and Future Security, Respondents aged between 31-40 and 41-50 choices Children Career and Liquidity and respondents who are 50 above choices all the above and other objectives.

TABLE 4.8:**Factors influencing while selecting investment avenues:**

Factors Influencing while selecting Investment avenues	22-25	25-30	31-40	41-50	50 above	Grand Total
Diversification;Affordability	1					1
Diversification;Simplicity			1			1
Liquidity	1					1
Liquidity;Affordability		1				1
Liquidity;Diversification		1				1
Liquidity;Diversification;Simplicity		1	1			2
Liquidity;Tax Savings		1				1
Liquidity;Tax Savings;Simplicity		1				1
Safety	3					3
Safety;Affordability	9	3	5			17
Safety;Affordability;Simplicity		2	1			3
Safety;Diversification	1	1		1		3
Safety;Diversification;Affordability;Simplicity	1		1	1		3
Safety;Diversification;Simplicity	1		2	2	3	8
Safety;Liquidity	2	2		1		5
Safety;Liquidity;Affordability;Simplicity		1		1	1	3
Safety;Liquidity;Diversification;Simplicity			1			1
Safety;Liquidity;Tax Savings		1	2	2		5
Safety;Liquidity;Tax Savings;Affordability			1			1
Safety;Liquidity;Tax Savings;Simplicity		1	1			2
Safety;Simplicity	1	1	1			3
Safety;Tax Savings	8	5	2	1	1	17
Safety;Tax Savings;Affordability	1	2	3	2		8
Safety;Tax Savings;Affordability;Simplicity		1	2	1	1	5
Safety;Tax Savings;Diversification;Affordability	1		1			2
Safety;Tax Savings;Diversification;Simplicity			1		1	2
Safety;Tax Savings;Simplicity	3	3	5	1	3	15
Tax Savings	1					1
Tax Savings;Affordability	1					1
Tax Savings;Diversification	3					3
Grand Total	38	28	31	13	10	120

According to this table of Influencing Factors in Investment Selection we have analyzed that respondents are more Influenced by factors like Safety, Tax Savings and Affordability. We have also analyzed that respondents aged 50 above and 41-50 choices factors like Diversification, respondents aged between 31-50 go for Affordability and respondents aged 26-30 and 22-25 choices Safety, Tax Savings, Affordability and Simplicity.

TABLE4.9:

Investments Selection Decision Making:

<u>Age and Marital Status</u>	<u>Investment selection Decision Making</u>				
	<u>Family and Friends</u>	<u>Others</u>	<u>Self-Decision</u>	<u>Spouse</u>	<u>Grand Total</u>
Married	16	2	33	9	60
22-25			1		1
25-30			8	2	10
31-40	11		13	2	26
41-50	2	1	7	3	13
50 above	3	1	4	2	10
Single	18	6	36		60
22-25	10	1	26		37
25-30	6	5	7		18
31-40	2		3		5
Grand Total	34	8	69	9	120

In this table respondent's selection choices is mostly Self-Decision and Family and Friends among both Married and Single.

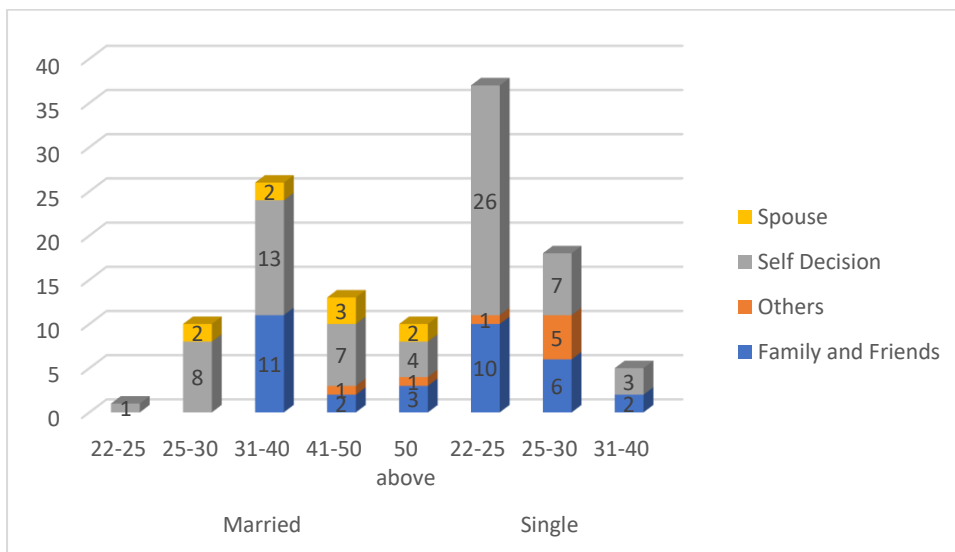


Chart 4.9 Investments Selection Decision Making

TABLE 4.10:

Annual Investment:

<u>ANNUAL INCOME (IN LAKHS)</u>	<u>ANNUAL INVESTMENT (in lakhs)</u>					
	<u>Above 5</u>	<u>Below 1</u>	<u>1-2</u>	<u>2-4</u>	<u>4-5</u>	<u>Grand Total</u>
10 above	3	1	1	3	4	12
1-2		10	3	2		15
2-5		16	22	9	1	48
5-10	1	4	11	26	3	45
Grand Total	4	31	37	40	8	120

In this table respondents having annual income ranging from 2-5 invest mostly in below 1 are 2-4 lakhs and respondent's income ranging from 5-10 invest mostly in 2-4 lakhs and 4-5 lakhs respectively.

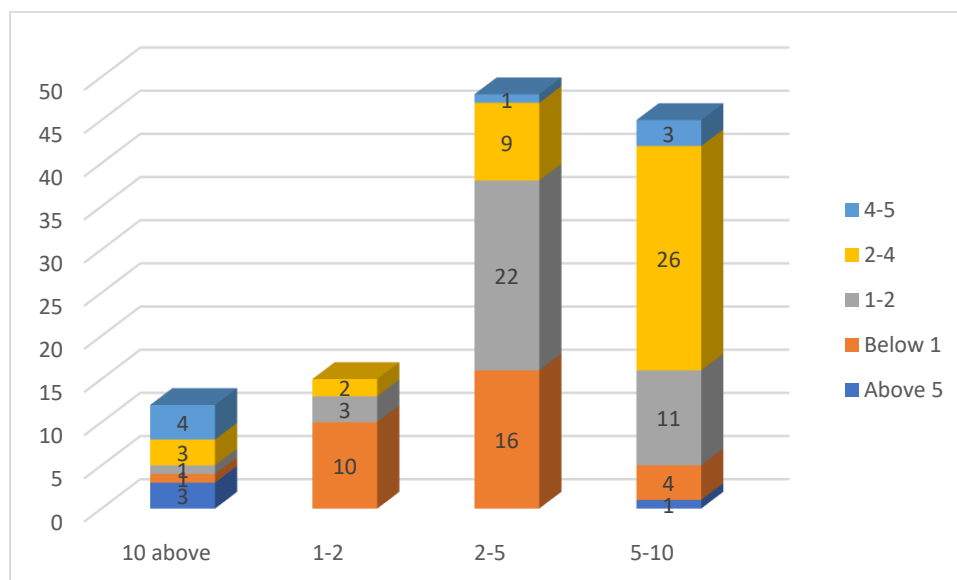


Chart 4.10 Annual Investment

Table 4.11:

Preference on Investment:

<u>ANNUAL INVESTMENT</u>	<u>PREFERENCE ON INVESTMENT</u>			
	<u>High returns with high risk</u>	<u>Lower returns with lower risk</u>	<u>Medium returns with Medium Risk</u>	<u>Grand Total</u>
Above 5	1		3	4
Below 1	12	9	10	31
1-2	12	8	17	37
2-4	21	8	11	40
4-5	5	1	2	8
Grand Total	51	26	43	120

According to this table few respondents' choices high returns and risk and medium return and risk and few people choices lower risk n lower returns.

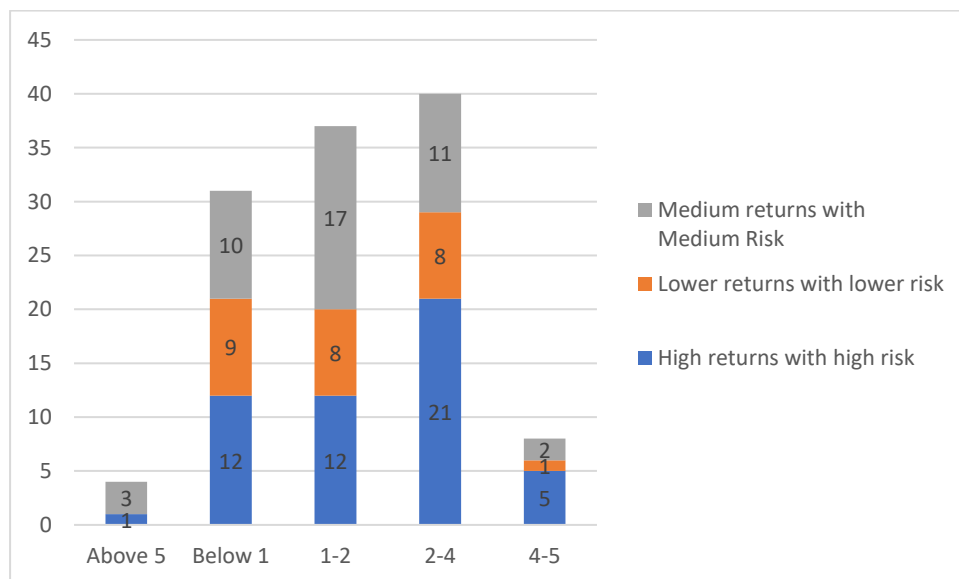


Chart 4.11 Preference on Investment

TABLE 4.12:

Return on Investment:

<u>ANNUAL INVESTMENT</u> (IN LAKHS)	<u>RETURN ON INVESTMENT</u>		
	<u>Less than or equal to prevailing market return</u>	<u>More than the prevailing market return</u>	<u>Grand Total</u>
Above 5	2	2	4
Below 1	20	11	31
1-2	23	14	37
2-4	14	26	40
4-5	4	4	8
Grand Total	63	57	120

In this table respondents mostly choices less than or equal to prevailing market return and other few select more than the prevailing market return.

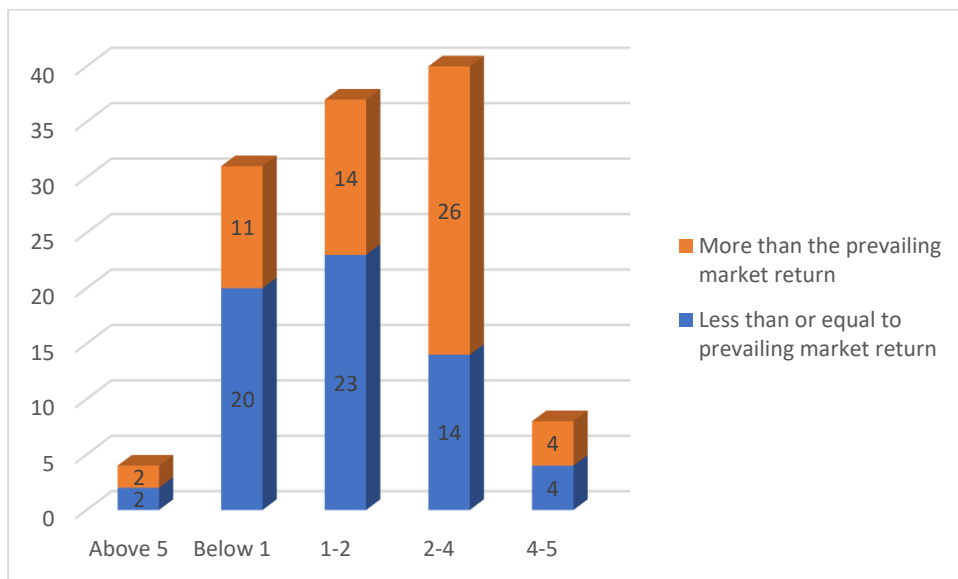


Chart 4.12 ROI of Annual Investment

Table 4.13:

Satisfaction from Investment:

AGE (IN YEARS)	SATISFACTION FROM INVESTMENT			
	No	Not clear	Yes	Grand Total
22-25	2	17	19	38
25-30	2	8	18	28
31-40	1	7	23	31
41-50		3	10	13
50 above		1	9	10
Grand Total	5	36	79	120

In this table 79 respondents have more satisfaction than 36 of them who are not clear about the investment and only 5 respondents are not have satisfaction.

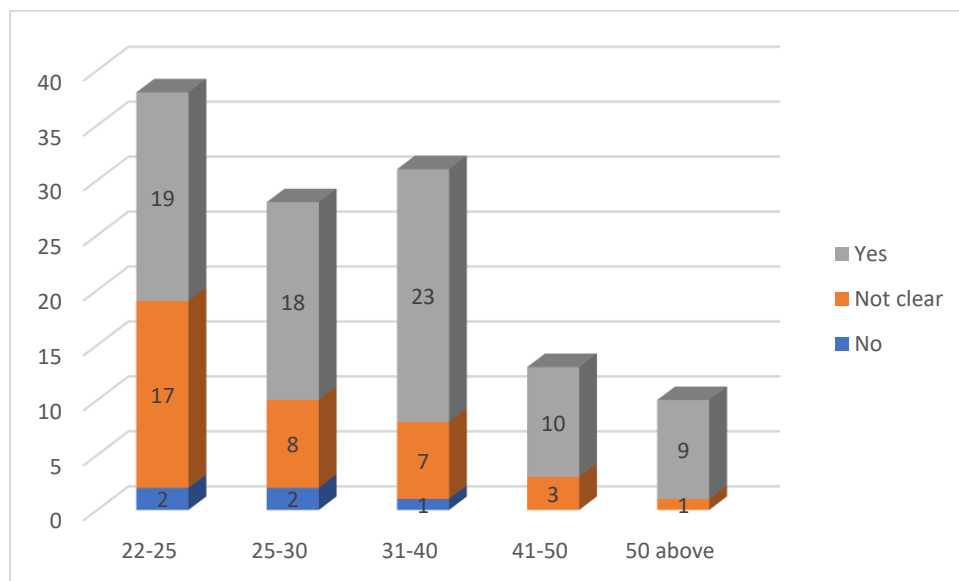


Chart 4.13 Satisfaction from Investment

TABLE 4.14:

Filing of Income Tax Return:

NATURE OF EMPLOYMENT OF INCOME TAX RETURN	AGE (IN YEARS)					
	22-25	25-30	31-40	41-50	50 above	Grand Total
Government	4	5	17	6	8	40
Filled	3	2	16	5	8	34
Not Filled	1	3	1	1		6
Private sector	24	12	6	6	2	50
Filled	8	10	4	4	2	28
Not Filled	16	2	2	2		22
Self-Employed	10	11	8	1		30
Filled	7	4	4	1		16
Not Filled	3	7	4			14
Grand Total	38	28	31	13	10	120

According to this table above respondents from government sector have mostly filled income tax who aged between 31-40 and above 50 and respondents aged between 22-26 in private sector have not filled the tax returns and in self-employed few respondents are filled and few not filled.

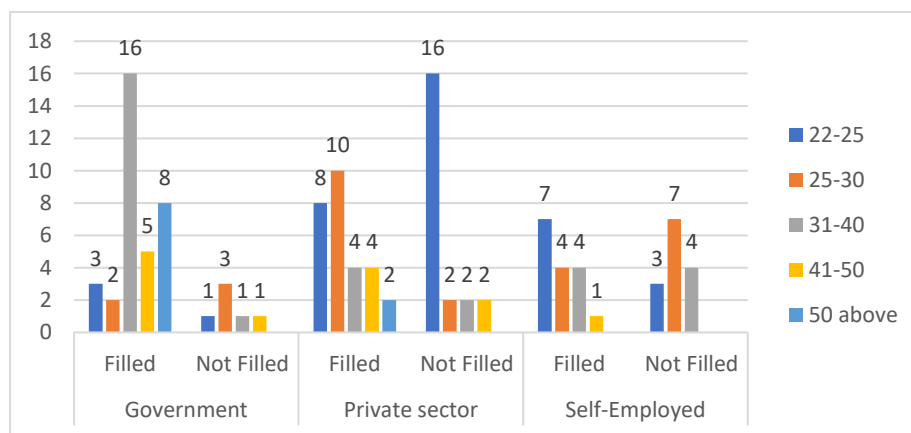


Chart 4.14 Filing of Income Tax Return

CHAPTER-5

5. SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION:

5.1 Findings of the Study:

- In the study researcher has investigated 120 respondents of Bangalore city and it reveals that 74% Investors are aware about the investment avenues and the rest 26% are not aware of the investment avenues.
- There is a relationship between the sex and awareness of the investment because 60% male are aware as compared to female as the percentage 40%.
- Most of the respondent's monthly savings percentage range from 10%-20% and 21%-30%. Annual savings of respondents range from 1-2 lakhs and 2-4 lakhs.
- Respondents aged between 22-25, 26-30 and 31-40 years were more aware about the investment product like Mutual Funds, Real Estate and Insurance were as respondents aged between 41-50 and 50 above were aware of traditional product like FD/RD/Post of savings, PPF/NSC and Gold Investments.
- Investment preferences of respondents were compared with their annual income and respondents whose income range between 1-2 and 2-5 lakhs prefer to invest in avenues like Mutual Funds, Post of savings and Insurance, respondents income which range 5-10 and 10 above lakhs invest in Real Estate, Gold Investments, Debt and Equity Markets and RBI Taxable Bonds.
- According CHITEST Hypothesis of investment preferences compared with annual income results that most of the investment are not significance.
- Objective of the investment's Future security, Good Returns were selected by 22-25 and 26-30 aged respondents were as 31-40, 41-50 and 50 above selected Tax Savings, Children Career and Liquidity.
- Influencing factors of respondents about investments are Simplicity, Tax Savings and Diversification between 50 above, 41-50 and 31-40 and Safety and Affordability.

- Investment Decision Making of respondents are mostly Self-Decision and Family and Friends.
- Preference on Investments of respondents are more likely to high returns with high risk than lower and medium returns and risks.
- Return on Investments are less than or equal to prevailing market return.
- Investment satisfaction are more with the respondents and less of not clear.
- Income Tax Return is mostly filled by respondents aged between 41-50 and 50 above.
- According to the above findings it found that investment choice is affected by various demographic factors associated with the individual like gender, age and income.

5.2 Suggestions:

- “If you want to get rich, save whatever you get. Even a fool can earn money; but then it takes a wise man to save and to dispose of it to his own advantage.” – Brigham Young.
- Always choose the investments after considering your financial goals, time frame allotted for goal and finally calculating your risk appetite.
- As it said, never invest in something that you don't understand, as there is a risk component which comes along with it.
- Mutual funds are found to as most favoured option by the youngsters and traditional options like FD/PPF/POS and Gold Investment.
- Most of the professionals like Doctors, Lawyers and Businessmen earn more than the other employees. But, their payments of tax are very less or completely nil when compared to other employees. This is because there is no material evidence for the receipt of their employees cannot deduct tax payment from their income.
- Since the tax is the main source for the govt, and the salaried class paying their tax regularly are their many sources of income.

5.3 Conclusion:

This report is the reflection of investment awareness and financial planning among salaried employees undertaken with key objective of finding the preferences and level of awareness about the various investment avenues. Analysis of the survey was conducted among 120 respondents in and around Bangalore city with 20 close-ended and open-ended questions which required self-assessment test. The finding of the survey results that investment awareness among male is more than female, most of the respondent's awareness are more towards Mutual Funds, PPF, FD, Gold Investment, Insurance and Real Estate. Respondents objective of investment is mostly for Good Returns, Future Security, Tax Savings, Children Career and liquidity. Factors which influencing investment among respondents are Safety, Tax Savings, Diversification and Affordability and most them prefer medium returns and medium risk from investment. So, according to the analysis we get to know that investment preferences among respondents are favored towards tradition investment choices and financial planning should be planned in advance and before investment we should evaluate the risk and return profile, check whether is match your goals. Lastly compare your choices of investment with other investment options available, and if satisfied, go on with making investments. Thus, if you invest in a disciplined manner and give your investment time to grow, you can achieve most of your goals without any hassle.

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ANNEXURE:

I am Harini R, Pursuing MBA from VTU. As part of my academic project I am conducting a research in investment awareness and financial planning among salaried employees' area. I would appreciate your participation in this study. Your participation will involve an entirely 20 question survey; it should only take about few minutes of your time to complete this questionnaire.

The quality of this study is dependent upon your candid response to the questions included in the survey. Keep in mind that there are no "right or wrong" answers, it's your opinion that is requested. Your honest response is a critical requirement for this instrument to help improve financial service.

Work rapidly and rely on your first impressions. Your answer will be kept confidential. If you need any clarification about questionnaire, feel free to contact my email:

hariniramachandar29@gmail.com

***Required**

Name (Optional)

.....

Gender *

Male

Female

Age (in years) *

25-30

31-40

41-50

51 and above

Marital Status *

Single

Married

Education *

10th

PUC

UG

PG

Others

Nature of Employment *

Government

Private sector

Self-Employed

Annual Income (in lakhs) *

1-2

2-5

5-10

10 and above

Percentage Wise Monthly Savings *

10-20%

21-30%

31-40%

41-50%

Above 50%

Annual Savings (in lakhs) *

Below 1

1-2

2-4

4-5

Above 5

Are you aware about all investment avenues? *

Yes

No

Investment Awareness about Various Products *

Highly unaware, Unaware, Neutral, Aware, Highly Aware

FD/RD/SB/POST OFFICE SAVINGS:

PPF/KVB/NSC/SSY:

NPS/APY:

Mutual Funds:

Debt and Equity Markets:

RBI Taxable Bonds:

Real Estate:

Gold Investments:

Commodity Market:

Insurances:

Which of the following investment preferences? *

Strongly Disagree, Disagree, Undecided, Agree, Strongly Agree

FD/RD/SB/POST OFFICE SAVINGS:

PPF/KVB/NSC/SSY:

NPS/APY:

Mutual Funds:

Debt and Equity Markets:

RBI Taxable Bonds:

Real Estate:

Gold Investments:

Commodity Market:

Insurances:

Objectives of your Investment (Specify any Two) *

Future Security

Good Returns

Liquidity

Capital appreciation

Tax Savings

Children Career

Others

Factors Influencing while selecting Investment avenues (Specify any Two) *

Safety

Liquidity

Tax Savings

Diversification

Affordability

Simplicity

Investment selection Decision Making made by *

Self-Decision

Spouse

Family and Friends

Others

Annual Investment (in lakhs) *

Below 1

1-2

2-4

4-5

Above 5

Preference on Investment *

High returns with high risk

Lower returns with lower risk

Medium returns with Medium Risk

Return on Investment *

Less than or equal to prevailing market return

More than the prevailing market return

Satisfaction from investment *

Yes

No

Not clear

Filing of Income Tax Return *

Filled

Not Filled

Any Suggestions Please

.....

ACTIVITY CHART

Sl. No.	Activity	Activity Details	Duration
1	Activity-1	Understanding Structure, Culture and functions of the organization/identification of business problem from the Industry from the literature study	Week-1 [02/01/2020 To 08/01/2020]
2	Activity-2	Discussion with the guide for finalization of research design and instrument and presenting the same to the guide.	Week-2 [09/01/2020 To 15/01/2020]
3	Activity-3	Collection of data, editing of the collected data, coding, tabulating and presenting to the guide for suggestions for analysis.	Week-3 [16/01/2020 To 22/01/2020]
4	Activity-4	Analysis and finalization of report and making presentation to the guide	Week-4 [23/01/2020 To 02/02/2020]
5	Activity-5	Submission of final Report to the University before one week of the commencement of theory examination	Week-5 [06/02/2020 To 14/02/2020]

Harini.R
Name and Signature of the Student