Investment Pattern of Salaried Employees with Reference to Coimbatore City

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Abstract

Investing today for the sake of a happy comfortable and worriless future is the order of the day. Investment had its indirect repercussions also. It augments the growth of economy and adds to the prosperity of the country. The purpose of the study is to create awareness among the salaried employees about the importance of the savings, investment and to help those who have idea of investment about the various types of investments. Coimbatore is the third largest city in Tamil Nadu State with a variety of salaried class people in various types of offices, so selection of it will be an ideal choice for the present study. Hence the researchers have chosen the respondents from the urban Coimbatore. In the present study the word 'employees' includes the government employees, the private sector employees and the retired people also. The study focuses on the various sources and the extent of income of the different groups of the salaried employees and on the attitude of the employees on the various investments they have at their disposal. The Chi-square test and analysis are used to evaluate the objectives of the study. The researchers have found out how for the association between the various factors like age, gender, educational qualification, marital status, type of family, size of the family, nature of employment, years of service and the like and the investment pattern is significant. Based on the various findings of the study the researchers have given useful and constructive suggestions.

Keywords: Savings, Investment, Investment Decisions, Factors influencing Investment Decisions, Salaried People.

INTRODUCTION

Investment is the sacrifice of certain present value for the uncertain future reward. It entails arriving at numerous decisions such as type, mix, amount, timing, grade and the like of investment and disinvestment. Further, such decision – making has not only to be continuous but also rational. Broadly speaking, an investment decision is a trade between risk and return. All investment choices are made at points of time in accordance with the personal investment trends and in contemplation of an uncertain future. Since investments in securities are revocable, investment trends are transient and investment environment is fluid. The reliable basis for reasoned expectations becomes more and more vague as one conceives of the distant future. Investors in securities will, therefore, from time to time, reappraise and re-evaluate their various investment

commitments in the light of new information, changed expectations and trends.

Investment choices or decisions are found to be the outcome of three different but related classes of factors. The first may be described as factual or informational premises. The factual premises of investment decisions are provided by many streams of data which taken together, represent to an investor the observable environment and general as well as particular features of the securities and firms in which he may invest.

The second class of factors entering into investment decisions may be described as expectation premises. Expectations relating to the outcome of alternative investment are subjective and hypothetical in any case but financial facts are available to investors. These limit the range of investment, which may legitimately be entertained. The third and final class of factors may be

described as valuation premises. For the investors generally these comprise the structure of subjective preferences for the size and regularity of the income to be received from and for safety and negotiability of specific investments or combinations of investments, as these are appraised from time to time. "Investment" or "investing", like "value" is a word of many interpretations. There are basically three concepts of investment:

1. Economic investment – that is an economist's definition of investment;
2. Investment in a more general or extended sense, which is used by "the man on the street";
3. The sense in which we are going to be very much interested, namely, financial investment.

The term economic investment has rather precise meaning in the literature of economic theory. Typically it includes net additions to the capital stock of society. By 'capital stock of society' is meant those goods, which are used in the production of other good. This is a gross, societal, or aggregate point of view. In society there are a number of goods (such as building and equipment), which are, used to produce other goods, and that these means of production are considered part of the capital stock of society. For a number of reasons, economists also include inventories (that is, the goods produced and still in the manufacturer's hands) as part of that capital stock. Thus, a net addition to the capital stock – an investment – means an increase in buildings, equipments or inventories over the amount of equivalent goods that existed, say, one year ago at the same time.

The everyday usage of the term investment can mean a variety of things, but to the man on the street, it usually refers to a money commitment of some sort. For example, a commitment of money to buy a new car is certainly an "investment" from an individual's point of view. But these are so in very general and in much extended sense of the word since no rate of return is involved, nor is a financial return or capital growth expected.

Financial investment is a form of this general or extended sense of the term. It means an exchange of financial claims- stocks and bonds (collectively termed securities), real estate, mortgages and the like. The term

financial investment is often used by investors to differentiate between the pseudo-investment concept of the consumer and the real investment of the businessman.

Industry and agriculture are the two key sectors of the economy that have become more capital intensive. There is a need to improve productivity and these calls for the application of modern technology. Modern technology in turns calls for the heavy dose of capital investment in these areas. But the capital formation is a difficult task and depends upon the willingness and capacity of people's savings. Thus, prosperity of economy depends upon the investment which in turn depends on savings.

The individual savings and the corporate savings must be available for the development purposes. Adequate savings and its development in the industrial sector are the need of the hour. It was once estimated that if the population increased, the savings and the investment also increased to maintain the existing standard of living. The accumulated savings are more important. The development of the economy depends on the investment in constructive assets and generates future value. Actually financial intermediaries undertake the work of channelising the savings of public into productive assets. Banks, non-banking finance companies, post office, government and share markets are some of the intermediaries. Three major sources viz., households, corporate and government sector savings constitute the domestic savings. The contribution of household sector is more than $3/4^{\text{th}}$ of the total savings. Personal savings or savings of individual are called household sector savings. This study is about the investment pattern of the salaried people.

The researchers very much interested to analyze this topic because researcher wants to create awareness among the salaried employees about the importance of the savings and investment, and to help those who aware no idea of investment about the various types of investments. Through this study the researcher wants to know about the type of investment which is mostly preferred by the salaried employees and the reasons behind this. In this study, the researchers fixed two conditions to limit the scope of the word 'employees'.

They are no minimum year of services, was fixed and the fresher are also considered and their geographical area was limited to Coimbatore district only.

The entire population of the salaried employees in Coimbatore district has been divided into three groups namely, the government employees, the private sector employees, and the other sector employees. In this study, the researcher planned to include the retired people also. Through this study the researcher wants to identify and compare the various sources and the extent of income of the different groups of the salaried employees and analyses about the attitude of the employees whether they consider tax-planning investment as one of the factors before investing their money.

REVIEW OF LITERATURE

Muthupandi M, (2000) has conducted a study on the title “Factors Influencing Investment Decisions” which reveals the various characteristics of an investor. A sample of 100 investors was selected in Madurai city. The study reveals that marital status, nature of occupation and income of investors affects the investment decision. Rajarajan V (2000) study on “Investment Life styles and Investment Characteristics” examined the investment size, pattern and future investment preference of individual investors on the basis of their life Styles. The study reveals that, active investors are dominated by the age group of below 35 years, individualists group by above 50 years and passive investors by the age group of 35 - 50 years. Active investors group and passive investors group have short - term perspective while making their investment decisions. And most of the investors read two or more sources of information to make investment decision, and most of them tend to make investment decision on their own.

Shamugham R (2002) studied a group of 201 investors to examine the factors influencing investment decisions. The objective of this study is to find out sources of information used by investors and factors influencing share investment decisions. It reveals that, financial newspaper's comments are relied upon by most of the investors. Further, the analysis also leads to the

conclusion that psychological and sociological factors dominate the economic factors in investment decision - making. Gupta L. C (2003) has carried out a study entitled “Stock Market Investor's Biggest Worries Today”. The objectives of this study are to examine the investor's perceptions about the main sources of his worries concerning the stock market. A sample comprises of middle class households spread over 21 states / union territories. The study reveals that the foremost cause of worry for household investors is fraudulent company management's and in the second place is too much volatility and in the third place is too much price manipulation. Sharma (2004) in his article his stated that Post office monthly Income Scheme is a very good investment for the middle class. An interest rate of 9.5% P.A is paid every month. An amount upto Rs.9000 P.A is exempted from tax under section 80L. The maturity period is six years, upon which a bonus of 10% is provided on the principle. Investment ranging from Rs.6000 to Rs.3,00,000 in a single a/c & Rs.6,00,000 in a joint a/c are allowed under this scheme. After three years a pre-mature withdrawal is allowed but one has to forgo the bonus.

Sanjay Shankar Kaptan (2006) in his article discussed the necessity of the savings and the investment. He suggested some tips for investing in bank deposits and other investment avenues. The report of the working group appointed under the chairmanship of Shri R. K. Talwar stated, “it would be enough to say that the awareness on investment needs considerable improvement on an emergency basis. And the time has come for the customers and how to know about invest their income.” Srinivasan (2007) conducted a study of the investment pattern of the small investors in Coimbatore. The study conducted with the objectives to identify the needs of the small investors in the different investment avenues, the present trend in the investment pattern, the popularity of the various schemes of the different organizations and to determine the awareness of the investment opportunities amongst the various strata of the society. The study has highlighted interesting information. People are gaining awareness of investing avenues and are thirsting for further information. Increasing numbers are turning towards the capital market both for short as well as long term

investments. It is clear that the capital market is going to play an important role in the investment scenario in future. Simultaneously, the public is aware of the pitfalls and has demanded further information about companies. A number of suggestions collected from the sample have been brought into force after completion of the study. This shows a literate society, which is of the requirements of the economy. The above study lacks in knowing about motivation, satisfaction, future plans and tax awareness of the respondents. Therefore, the researcher extended his study to identify these details from the respondents (especially from the salaried people). Gyani (2008) in his study found that foreign direct investors invested in the insurance sector. At present the insurance sector is of considerable importance to every developing economy. It inculcates savings habit, which in turn generates long-term investible funds for infrastructure buildings. Its contribution to gross domestic product is quite significant.

STATEMENT OF THE PROBLEM

The salaried income group is bestowed with different investment channels to invest their surplus funds. Flooding of Indian commodity market with that of the modern consumer durables has attracted the salaried brackets towards it. In fact, it has affected largely the saving habits of the salaried classes, as well as the quantum of savings, which in turn, has affected the very investment decision of this selected class. Such a dynamic situation compels one to have a clear-cut objective of his future investment. Then only, the investor can think of channelising the surplus income for investor's own benefit as well as for the growth of the country. The investor should be very careful in selecting the investment avenues. The investor should exercise his skill, knowledge, and experience for choosing investment opportunity. Otherwise the whole of his investment may go waste. In this context, the present study becomes highly essential on the following grounds.

1. To know the investment pattern of the salaried people.
2. To find out the various factors affecting the investment decision of the salaried people.

OBJECTIVES OF THE STUDY

The following are the specific objectives of the present study.

1. To ascertain the investment made in the various avenues by the investors.
2. To know the awareness level of the investors regarding the various tax saving schemes.
3. To identify the motivating factors for their investment.
4. To know the quantum of investment they made in the various investment opportunities.
5. To find out the possibilities to increase their present income.
6. To find out the future plans of the salaried employees and
7. To know the investment, which is preferred as more, satisfied regarding their investments and savings.

SCOPE OF THE STUDY

This study aims basically at inquiring into the investment habits and behavior of the investors with a special focus on the salaried group. For this purpose, the entire population of salaried group has been divided into three divisions namely persons employed in government sector, private sector and others sector such as esteemed institutions. The various investment avenues available to investors are being analyzed. Such avenues comprises gold, silver ornaments, real estate including agricultural land, various deposit schemes, LIC, shares, government savings certificates, chit funds, mutual funds and the like. Broad outline of the profile of the investors has also been analyzed like the investor's age, sex, educational status, size of the family, method of investment, motive of the investment, awareness of tax savings schemes and the like.

RESEARCH METHODOLOGY

Research refers to a search for knowledge. It is scientific and systematic search for pertinent information on a specific topic. It is an art of scientific investigation. Research is a careful investigation or inquiry specially through search for new facts in any branch of knowledge. A Research design is the arrangement of the conditions for collection and the analysis of data in a

manner that aims to combine relevance to the research purpose with economy in procedure. In fact, the research design is the conceptual structure within which the research is conducted; it constitutes the blue print for the collection, measurement and analysis of the data. The primary data are those which are collected afresh and for the first time, and thus happen to be original in character. The secondary data are those which have already been collected by some one else and which have already been passed through the statistical process. The study was conducted in Coimbatore district. For collecting the data a detailed questionnaire was framed. The sample size for the survey was 100 respondents. The sampling technique used was convenience sampling. In data collection, there are two methods viz. the primary data collection and the secondary data collection. The primary data are the actual information, which are collected from actual field research. The data were obtained through questionnaires. The secondary data are the information which were obtained indirectly from the published and the unpublished materials. The sources of the secondary data are books, journals, magazines, Internet and the like. The collected details in the questionnaires have been tabulated and analyzed by using the following techniques like Simple Percentage Analysis and Chi-Square Test Analysis. The data were collected from the period of July 2012 to January 2013.

LIMITATIONS OF THE STUDY

Following are the important limitations of the study.

1. This study is restricted to Coimbatore district only and hence the finding can not be applicable to other areas.
2. The study would give certain findings for the current scenario only, because the investment habits and behaviour may vary depending on the changes in the government policies, price fluctuations, fashion and the like.
3. Only certain factors have been analyzed because of the time limitation of this study.
4. The study is restricted only to salaried income group. So the findings of this study will not represent the investment behaviours of the entire population and
5. The respondents might not have revealed their real financial aspect.

ANALYSIS AND INTERPRETATION OF THE DATA

The results of the analysis of the collected data are presented below:

Relationship between the Age Group and the Investment Pattern among The Respondents

The age-wise classification of the respondents is given in Table 1. In order to find out the association between the age groups of the respondents and the investment pattern, Chi-square test is applied.

(INSERT TABLE 1 HERE)

Null hypothesis: The association between the age groups of the respondents and their investment patterns of their income basis is not significant.

As the calculated Chi-square value (23.07) is greater than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is rejected. It could be concluded that the association between the age groups of the respondents and their investment patterns of their income is significant.

Relationship between the Gender and the Investment Patterns among the Respondents

The gender-wise of classification of the respondents is given in Table 2. In order to find out the association between the gender of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 2 HERE)

Null hypothesis: The association between the gender of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (2.391) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the gender of the respondents and the investment patterns of their income is not significant.

Relationship between the Educational Qualifications and the Investment Patterns among the Respondents

The educational qualifications of the respondents are given in Table 3. In order to find out the association between the educational qualifications of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 3 HERE)

Null hypothesis: The association between the educational qualifications of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (17.701) is greater than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the educational qualification of the respondents and the investment pattern of their income is significant.

Relationship between the Marital Status and the Investment Patterns among the Respondents

The marital status of the respondents is given in Table 4. In order to find out the association between the marital status of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 4 HERE)

Null hypothesis: The association between the marital status of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (13.2751) is greater than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the marital status of the respondents and the investment patterns of their income is significant.

Relationship between the Type of Family and the Investment Patterns among the Respondents

The type of family of the respondents is given in Table 5. In order to find out the association between the type

of family of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 5 HERE)

Null hypothesis: The association between the type of family of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (4.781) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the type of family of the respondents and the investment patterns of their income is not significant.

Relationship between the Size of the Family and the Investment Patterns among the Respondents

The size of the family of the respondents is given in Table 6. In order to find out the association between the size of the family of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 6 HERE)

Null hypothesis: The association between the size of the family of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (8.296) is less than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the size of the family of the respondents and the investment patterns of their income is not significant.

Relationship between the Nature of the Employment and the Investment Patterns among the Respondents

The nature of the employment of the respondents is given in Table 7. In order to find out the association between the nature of the employment of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 7 HERE)

Null hypothesis: The association between the nature of the employment of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (7.892) is less than the table value (9.488) at 5% level of significance for 4 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the nature of the employment of the respondents and the investment patterns of their income is not significant.

Relationship between the Number of Years of Service and the Investment Patterns among the Respondents

The number of years of service of the respondents is given in Table 8. In order to find out the association between the number of years of service of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 8 HERE)

Null hypothesis: The association between the number of years of service of the respondents and the investment patterns of their income basis is not significant.

As the calculated chi-square value (3.854) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the number of years of service of the respondents and the investment patterns of their income is not significant.

Relationship between the Awareness about Investment Sources and the Investment Patterns among the Respondents

The awareness about the investment sources of the respondents is given in Table 9. In order to find out the association between the awareness about the investment sources of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 9 HERE)

Null hypothesis: The association between the awareness about the investment sources of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (31.954) is greater than the table value (12.592) at 5% level of significance for 6 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the awareness about the investment sources of the respondents and the investment patterns of their income is significant.

Relationship between the Investment Habits and the Investment Patterns among the Respondents

The investment habit of the respondents is given in Table 10. In order to find out the association between the investment habit of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 10 HERE)

Null hypothesis: The association between the investment habit of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (2.312) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the investment habit of the respondents and the investment patterns of their income is not significant.

Relationship between the Habit of Contribution to the Provident Fund and the Investment Patterns among The Respondents

The habit of contribution to the provident fund of the respondents is given in Table 11. In order to find out the association between the habit of contribution to the provident fund of the respondents and their investment patterns, Chi-square test is applied.

(INSERT TABLE 11 HERE)

Null hypothesis: The association between the habit of contribution to the provident fund of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (5.526) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it

could be concluded that the association between the habit of contribution to the provident fund of the respondents and the investment patterns of their income is not significant.

Relationship between Awareness about Tax Saving Schemes and Investment Patterns among Respondents

The awareness about the tax saving schemes of the respondents is given in Table 12. In order to find out the association between the awareness about the tax saving schemes of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 12 HERE)

Null hypothesis: The association between the awareness about the tax saving schemes of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (1.891) is less than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the awareness about tax saving schemes of respondents and investment patterns of their income is not significant.

Relationship between the Awareness about the Risk and the Investment Patterns among the Respondents

The awareness about the risk of the respondents is given in Table 13. In order to find out the association between the awareness about the risk of the respondents and the investment patterns, Chi-square test is applied.

(INSERT TABLE 13 HERE)

Null hypothesis: The association between the awareness about the risk of the respondents and the investment patterns of their income basis is not significant.

As the calculated Chi-square value (10.091) is greater than the table value (5.991) at 5% level of significance for 2 degrees of freedom, the null hypothesis is rejected and it could be concluded that the association between the awareness about the risk of the respondents and the investment patterns of their income is not significant.

Relationship between the Gender and the Investment Sources among the Respondents

The investment sources of the respondents are given in Table 14. In order to find out the association between the gender of the respondents and their investment sources, Chi-square test is applied.

(INSERT TABLE 14 HERE)

Null hypothesis: The association between the gender of the respondents and the investment sources is not significant.

As the calculated Chi-square value (3.554) is less than the table value (16.9) at 5% level of significance for 9 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the gender of the respondents and the investment sources is not significant.

Relationship between the Educational Qualifications and the Investment Sources among the Respondents

In order to find out the association between the educational qualifications of the respondents and the investment sources, Chi-square test is applied.

(INSERT TABLE 15 HERE)

Null hypothesis: The association between the educational qualifications of the respondents and the investment sources is not significant.

As the calculated Chi-square value (12.32) is less than the table value (28.9) at 5% level of significance for 18 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the educational qualifications of the respondents and the investment sources is not significant.

Relationship between the Number of Years of Service and the Investment Sources among the Respondents

In order to find out the association between the number of years of service of the respondents and the investment sources, Chi-square test is applied and it is presented in the Table 16.

(INSERT TABLE 16 HERE)

Null hypothesis: The association between the number of years of service of the respondents and the investment sources is not significant.

As the calculated Chi-square value (12.72) is less than the table value (40.1) at 5% level of significance for 27 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the number of years of service of the respondents and the investment sources is not significant.

Relationship between the Gender and the Motives of Investment among the Respondents

The motive of investment of the respondents is given in Table 17. In order to find out the association between the gender of the respondents and the motives of investment, Chi-square test is applied.

(INSERT TABLE 17 HERE)

Null hypothesis: The association between the gender of the respondents and the motives of investment is not significant.

As the calculated Chi-square value (6.624) is less than the table value (11.070) at 5% level of significance for 5 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the gender of the respondents and the motives of investment is not significant.

Relationship between the Educational Qualification and the Motives of Investment among the Respondents

In order to find out the association between the educational qualification of the respondents and the motives of investment, Chi-square test is applied and it is presented in the Table 18.

(INSERT TABLE 18 HERE)

Null hypothesis: The association between the educational qualification of the respondents and the motives of investment is not significant.

As the calculated Chi-square value (2.901) is less than the table value (18.307) at 5% level of significance for 10 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the educational qualification of the respondents and the motives of investment is not significant.

Relationship between the Number of Years of Service and the Motives of Investment among the Respondents

In order to find out the association between the number of years of service of the respondents and the motives of investment, Chi-square test is applied and it is presented in the Table 19.

(INSERT TABLE 19 HERE)

Null hypothesis: The association between the number of years of service of the respondents and the motives for investment is not significant.

As the calculated Chi-square value (19.69) is less than the table value (24.996) at 5% level of significance for 15 degrees of freedom, the null hypothesis is accepted and it could be concluded that the association between the number of years of service of the respondents and the motives of investment is not significant.

FINDINGS

1. The association between the age group of the respondents and the investment patterns of their income is significant.
2. The association between the gender of the respondents and the investment patterns of their income is not significant.
3. The association between the educational qualification of the respondents and the investment patterns of their income is significant.
4. The association between the marital status of the respondents and the investment patterns of their income is significant.
5. The association between the type of family of the respondents and the investment patterns of their income is not significant.
6. The association between the size of the family of the respondents and the investment patterns of their income is not significant.

7. The association between the nature of employment of the respondents and the investment patterns of their income is not significant.
8. The association between the number of years of service of the respondents and the investment patterns of their income is not significant.
9. The association between the awareness about the investment sources of the respondents and the investment patterns of their income is significant.
10. The association between the investment habit of the respondents and the investment patterns of their income is not significant.
11. The association between the habit of contribution to the provident fund of the respondents and the investment patterns of their income is not significant.
12. The association between the awareness about the tax saving schemes of the respondents and the investment patterns of their income is not significant.
13. The association between the awareness about the risk of the respondents and the investment patterns of their income is not significant.
14. The association between the gender of the respondents and the investment sources is not significant.
15. The association between the educational qualification of the respondents and the investment sources is not significant.
16. The association between the number of years of service of the respondents and the investment sources is not significant.
17. The association between the gender of the respondents and the motives of investment is not significant.
18. The association between the educational qualification of the respondents and the motives of investment is not significant.
19. The association between the number of years of service of the respondents and the motives of investment is not significant.

SUGGESTIONS

Most of the salaried people have only one source of income. It is not sufficient for the present situations. So they should try to increase their income from the other sources than the salary. Most of the salaried people have

not invested in shares, mutual funds which are the risky investments but at the same time having high returns. So they should be ready to take certain risks for increasing their income. If the salaried people are not ready to take risk means they should invest at least in the LIC, the Banks, the Post office and the like which are more safe and not risky ones. The salaried people must have tax awareness for investing their money. Proper steps are to be taken to make the salaried people aware of investing more in tax free securities. The interest rate in bank deposits should be stable to get proper returns to the investors. Information on the company performance, the analysis of its operations, the other risk factors and the like should be readily available to the investing public in order to help them to decide their investment patterns. The researcher suggests that the investors should reduce expenses and by which they can increase their savings. This amount should be invested in various sources. The researcher suggests that as the future is uncertain, one has to invest one's money for future purpose. Savings is essential for betterment of one's life. Everyone should have awareness about investment pattern. Now-a-day's a lot of opportunities are available. One has to make use of these opportunities for improving one's standard of living. The investors should act as watch dog before investing in securities. So, analyzing the market is important to avoid future risk and the investors should be familiar with the current information. They can acquire the information from the internet and the other printed media.

CONCLUSION

The study has highlighted interesting information. People are gaining awareness of investment avenues and are thirst for further information. People should invest their surplus in various avenues based on the identification of the dynamic comparative advantages that are in various segments. To ensure long term gains and growth in economy the people should invest their surplus in public and private sector reforms. The salaried people have to choose proper avenues depending on their preferences, needs and abilities to take certain risk and maximize the returns. To enable investors to know the degree of risk on debt instruments credit rating is now made compulsory for them. Most of the salaried people are satisfied with their present income and also

they have surplus from their monthly income. Some salaried people say that they do not invest their surplus because they are in the position of repaying their loans and have to meet unexpected expenses. But the people, who are not having any surplus, definitely have no chance for any savings and investments. In the present conditions they are in the compulsion of finding more ways for the purpose of earning more income. The secret to a happy life is doing what one wants and spending time with those who are important in one's life. Analyzing markets, evaluating strategies, and choosing investment plans are time consuming. If one has the discipline to stick to a simple plan that works for one and one's family, then self-directed investing will make sense for one. So the people should have to invest their surplus on behalf of their families.

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Table 1: Age Group and Investment Patterns

Age Group	Investment Patterns of their Income Basis			Total
	Low	Medium	High	
Below 30 years	35 (25.01)	13 (23.18)	13 (12.81)	61
31 to 45 years	5 (10.66)	15 (9.88)	6 (5.46)	26
Above 45 years	1 (5.33)	10 (4.94)	2 (2.73)	13
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 2: Gender and Investment Patterns

Gender	Investment Patterns of their Income Basis			Total
	Low	Medium	High	
Male	18 (21.73)	22 (20.14)	13 (11.13)	53
Female	23 (19.27)	16 (17.86)	8 (9.87)	47
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 3: Educational Qualifications and Investment Patterns

Educational Qualifications	Investment patterns of their Income Basis			Total
	Low	Medium	High	
Graduate	26 (18.04)	12 (16.72)	6 (9.24)	44
Post Graduate	10 (14.76)	13 (13.68)	13 (7.56)	36
Technical \Diploma	5 (8.20)	13 (7.60)	2 (4.20)	20
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 4: Marital Status and Investment Patterns

Marital Status	Investment Patterns of their Income Basis			Total
	Low	Medium	High	
Married	13 (19.68)	27 (18.24)	8 (10.08)	48
Unmarried	28 (21.32)	11 (19.76)	13 (10.92)	52
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 5: Type of Family and Investment Patterns

Type of Family	Investment Patterns of their Income Basis			Total
	Low	Medium	High	
Nuclear	19 (24.19)	25 (22.42)	15 (12.39)	59
Joint	22 (16.81)	13 (15.58)	6 (8.61)	41
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 6: Size of the Family and Investment Patterns

Size of the Family	Investment patterns of their Income Basis			Total
	Low	Medium	High	
Upto 3 members	12 (15.17)	20 (14.06)	5 (7.77)	37
4 to 6 members	23 (18.86)	11 (17.48)	12 (9.66)	46
Above 6 members	6 (6.97)	7 (6.46)	4 (3.57)	17
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 7: Nature of Employment and Investment Patterns

Nature of Employment	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Government	2 (6.15)	7 (5.70)	6 (3.15)	15
Private	25 (23.37)	20 (21.66)	12 (11.97)	57
Others	14 (11.48)	11 (10.64)	3 (5.88)	28
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 8: Number of Years of Service and the Investment Patterns

Number of Years of Service	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Yes	33 (29.93)	28 (27.74)	12 (15.33)	73
No	8 (11.07)	10 (10.26)	9 (5.67)	27
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 9: Awareness about the Investment Sources and the Investment Patterns

Awareness About Investment Sources	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Printed Media	2 (4.10)	3 (3.80)	5 (2.10)	10
Television \Radio	23 (18.86)	20 (17.48)	3 (9.66)	46
Internet	2 (5.74)	5 (5.32)	7 (2.94)	14
Others	14 (6.30)	10 (11.40)	6 (12.30)	30
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 10: Investment Habit and Investment Patterns

Investment Habit	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Yes	26 (29.11)	30 (26.98)	15 (14.91)	71
No	15 (11.89)	8 (11.02)	6 (6.09)	29
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 11: Habit of Contribution to the Provident Fund and the Investment Patterns

Habit of Contribution to Provident Fund	Investment Patterns of their Income Basis			Total
	Low	Medium	High	
Yes	29 (27.06)	20 (25.08)	17 (13.86)	66
No	12 (13.94)	18 (12.92)	4 (7.14)	34
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 12: Awareness about the Tax Saving Schemes and the Investment Patterns

Awareness About Tax Savings Schemes	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Yes	18 (16.4)	12 (15.2)	10 (8.4)	40
No	23 (24.6)	26 (22.8)	11 (12.6)	60
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 13: Awareness about the Risk and Investment Patterns

Awareness About Risk	Investment Pattern of their Income Basis			Total
	Low	Medium	High	
Yes	12 (17.63)	16 (16.34)	15 (9.03)	43
No	29 (23.37)	22 (21.66)	6 (11.97)	57
Total	41	38	21	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 14: Gender and Investment Sources

Gender	Investment Made in Various Sources										Total
	Bank	Mutual fund	LIC	Shares & Debenture	Government Bonds	Private Finance	Post Office	Real Estate	Jewels	Others	
Male	12 (11.66)	5 (4.77)	9 (9.01)	3 (2.65)	3 (2.65)	2 (1.59)	3 (4.77)	5 (3.71)	9 (10.60)	2 (1.59)	53
Female	10 (10.34)	4 (4.23)	8 (7.99)	2 (2.35)	2 (2.35)	1 (1.41)	6 (4.23)	2 (3.29)	11 (9.40)	1 (1.41)	47
Total	22	9	17	5	5	3	9	7	20	3	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 15: Educational Qualifications and Investment Sources

Educational Qualifications	Investment Made in Various Sources										Total
	Bank	Mutual fund	LIC	Shares & Debenture	Government Bonds	Private Finance	Post Office	Real Estate	Jewels	Others	
Graduate	9 (9.24)	4 (4.40)	7 (7.48)	4 (4.40)	2 (2.20)	2 (0.88)	6 (6.16)	5 (3.96)	4 (3.52)	1 (1.76)	44
Post Graduate	7 (7.56)	5 (3.60)	6 (6.12)	6 (3.60)	1 (1.80)	0 (0.72)	5 (5.04)	2 (3.24)	3 (2.88)	1 (1.44)	36
Technical \ Diploma	5 (4.20)	1 (2.00)	4 (3.40)	0 (2.00)	2 (1.00)	0 (0.40)	3 (2.80)	2 (1.80)	1 (1.60)	2 (0.80)	20
Total	21	10	17	10	5	2	14	9	8	4	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 16: Number of Years of Service and Investment Sources

Service (in years)	Investment Made in Various Sources										Total
	Bank	Mutual fund	LIC	Shares & Debenture	Government Bonds	Private Finance	Post Office	Real Estate	Jewels	Others	
0 - 10	11 (11.65)	3 (3.04)	6 (7.60)	2 (1.52)	2 (2.53)	0 (0.50)	5 (4.56)	2 (1.52)	4 (2.53)	2 (1.52)	37
11 - 20	7 (7.56)	2 (1.97)	5 (4.93)	1 (0.98)	2 (1.64)	1 (0.32)	3 (2.95)	1 (0.98)	1 (1.64)	1 (0.98)	24
21 - 30	3 (2.52)	1 (0.65)	2 (1.64)	0 (0.32)	1 (0.54)	0 (0.10)	1 (0.98)	0 (0.32)	0 (0.54)	0 (0.32)	8
Above 30	2 (1.26)	0 (0.32)	2 (0.82)	0 (0.16)	0 (0.27)	0 (0.05)	0 (0.49)	0 (0.16)	0 (0.27)	0 (0.16)	4
Total	23	6	15	3	5	1	9	3	5	3	73

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 17: Gender and Motives of Investment

Gender	Motives of Investment						Total
	Future Benefit	Tax Benefit	Risk Covered	Value Appreciation	Marketability	Others	
Male	25 (23.85)	13 (11.56)	6 (6.89)	6 (7.95)	3 (1.59)	0 (1.06)	53
Female	20 (21.15)	9 (10.34)	7 (6.11)	9 (7.05)	0 (1.41)	2 (0.94)	47
Total	45	22	13	15	3	2	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 18: Educational Qualification and Motives of Investment

Educational Qualification	Motives of Investment						Total
	Future Benefit	Tax Benefit	Risk Covered	Value Appreciation	Marketability	Others	
Graduate	19 (17.16)	9 (11.00)	4 (3.96)	7 (6.60)	3 (3.96)	2 (1.32)	44
Post Graduate	12 (14.04)	11 (9.00)	3 (3.24)	5 (5.40)	4 (3.24)	1 (1.08)	36
Technical \ Diploma	8 (7.80)	5 (5.00)	2 (1.80)	3 (3.00)	2 (1.80)	0 (0.60)	20
Total	39	25	9	15	9	3	100

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)

Table 19: Number of Years of Service and Motives of Investment

Service	Motives of Investment						Total
	Future Benefit	Tax Benefit	Risk Covered	Value Appreciation	Marketability	Others	
Below 10 years	15 (11.47)	7 (5.92)	3 (1.85)	4 (3.70)	5 (2.59)	3 (1.48)	37
11 - 20 years	9 (7.44)	5 (3.84)	2 (1.20)	5 (2.40)	2 (1.68)	1 (0.96)	24
21 - 30 years	5 (2.48)	2 (1.28)	0 (0.40)	1 (0.80)	0 (0.56)	0 (0.32)	8
Above 30 years	2 (1.24)	2 (0.64)	0 (0.20)	0 (0.40)	0 (0.28)	0 (0.16)	4
Total	31	16	5	10	7	4	73

Source: Survey Data (Figures given in the brackets represent the Expected Frequency)