

TO STUDY THE INVESTMENT PATTERN OF SALARIED PEOPLE IN SURAT CITY

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ABSTRACT

The term speculation is a kind of action that is being occupied with by individuals who need to do investment funds for example ventures are produced using their reserve funds, or as such it is individuals contribute their reserve funds. At present a wide range of speculation choices are accessible to the financial backers that are bank, Gold, Real home, post administrations, shared assets and so on considerably more. Financial backers are continually putting away their cash with the various kinds of direction and destinations like benefit, security, appreciation, Income steadiness. Analyst in this examination has contemplated the various sorts and roads of ventures accessible and the elements that are needed to be thought of while choosing the speculation with the example size of 114 salaried representatives by leading the overview in Surat City, India. The examination recognizes the favoured venture roads among singular financial backers utilizing their own self-evaluation test for the reason. The investigation set up that those salaried representatives are thinking about the security just as great profit from speculation as first concern before venture. Respondents are significantly more aware about the distinctive venture roads accessible in India aside from female financial backers.

Keywords: Investment, speculation, salaried people, Surat, pattern

I. INTRODUCTION

Speculation is the penance of certain current incentive for the unsure potential compensation. It is a resource that is made to expand your cash for meeting different targets. These targets incorporate costs for youngsters' advanced education, paying credits, putting something aside for retirement, and so on. The significant highlights of a venture are security of chief sum, liquidity, pay steadiness, appreciation and simple adaptability. Every one of the financial backers put their excess cash in the roads dependent on their danger taking disposition. Concerning people, speculation choices ought to be made carefully

and with legitimate examination and investigation. Venture is constantly appended with the component of hazard of losing the put away cash and this misfortune isn't heavily influenced by the financial backer. Subsequently, it is consistently fitting to quantify and examine all dangers implied prior to making ventures. A lot of speculation roads accessible for the financial backers settle on their dynamic cycle more basic and complex. There are various components which impact individuals to settle on their venture choices. The Investment example of the salaried representatives is diverse because of wellbeing, customary progression of pay, charge saving advantages, security, Retirement benefits, and so on an assortment of venture roads are accessible like offers, bank stores, gold, land, Insurance, mailing station investment funds like Public Provident Fund, Kisan Vikas Patra, and so forth.

II. LITERATURE REVIEW

Geethu Gopi, D. Priyanka and R. Preetha (2018)¹ in their investigation "Investment is an activity confined to specific financial aims of investors". This study endeavors to comprehend the venture inclination of salaried workers in Ernakulam region. advantageous irregular examining strategy is utilized for choosing the example. The creator gathered data was broke down by utilizing diverse factual apparatuses like T test, chi square investigation, relationship investigation and rate examination. The aftereffect of the examination proposed the greater part of the representative's venture are coordinated to their own costs.

Akshatha Prabhu, K S Shilpashree and Mahesh B S collected the data from 50 investors through structured questionnaire on on "The Investment Patterns of Investors in Different financial products in Dakshinna Kannada (Karnataka) in April 2017. Researchers concluded that the investors are keen to invest in long term and less risk products. The study identified that the people of this district have to sacrifice their present expenditure or need for better future or for savings and investment.

Deepak Sood and Dr. Navdeep Kaur collected the data through structured questionnaire and distributed to 200 people working in different sectors at Chandigarh on "A Study of Savings and Investment pattern of Salaried class people with special reference to Chandigarh (India)" in 2015. It was found from

the analysis that there is relationship between Annual Savings and Age. Analysis has been done through One Way ANOVA. It was propounded here that the most Preferred investment options are LIC and bank deposits and most of the factors influencing Investment decisions were high returns, tax benefits and safety.

S Uma Maheshwari and Dr. M Ashok Kumar collected the data from 1000 individual investors through structured questionnaire on “A study on Investment Pattern and Awareness of Salaried class investors in Coimbatore district in 2013. The method they used was convenient sampling technique. It was found from the analysis that investment rate for household is affected not only by their ability to invest but also their willingness to invest. At the time of retirement only they consult their friends and family for investment decision.

V.R.Plaintively and K.Chandra Kumar (2013)In his examination paper the investigation to inspected the Investment decisions of salaried class in Namakwa Taluka, Tamilnadu, India with the assistance of 100 respondents as an example size and it uncovers that according to Income level of representatives, put resources into various roads. Age factor is additionally significant while doing investments. The creator at long last deduce in his investigation is that examination the age factor and furthermore significant pay level of salaried worker is considerably more essential to interest in various roads.

III> RESEARCH METHODOLOGY

OBJECTIVES OF THE STUDY

- To study the Investment Pattern of Salaried People in Surat city.
- To examine the Income-wise savings, Consumption Behaviour of Salaried employees.
- To identify the factors considered by the employees for a suitable investment.
- To study the level of investment knowledge and awareness of investment options with education prophesy.
- To understand the most preferred Investment option of the salaried employees.

TYPE OF RESEARCH DESIGN

This study is based on descriptive study which falls under Conclusive research design.

SCOPE OF THE RESEARCH

- This analysis is based upon investor's pattern for investment preference, awareness.
- This analysis would be focusing on the information received from the salaried people about their knowledge, perception and behaviour on different financial products.

DATA COLLECTION

- **Sample Size:** The population being large, the survey was carried among 114 respondents. They will be considered adequate to represent the characteristics of the entire population.
- **Sampling Method:** The sampling procedure followed in this study is non-probability convenient sampling.
- **Sampling Frame:** All the employees of Surat are considered as the Sampling Frame for this study.
- **Sampling Element:** In this, Simple random techniques are used to select the respondent from the available database.
- **Survey Tool:** For data collection a structured questionnaire consisting of question relating to methods of investment, reasons for savings and investment and other related data would be provided to the employees.

DATA ANALYSIS TECHNIQUES/TOOLS:

The study used different charts, diagram, percentage form of presentation, etc.

LIMITATIONS OF THE STUDY

- The Investment Pattern analysis has been limited to 114 employees.
- An interpretation of this study is based on the assumption that the respondents have given correct information.

- Ignorance and reluctant attitude of respondents was also a limitation in this study.
- Biasness might be there.

HYPOTHESIS

Ho: There is no significant relation between Educational Qualification and awareness of the employees.

IV. ANALYSIS & INTERPRETATION

The individuals studied under the survey were salaried class employees and financial managers. Among the abovementioned, the salaried class have some particular highlights like fixed kind of revenue and data support from the working environment and so on the act of savings and speculations are the capacity of pay. Subsequently, with guaranteed month to month pay, salaried class financial backers accept extraordinary significance considering their ability to save routinely and contributing. The discoveries on the on the habit of savings and investment of salaried class states that 47% like to invest their money in equity shares. 11 – 20% of their annual income is being invested by 38% of investors in different investment avenues. 44.7% do investing for the purpose of creating wealth while 27% respondents do not have any special purpose for investing and 12% respondents' special purpose of home purchase and retirement planning. 47%. Risk associated with avenue is an important factor for 53% respondents. Return gained by investing in avenue is Highly Important for 56% respondents. Safety of principal is Highly Important for 41% respondents. Tax benefit that is been received while investing in avenues is Important factor for 35%.

Also, the calculated value of chi-square test 8.557 is more than the table value at 5% level of significance. So, the null hypothesis is rejected. Hence there is significant relation between educational qualification and awareness of the employees.

CONCLUSION

Different avenues have different levels of risk. So maintaining portfolio is very important. Many Investors want to take moderate level of risk for their different investment avenues. Investors can invest in any avenue whenever they want.

Among all the 114 respondents most of the respondents invest their money in Equity shares. Mutual Funds are also preferable. There are various sources for taking advice for making investment decision. But investors choose to do personal analysis while investing. It was discovered that there is significant relation between educational qualification and awareness of the employees. Investing the whole income is not possible for the respondents. So, investors invest some part of their income. Various respondents prefer to invest their 11 – 20% of their income in various investment avenues. Investment objective of maximum investors is of creating wealth. And some have the purpose of future expenses. Most of the Respondents don't have any special purpose of making investment. Investors wish to hold their money in the market for 3 – 5 years. So, their time horizon for investment is of 3 years to 5 years. Though this study we can conclude that most of the respondents invests every month in different investment avenues. Return provided by the avenue and Safety of the avenue are highly important factors for the investor in making his/her investment decision while Maturity of investment avenue, Risk associated with it, Tax Benefit, Withdrawal and Liquidity of avenue are important factors.

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List of Tables

Table1 Shows number of respondents investing in various avenues

	Number of Respondents
Mutual Funds	39
Equity Shares	53
Debentures/Bonds	2
Bank Deposits	42
Public Provident Fund	15
Kisan Vikas Patra	4
Real Estate	7
FOREX	0
Insurance	31
Gold	23
Post Office Savings	9

Table 4.2 Shows sources of advice for investment decision

	Number of Respondents
Local Brokers	37
Magazines	8
Family	30
Personal Analysis	59
Newspaper	29
Chartered Accountants	9
Friends	26

Table 4.3 Shows Percentage of investor's income they invest.

	Number of Respondents	%age of Respondents
0 – 10%	37	32
11 – 20%	43	38
21 – 30%	14	12
31 – 40%	10	9
More than 40%	10	9
Total	114	100

Table 4.4 Show the investor's purpose of investment

	No. of Respondents	% age of Respondents
Wealth Creation	51	45
Tax saving	22	19
Future Expenses	48	42
Safety	35	31
Hedging	7	6
Total	114	100

Table 4.5 Show the investor's special purpose of investment

	No. of Respondents	% age of Respondents
Children Marriage	12	10.5
Healthcare	22	19.2
Home Purchase	24	21.1
Retirement	24	21.1
World Tour	1	0.9
None of the Above	31	27.2
Total	114	100

Table 4.6 Shows the time horizon of investment

	No. of Respondents	% age of Respondents
1 – 3 years	33	29
3 – 5 years	42	37
5 – 7 years	18	16
More than 7 years	21	18
Total	114	100

Table 4.7 Shows the level of risk undertaken by investors

	No. of Respondents	% age of Respondents
Very Low	16	14
Low	40	35
Moderate	42	37

	No. of Respondents	% age of Respondents
High	14	12
Very High	2	2
Total	114	100

Table 4.8 Shows the pattern of investment

	No. of Respondents	%age of Respondents
Once a year	23	20
Once in a quarter	23	20
Every month	49	43
Every week	8	7
Regularly	11	10
Total	114	100

Table 4.9 shows factors important for investing decision

	Highly Important	Important	Neutral	Less Important	Least Important
Maturity	42	54	12	5	1
Risk	43	60	7	4	0
Return	64	33	16	1	0
Safety	47	36	17	12	2
Tax benefit	28	40	24	14	8
Withdrawal	20	42	25	21	6
Expenses/Charges	22	31	35	19	7
Liquidity	25	44	26	13	6

Table 4.10 show Chi-square test

Relationship between educational qualification and awareness of the employees:

Educational qualification	No of employees aware	No of employees not aware	Total
Post graduate	61	10	71
Under graduate	22	5	27
Others	11	5	16
Total	94	20	114

Chi-Square test has been applied and result of the test is below

Degree of freedom	2
Table value at 5% level	5.99
Calculated value	8.557

List of Figures

Chart 4.1 Shows number of respondents investing in various avenues

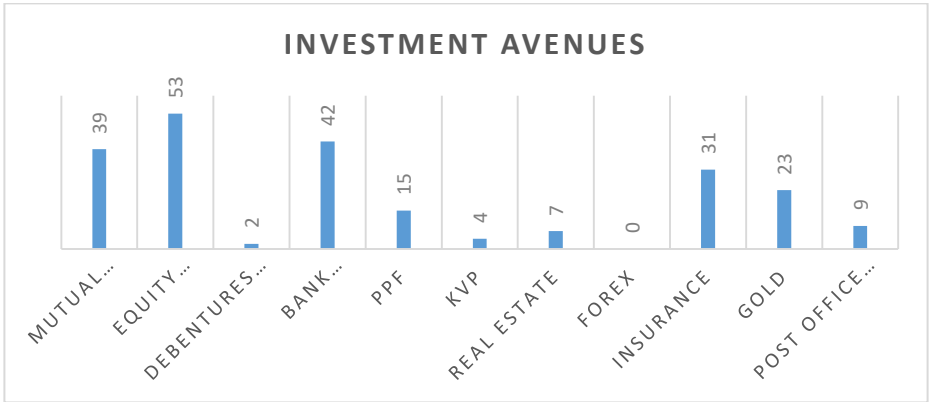


Chart 4.2 Shows sources of advice for investment decision

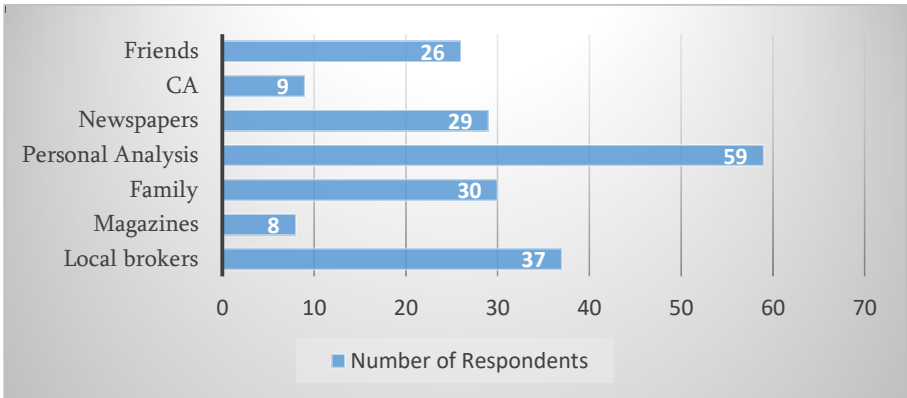


Chart 4.3 Shows Percentage of investor's income they invest.

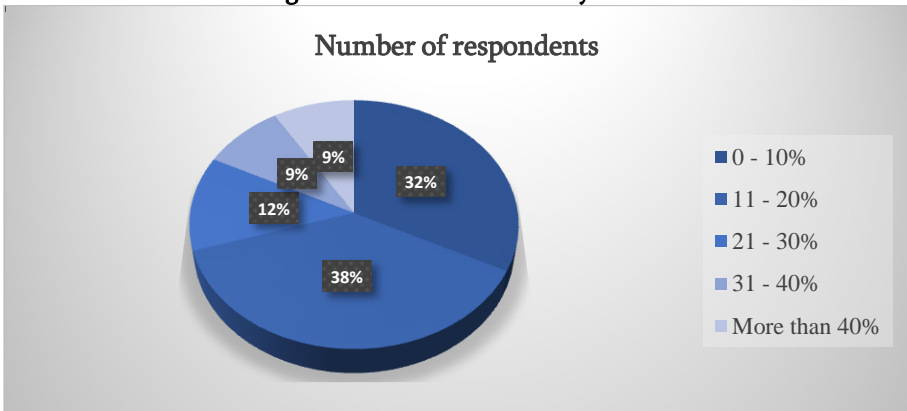


Chart 4.4 Show the investor's purpose of investment

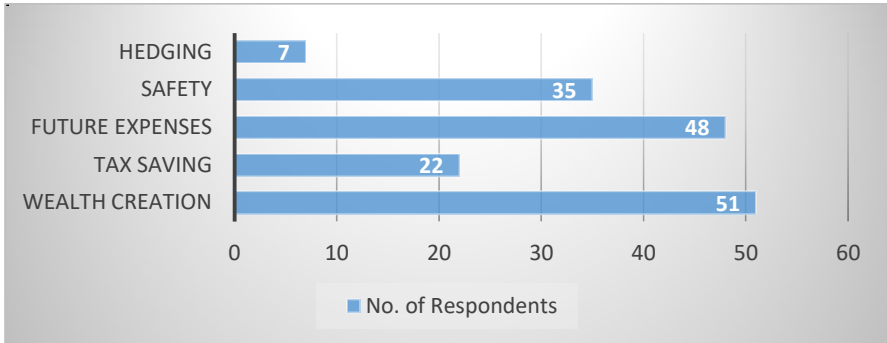


Chart 4.5 Show the investor's special purpose of investment

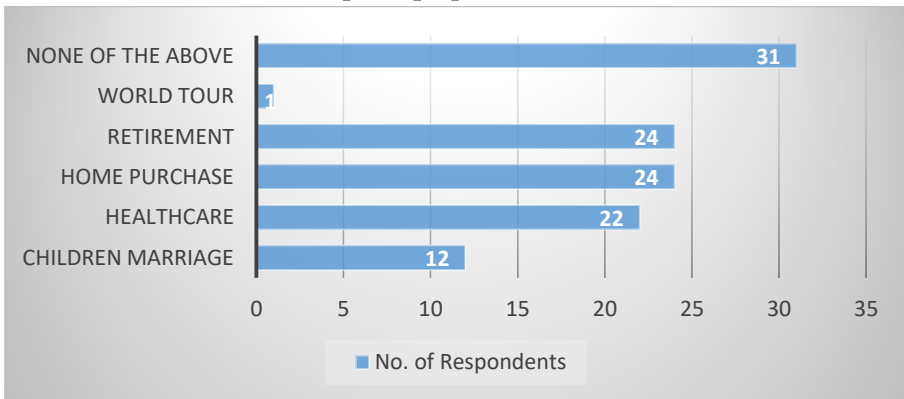


Chart 4.6 Shows the time horizon of investment

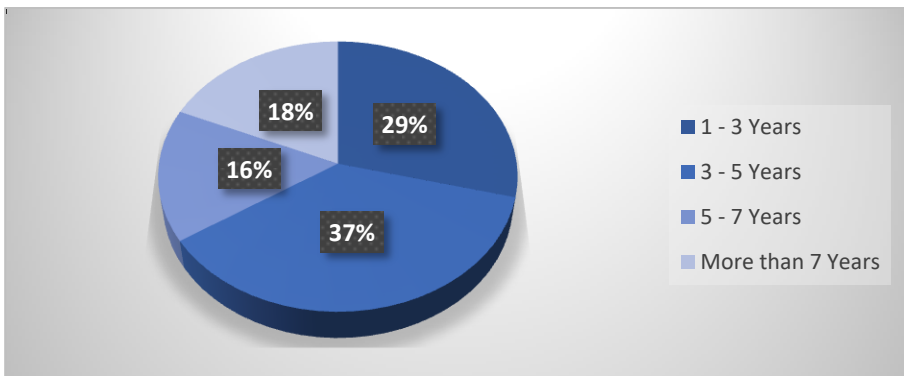


Chart 4.7 Shows the level of risk undertaken by investors

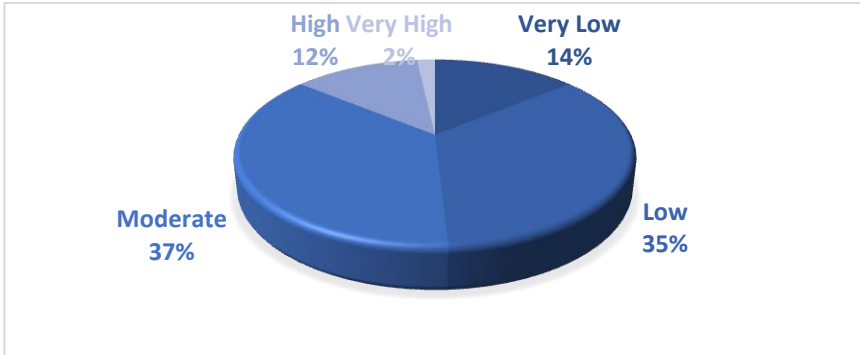


Chart 4.8 Shows the pattern of investment

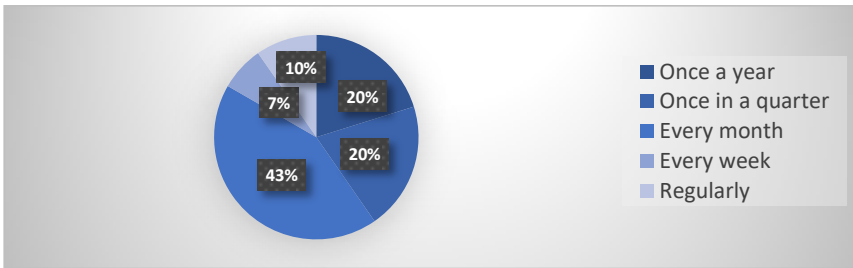
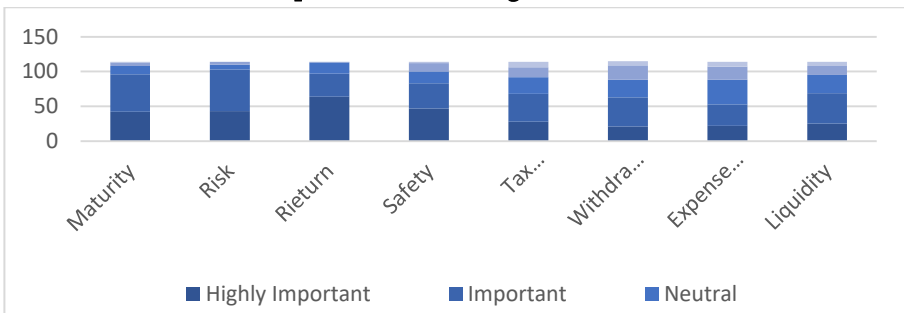


Chart 4.9 shows factors important for investing decision



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