



A STUDY ON PRIVATE EMPLOYEES PREFERENCE TOWARDS INVESTMENT WITH SPECIAL REFERENCE TO COIMBATORE CITY

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CHAPTER 1

ABSTRACT:

The major features of an investment are safety of the principal amount, liquidity, income stability, appreciation and easy transferability. A variety of investment avenues are available such as shares, bank, companies, gold and silver, real estate, life insurance, postal savings and so on. All the investors invest their surplus money in the above mentioned avenues based on their risk taking attitude.

KEYWORDS: PRIVATE EMPLOYEES, INVESTMENT

1.1.INTRODUCTION TO THE STUDY

Most of the developing countries like India faces the most crucial challenge of finding their sufficient capital in their development efforts and they also find it difficult to get rid out of these vicious circle such as poverty, low income, low saving, low investment, low employment etc. To attain a high level of growth, countries like India needs a very high rates of investments .In the beginning of planning, the main focus was on investment which is the primary instrument for economic growth and also an increase in national income. Investment has to be considered the most crucial determinant and capital formation had to be supported by the appropriate volume of savings in order to have production as per target. The sacrifice of present value for the uncertain future reward is called investment and the investments is also very interesting, challenging and rewarding. When there is a high risk ,there will be more return . Generally the Risk and reward will always go together.

1.2.SCOPE OF THE STUDY

1. To study their level of preference, satisfaction, awareness and intensity of problem.
2. To examine various aspects of investment avenues available to them.
3. This study is confined to the factors considered by the private sector employees while their investment in different investment avenue in Coimbatore city

1.3. STATEMENT OF THE PROBLEM

Salaried persons often think that they never need any financial scheduling. Owing to habitual return and disbursement, the householders believes that their reserves involuntarily get collected in the bank and do not require any involvement to take full benefit of financial reward. In spite of diverse studies, investors and individual do their savings and investment in various monetary and substantial investment alternatives like real estate, bank , insurance and assets like Sliver and gold. The avenues of investment and their investors opinion based on the preference may vary from one person to another. The liquidity and safety play a major role in the investment decision. The study is prepared to analyse the pattern of savings and investments of employees among private employees in Coimbatore.

1.4.OBJECTIVE OF THE STUDY

1. To find the awareness level towards investment avenue.
2. To know the preference of private employee towards investment.
3. To study the factor influencing investment pattern of a salaried individual.
4. To find the satisfaction level of the investors.
5. To give suggestion to the private salaried people towards investment.

1.5.RESEARCH METHODOLOGY

Research methodology is the specific procedures or techniques used to identify, select, process, and analyze the information. It is the path through which researchers need to conduct their research.

1.SAMPLE SIZE

A sample of 100 private employees were taken into study and their data was collected.

2.AREA OF STUDY

The study is confined to the private employees of a Coimbatore city.

3.PERIOD OF STUDY

The data has been collected for a period of six months

4.SAMPLE DESIGN

Since the information has to be taken from the private employees ,the questionnaire has prepared for studying the investment pattern

5.DATA COLLECTION

The study is based on the primary data.

The data will be collected from a respondents through a structured questionnaire. The study was done with the help of primary data using the questionnaire to assess the investment pattern of private employees.

6.SAMPLE TECHNIQUES

In this study we used RANDOM SAMPLING METHOD. That is a sample chosen randomly is meant to be an unbiased representation of the total population.

7.STATISTICAL TOOL USED

The following are the tools that is used in the data

- 1.Percentage analysis
- 2.One way Anova
- 3.Ranking
- 4.Chi-square

1.6.LIMITATIONS

The following are the limitations of the study

- 1.The study is limited only to the investor of a private employees
- 2.The study is fully based on the primary data.
- 3.The data is collected from 100 respondents .
- 4.The survey is collected only in the Coimbatore city

5.As the data is collected only from 100 respondents only, generalization to other private employees is inevitable.

CHAPTER – 2

REVIEW OF LITERATURE

1. **Gaurav Chhabra, Ankesh Mundra (2014).** “A Study on various invest options available with investors”. The study state various invest options available with the investors. In earlier time because of non availability of banking system investors use to keep hard cash, gold and silver ornament, precious stones etc as savings. Now investment are made through bank, insurance policies, mutual funds, pension funds, collective investment schemes, investment clubs.
2. **T. N. Murty, P. V. S. H Sastry (2014).** “A Study on small investment investors towards return on investment”. Investors choice with the objective of return optimization is investment in the stock market instruments or securities. Stock market securities are affected by various internal and external factors. Study examines the perception of small investment investors towards returns on investment.
3. **Smita Mazumdar (2014)** “A study of investment perspective of salaried people” Individuals invest rationally with intention of maximizing utility for given level of risk. This study examines the relationship between investment behaviour and level of knowledge. Financial knowledge leads to investing in different investment avenues such as equity, gold, real estate, fixed deposits etc. study examines the aggressive investors and moderate risk taker with the help of financial knowledge.
4. A study by **B.Thulasipriya (2014).** “A study of Investment behaviour after retirement”shows that majority of the respondents are saving money as Bank Deposits for the safety of an unpredictable future. The main avenues of investment are Bank Deposits and the main purpose of investment is for children education, marriage and security after retirement.
5. The researchers, **Sonali Patil &Dr.Kalpna Nandawa (2014)** “A study of investment pattern of salaried people” has analysed that salaried human resources consider the security as well as good return on savings on normal basis. Respondents are conscious about the investment avenues offered in India excluding female investors.
6. **S. Umamaheshwari, M. Ashok Kumar (2014)** “A study based on investment awareness and expected rate of return” Awareness, environment level of exposure intensions, beliefs, responsibilities are the factors responsible for deciding investment policies. Behavioural pattern helps in preparing various schemes for investments. Investment temperament of salaried strata based on investment awareness and expected rate of investment return.

7. **N. Dharani (2014)** “**A Study on investment behavioural patterns of women investors**” Investment attracts all people irrespective of their occupation, education and social status. Women also involve in investment activities. Women’s below age of 30 are involve in investment activities. Women’s with graduation are involve in more investment activities. Women’s with income of 50001 to 100000 are involve in investment activities.

8. **DEV Prasad ,M.R.Shollapur (2014)** “**A Study on decision making process of women**”highlighted that the Indian Women investors as emotional decision makers,this study expects to contribute to the literature by focusing on the investment behaviour of Indian Women.

9. **A.Ananth (2013)**. This study “**Investors attitude towards various forms of investment**”. Investments are classified as marketable and Non marketable, High risk and low risk investments. Share market is high risk investment with high returns, Commodity market has no risk. Mutual funds are risk investment with good returns.

10. **N.Srividhya, S.Visalakshi (2013)** The study “**A Study on various avenues of investment**” analyses various avenues of investment such as Government deposits, bonds, real estates, post office saving certificates life insurance policies, mutual funds etc. study covers Government colleges, Private colleges and aided colleges which states that maximum teachers saves below one lakh. Maximum respondents invest in fixed deposits.

11. **S. Umamaheswari, M. Ashok Kumar (2013)**. “**A study on investment pattern and awareness of salaried class investors in Coimbatore district**”. When one know the existence of a new thing is known as awareness. External sources are responsible for creating, modifying and shaping investment decision of investors. Television, Radio, media, personal consultation for expert, relatives, friends etc are responsible for decision investment decision. A secured investment with good returns on investments. Data analyses shows that maximum respondent invest in Gold followed by bank deposits and Insurance schemes. Mutual fund investments are very limited.

12. **J.Paul SundarKirubakaran (2013)** “**An investigative study on the attitudes of investors**” The Study analyses the behaviour of an investor. This study brings out the relationship between risk of investment and protection of investment. Nearly 59 percent respondents stick to the protection of investment rather risk for good returns. Respondents have protecting investment as a main priority.

13. **V.R. Palanivelu & K.Chandrakumar (2013)** “**A study on preferred investment avenues among salaried people with reference to Namakkal Taluk Tamil Nadu India**” studied the investment preferences of salaried class in Namakkal Taluk, Tamil Nadu. It highlight’s that certain factors like age, educational level, knowledge about financial system affect the decision regarding the choice of investment avenues.

14. **Bhawana Bhardwaj (2013)** “**Income savings and investment Pattern of employees**” National output is increase for future by investment. Investment dependents upon awareness about investment opportunity, level of knowledge, evaluation of investment opportunities and selection of investment options. Research states that

maximum respondents have selected as Bank deposits and Provident fund as investment avenue. Investors preferred stability in return of investment.

15. **L. Pandiyan, T. Aranganathan (2012)** “**Savings and investment attitude of salaried class in Cuddalore District**” Decision making process on savings and investment is affected by the attitude of the respondent. Study analyses shows that level of attitude of male and female, female group are not interested in investment but more wrong investment decisions are made by male group. Respondent of 520 years of age are neutral opinion on investment. Investment pattern is affected by the family size too.

16. **Priyanka Jain (2012).** “**Investment avenues-International journal of advancements in research and technology**” The study analyses the various investment avenues available for the investors. It state Equity shares has low return but high capital appreciation, risk liquidity, Marketability, tax benefit, Debentures has high return but low risk liquidity and marketability. Bank deposits have moderate returns but low capital appreciation and risk liquidity.

17. **Ravi Vyas (2012).**”**Mutual fund investors behaviour and perception in Indore city**” This study finds the form of investments preferred by investors. Mutual fund investment is. For Safety, Liquidity, Reliability, Tax benefits and high returns Mutual fund has average score among investors.

18. **Yogesh P. Patel, Charul Patel (2012).** This study is to examine the behavioural pattern of investments and various investment alternatives among salaried people working in private sector. Data analyses states that majorities of Male respondents are intended to invest more. Maximum investment in range between 1 lakh to 2 lakhs.

19. **Geetha. N and Ramesh M, (2012),**”**A study on people preference in investment behaviour**” studied the role of demographic factors in investment decisions. Response received from 475 respondents from Nagapattinam district of Tamil Nadu was used for analysis. The sampling method used was convenient sampling. A well-structured questionnaire was used to collect the data from the respondents. Statistical inference was drawn using ANOVA and Chi square tests. The demographic attributes included age, gender, education, occupation, income, savings size and family size. The investment avenue considered for the study were gold, provident fund, life insurance, real estate, bank deposits, postal savings, mutual funds and equities.

20. **Heena Kothari (2012),**”**Investment behaviour towards investment avenues- a study with reference to indore city**” The study analyses the investment behaviour towards investment avenues in Indore city. The study is consisting of private and public banking employees as they have regular income, retirement benefits, safety and security of income. Analyses of data states that Younger people invest more than Middle age people.

21. **B. N. Panda, J. K. Panda (2012)**”**An analytical study on perception of risk and return for individual investment**” The study analyses the difference in perception of investors in decision of investing on the basis

of age and gender. Various investment options are examined in these research such as Secured deposits, Life insurance policies, Provident fund , Pension schemes, Bonds, Debentures, Equity shares, Mutual funds, Real estate, postal schemes etc. investment decisions are to be taken by self and has to wait to see the results of it, which fascinates some investors.

22. **N. Geetha, M. Ramesh (2011).** “**A study on peoples preference in investment behaviour**” This study Examines the factors responsible for investment behaviour of people and different investment options available. Equity are high risk and high return investment with liquidity, debts are low risk and fixed return instruments, Mutual funds and bonds are low risk with normal returns instruments, Company deposits and bank deposits has low risk and low returns, post office savings , PPF and insurance policies are no risk investment with low returns, Real estate and Gold has no returns on investment but has capital appreciation.

23. **Dr. S. Mathivannan and Dr. M. Selvakumar (2011)** “**A Study on on savings and investment patterns of a salaried teachers**” examined the saving and investment patterns of salaried teachers of Sivakasi Taluk, Tamilnadu and they found that there is great importance of money and money's worth for them and They are regularly preparing budgets for Expenditures and compare it with the actual expenditure and take necessary actions if there are any deviations has arrived so far and they are influenced by fashionable and costly items.

24. **Avinash Kumar Singh (2006)**” The study entitled “**A study on investment pattern of salaried people in Bangalore city**”. After analysis and interpretation of data it is concluded that in Bangalore investors are more aware about various investment avenues and the risk associated with that. All the age groups give more important to invest in equity and except people those who are above 50 give importance to insurance, fixed deposits and tax saving benefits.

25. **J.Jayalakshmi and Dr.V.L.Shobana (2006)**” **A study on investor awareness and preference**” in their study on Investors Awareness and Preferences has explored the awareness level of investors regarding investment options and investment risks. The analysis disclosed that the investment in real estate is preferred by a majority of the investors and secondly they prefer investment in bank deposits.

CHAPTER 3

OVERVIEW TO THE STUDY

3.1.INVESTMENT

Investment means allocation of money with the hope of making more money. It is committed of fund which have been saved from Current consumption with the hope of receiving some benefits in the future. A crucial activity of every individual is to make investment of their hard earned money. Investment is a wide process and its starts from the Process of determining the Characteristics of various investment avenues available and matching them with needs and preference of Individual.

All investment of individuals are made in order to achieve a certain objectives. These objectives may be both tangible and intangible. Objectives are classified into two: Financial objectives and personal objectives. Profitability , liquidity and safety are some financial objectives. Personal objectively are related to personal characteristics of individuals such as family commitment, income , status, consumption and provision for requirements etc.

3.2.INVESTMENT AVENUES

There are wide varieties of investment avenues are now available in India. Studying the merits and demerits of different avenues can make investor to select the best suitable avenues.Financial advertising, newspaper supplements on financial matters and investment Journals offer guidance to investors in the selection of suitable investment of avenues.

Categories of investment opportunities are:

- Protective investments.
- Tax oriented investment.
- Fixed income investment.
- Speculative investment.
- Emotional investment.
- Growth investment.

Some of the investment avenues are:

1.Financial instruments:

- **Equity Shares**

Equity investments means share in the profits and assets of the company but there are no fixed returns. So ,It is considered as a risky investment but it is also called as a liquid investments due to the presence of stock markets. Investment liquidity is more only for those equity shares which has regular trading other than that stocks have less movement, liquidity is not highly attractive.

- **Debentures or Bonds**

It is a long-term investment options with a fixed cash flows depending on the quoted rate of interest. They are considered relatively less risky but an amount of risk involved is depend upon who the issuer is. For example, if the debentures or bond is issued by a government, the risk is assumed to be zero.

- **Money Market Instruments**

Money market instruments are those which has a time period of less than 1 year. Corporate entities can utilise their idle working capital by investing in money market instruments. Some of the money market instruments are:

- Treasury Bills
- Commercial Paper
- Certificate of Deposits

2.Postal savings schemes.

Deposit avenues for investors in India Post, which controls the postal chain of the country, commonly known as post office saving schemes. These schemes were introduced to provide investment avenues and inculcate savings discipline among Indians from across economic classes. Every post office provides these savings schemes to enable individuals from across India to apply and enrol easily.

3.PF, PPF and other Savings schemes Such as National Savings scheme, national saving Certificates and Tax saving schemes of ICICI, LIC Infrastructure bonds and so on.

4.Investment intermediaries:

- **Mutual Funds**

A mutual fund is an investment made only in debt or only in equity or mix of debts and equity and ratio depending on the scheme. It is an easy of investment and it automatically diversifies the investment. The benefits are professional approach, benefits of scale and convenience. Further advantage of investing in mutual funds are professional management services at a lower cost .

5.Deposits in companies, fixed deposit, recurring deposits.

6.Life insurance investment

- **Life Insurance and General Insurance**

It is an important parts of good investment portfolios. Life insurance is an investment for the security of life. The main objective of other investment avenues is to earn a return but the primary objective of life insurance is to secure our families against unfortunate event of our death. It is popular in individuals.

There are different types of insurances which are as follows:

- Endowment Insurance Policy
- Money Back Policy
- Whole Life Policy
- Term Insurance Policy

- General Insurance for any kind of assets.

7. Investment in precious objects

- **Precious Objects**

It include gold, silver and other precious stones like the diamond. Some artistic people invest in art objects like paintings, ancient coins etc.

8. Investment in property

Real Estate

Investment portfolio of individual consists investment in real assets .Almost every individual and corporate investor invest in residential and office buildings respectively. Apart from these, others include:

- Agricultural Land
- Semi-Urban Land
- Commercial Property
- Raw House
- Farm House etc

9. Investment in Gilt-edged securities and security's of government and semi government Organisations (i.e. bonds, Treasury bill etc.).

These are some avenues / investment schemes where tax benefits are available for investors. Therefore Such schemes are called tax savings schemes Of investment. An investor can bring down its total tax liability by taking the benefits of tax saving scheme .The basic purpose of such schemes is to encourage the investor to make investment in certain investment avenues. In some schemes the entire investment is made tax free i.e. it is deducted from Yearly taxable income.

3.3. Process of Selecting Investment Alternatives

1. Investment Alternatives with their Attributes

Investment Management and alternatives for any individual are divided into a real asset and financial asset. Real assets deal with property, precious objects etc. Though real asset takes a large portion of money when investment is made, but major efforts for deciding investment are dedicated to financial assets. Any investment has two aspects – time and risk. An investment in an asset is a sacrifice of current consumption to get some return in future. Assets are expected to generate cash flows and the probabilities of variation in the expected

cash flow in future give rise to risk. So, all the alternatives are analysed for their time and risk factor before selecting a particular asset for investment.

2. Analysis and Selection of Assets in a Portfolio

The investment in the financial asset can be divided into equity, debt, and cash or cash equivalent. These alternatives play an important role in building a portfolio. One asset helps in offsetting the weakness of other. But, there are so many alternatives available within the financial asset. Just building portfolio will not ensure the better return. Proper analysis should be carried on before deciding the specific securities among different assets. In the case of stocks, fundamental or technical analysis is adopted. In the case of debt, factors like yields, rating, tax shelter, and liquidity are carried out. A part of the portfolio is also allocated to cash and cash equivalent for liquidity and contingencies or any sudden opportunity.

3. Allocation of Funds by Portfolio Theory of Diversification

The risk involved in an asset can be measured alone and also of a portfolio. The purpose of diversification can be seen when assets are assessed in a portfolio. So, portfolio theory states that instead of investing into one asset, spreading it between different investment alternatives. However, the amount allocate to what asset class or alternative depends on individual's investment objective. Within the parameter of one's objectives, a better return can be achieved with the help of proper investment management. The attributes of all these assets form a base for assessing portfolio, As soon the money is divided into different assets. The expected return of a portfolio is the weighted average of the expected returns on the individual asset with weights as the percentage of portfolio or the amount of investment in the individual asset. But the portfolio risk is not the weighted average of the risks of individual securities. Rather risk is measured by taking into consideration the covariance of securities. Therefore, mixing asset classes can help moderate the risk.

4. Investment Monitoring

Investment management starts only after building portfolio. In this stage, one needs to regularly monitor, review and upgrade it. Investor should make sure that at correct time investment is made and at correct time investment is sold. Also, performance evaluation is crucial because feedback of results can only ensure whether right investment decisions are made or not. No time is too late to build a portfolio because it can be tailored as per the needs and objectives of the individual. However, a better return can be achieved, if one believes and follow the process of investment management.

3.4. ELEMENTS OF INVESTMENTS

A. RETURN:

Investment are made in order to earn return on them. The return includes both current income and capital gain

B. RISK:

Risk is the chance of loss due to variability of returns on an investment. In every investment, there is a chance of loss. It may be loss of investment; however risks and returns are inseparable.

C. TIME:

Time is an important factor in investment. Time period depends on the attitude of investors who follows a buy and hold policy

3.5.PRIVATE EMPLOYEES

The private employs are those who work for individual business owners, corporations or other non-government agencies. Jobs they engage in are manufacturing, financial services, professions, hospitality, or other non-government positions. Salaries are paid to Workers with part of the company's profits. Private employees tend to have more pay increases, more career choices, greater opportunities for promotions but in the same they have less job security, and less comprehensive benefit plans than public sector workers

CHAPTER IV ANALYSIS AND INTERPRETATION

This chapter gives the analysis and interpretation of the study on "Private employees' preference towards investment with special reference to Coimbatore city" based on sample size of 100 investors. The collected facts have been categorized, tabulated and the following statistical measures have been used in executing the objectives of study.

- Percentage Analysis
- ANOVA
- Ranking
- Chi-square

Percentage Analysis

Percentage Analysis is used in all questions specified in the questionnaire. This analysis illustrates the classification of respondents falling under each category. This is used mainly for comparison. Diagrams and Charts are depicted in support of this Analysis. Percentage Analysis is the simple technique used to analyze the collected data.

ANOVA

Analysis of variance (ANOVA) is an analysis tool used in statistics that splits an observed aggregate variability found inside a data set into two parts: systematic factors and random factors. ANOVA has been used to find out whether the group means of the dependent variable differ significantly or based on the classification of independent variables.

Ranking

A ranking is a relationship between a set of items such that for any two items the first is either ranked higher than, ranked lower than or ranked equal to the second. The ranking themselves are totally ordered. Ranking refers to the data transformation in which numerical or ordinal values are replaced by their rank when the data are sorted.

Chi-square

A chi-squared test, is a [statistical-hypothesis test](#) that is [valid](#) to perform when the test statistic is [chi-squared distributed](#) under the [null hypothesis](#), specifically [Pearson's chi-squared test](#) and variants. Pearson's chi-squared test is used to determine whether there is a [statistically significant](#) difference between the expected [frequencies](#) and the observed frequencies in one or more categories of a [contingency table](#).

The results of Percentage Analysis are being presented in following tables.

Demographic data of the respondents

Age

TABLE 4.1: AGE

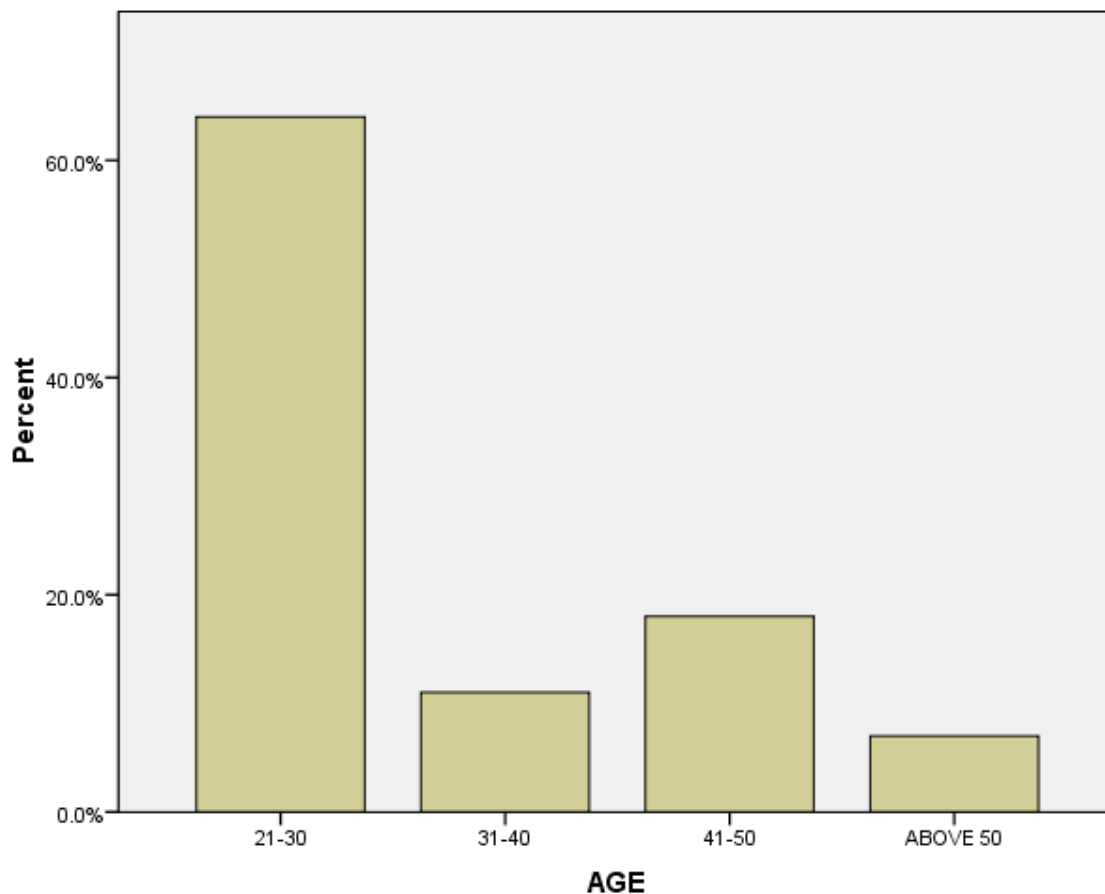
	Frequency	Percent
21-30	64	64.0
31-40	11	11.0
41-50	18	18.0
ABOVE 50	7	7.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows the age of the respondents. Out of 100 respondents 64% are from 21-30 years, 11% from 31-40 years, 18% from 41-50 years and 7% above 50 years. It depicts that the maximum number of respondents fall under the age group of 21-30 years.

CHART 4.1: AGE



Gender

TABLE 4.2: GENDER

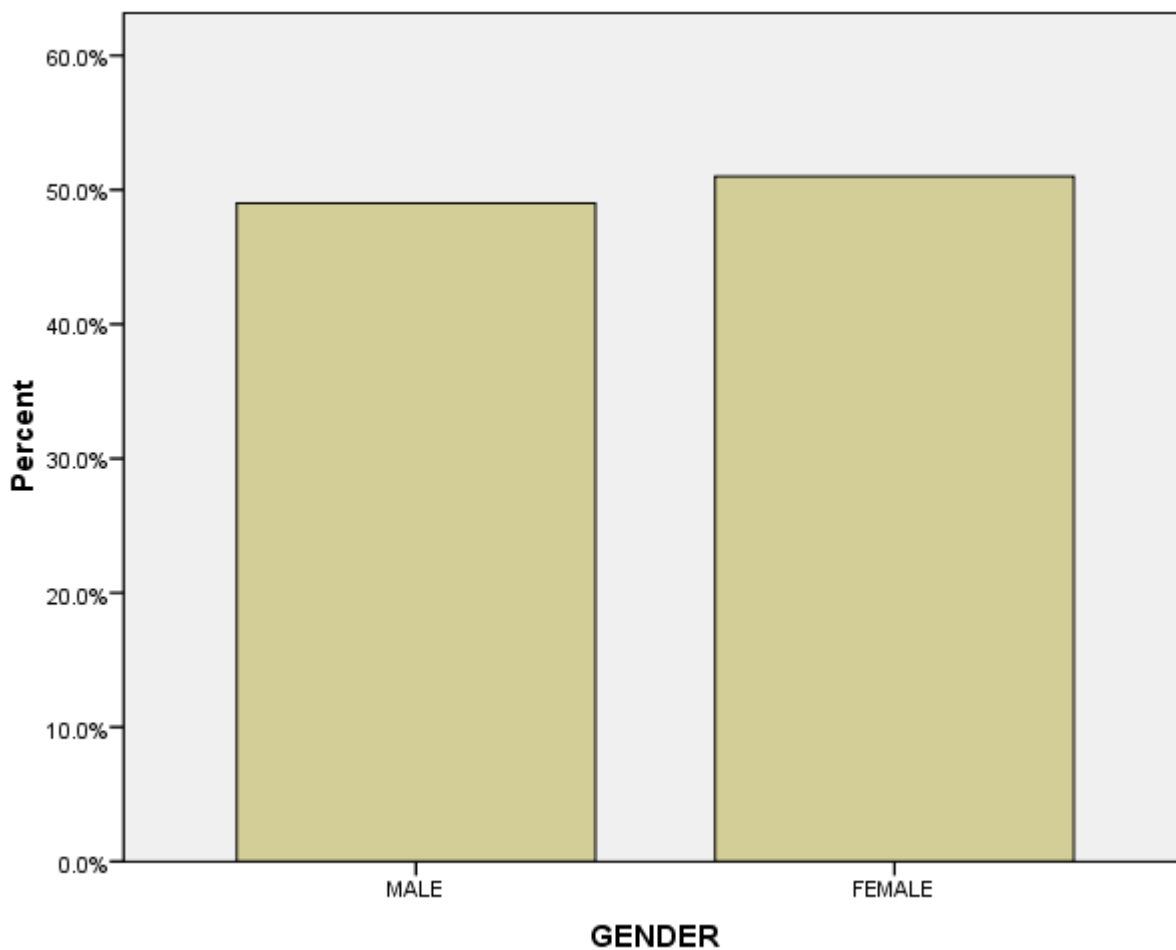
	Frequency	Percent
MALE	49	49.0
FEMAL E	51	51.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows about the gender of the respondents were out of 100 respondents 49% are male and 51% are female. It depicts that most of the respondents are female in our study.

CHART 4.2: GENDER



Marital Status

TABLE 4.3: MARITAL STATUS

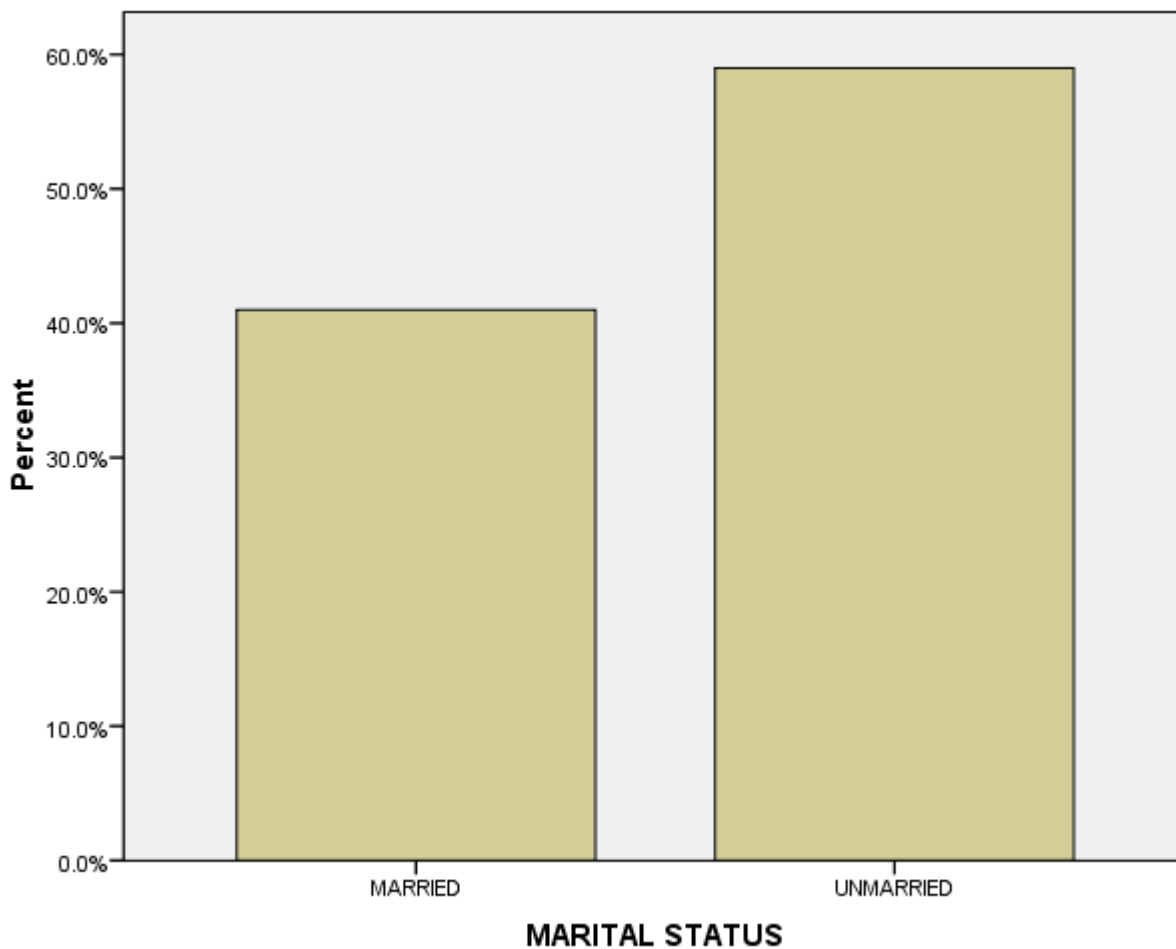
	Frequency	Percent
MARRIED	41	41.0
UNMARRIED	59	59.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows about the marital status of the respondents were out of 100 respondents 41% are married and 59% are unmarried. It depicts that most of the respondents are unmarried.

CHART 4.3: MARITAL STATUS



Qualification

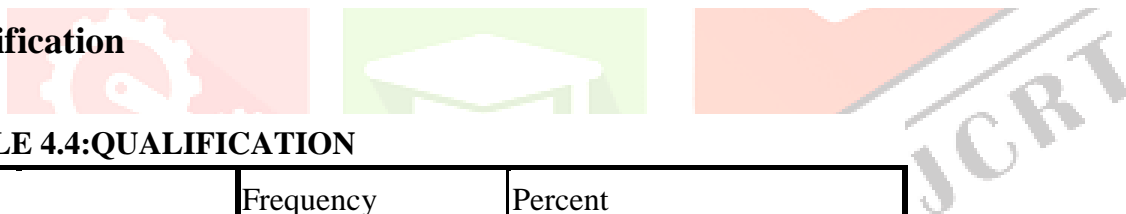


TABLE 4.4: QUALIFICATION

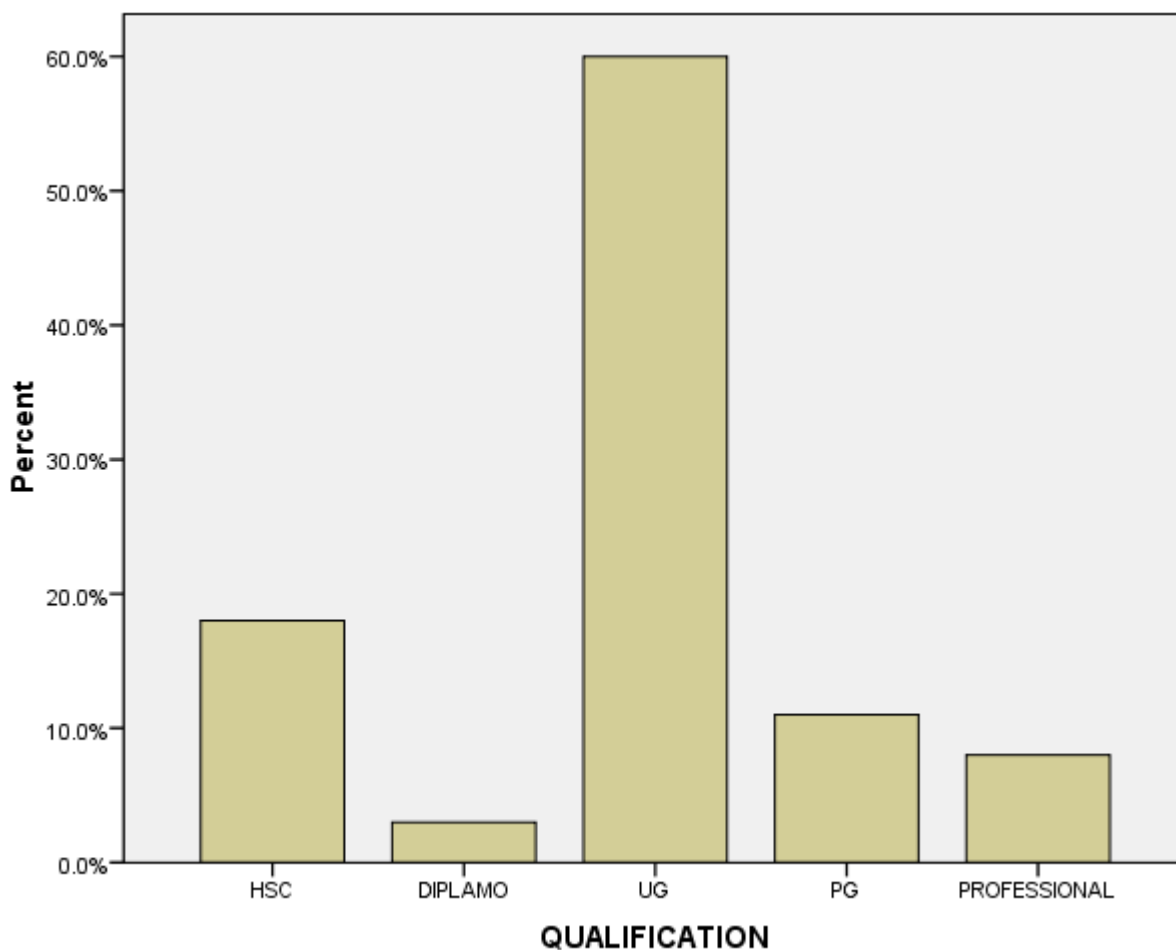
	Frequency	Percent
HSC	18	18.0
DIPLAMO	3	3.0
UG	60	60.0
PG	11	11.0
PROFESSIONAL	8	8.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows about the educational qualification of the respondents. Out of 100 respondents 18% have completed their higher secondary, 3% have completed their diploma, 60% have completed their under graduation, 11% are post graduates and 8% have completed their professional course. It depicts that most of the respondents have completed their under graduation.

CHART4.4:QUALIFICATION



Monthly Income

The respondents have been asked about their individual income per month to get a clear understanding of their economic profile. Their responses are shown as follows.

Table 4.5:MONTHLY INCOME

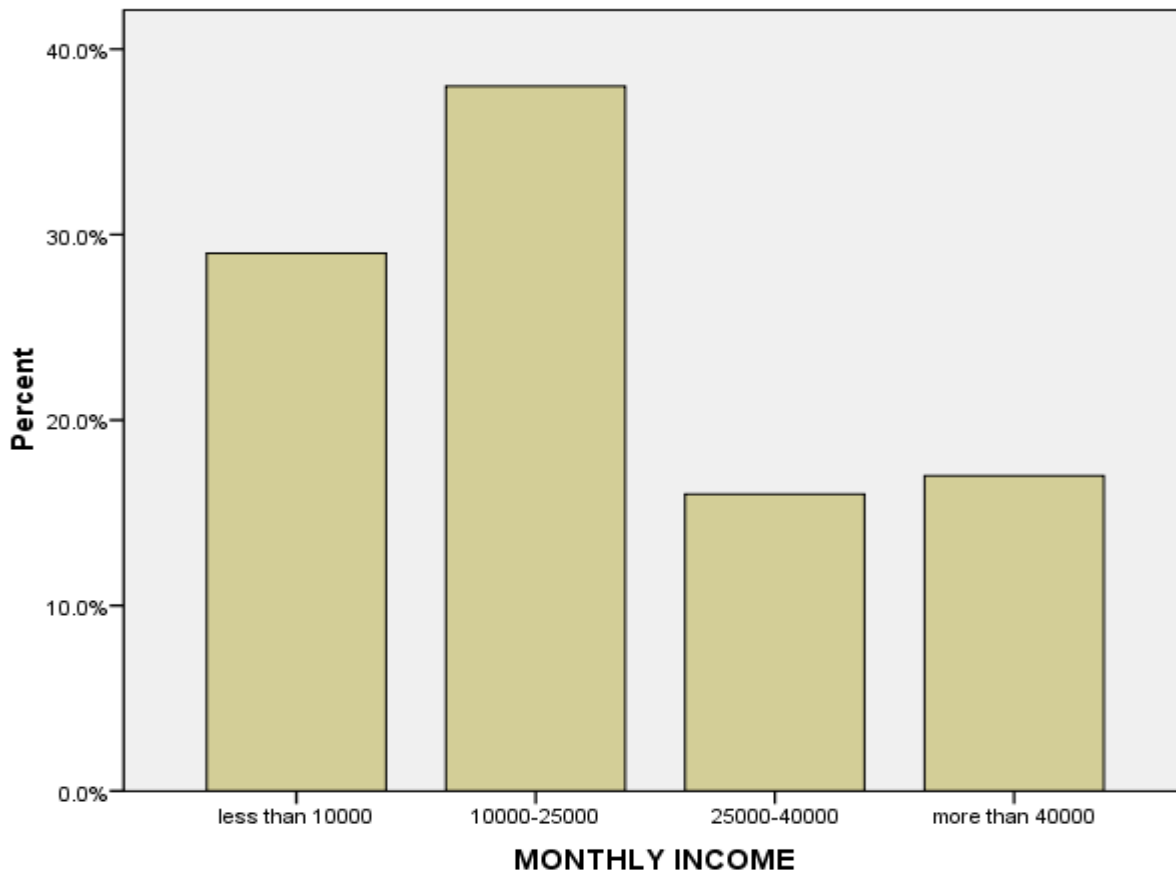
	Frequency	Percent
less than 10000	29	29.0
10000-25000	38	38.0
25000-40000	16	16.0
more than 40000	17	17.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows about personal income per month. Out of 105 respondents 29% are earning less than Rs.10000 per month, 38% are earning between Rs 10000 to 25000 per month, 16% are earning between Rs25000-40000 per month and 17% are above Rs 40000 per month. It depicts that majority of the respondents are earning between Rs 10000 and 25000.

CHART 4.5:MONTHLY INCOME



Family type

TABLE 4.6:FAMILY TYPE

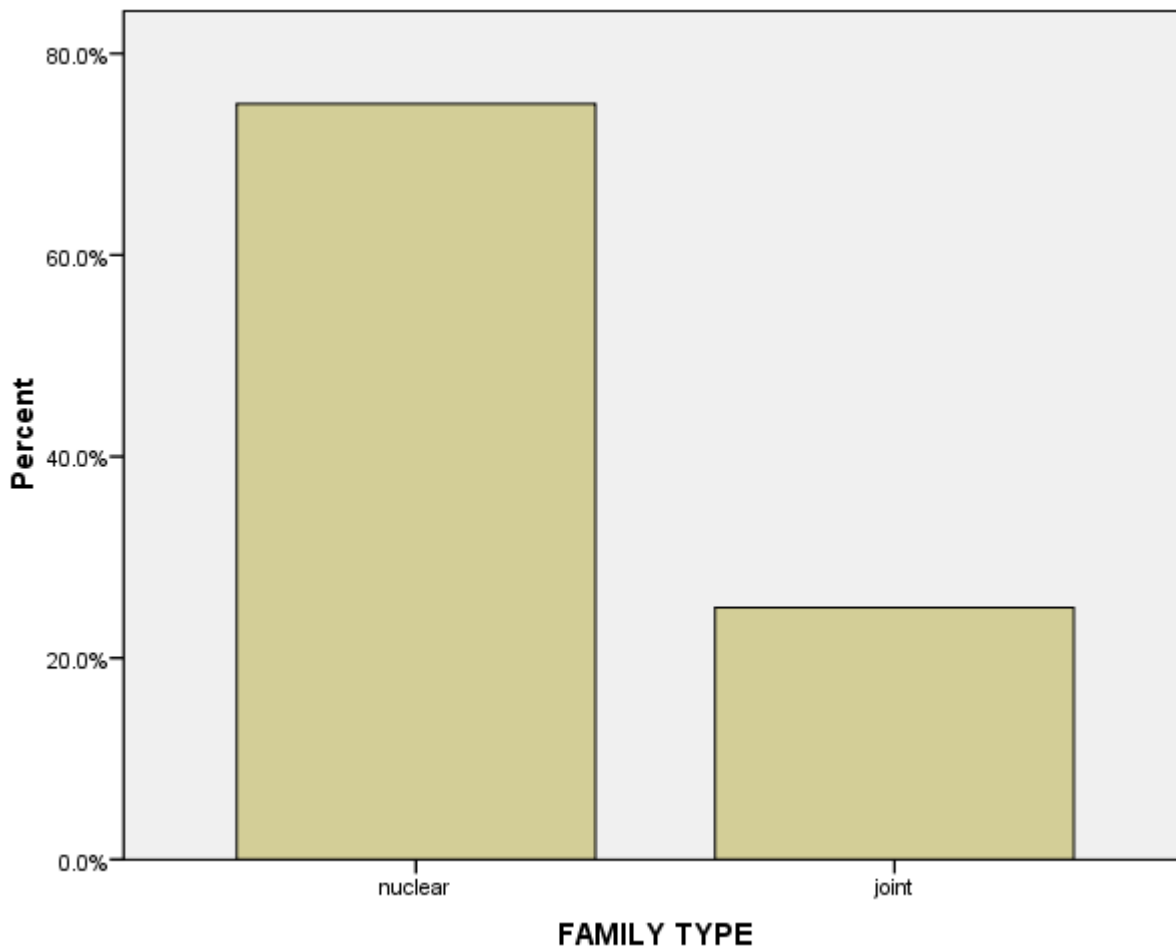
	Frequency	Percent
nuclear	75	75.0
joint	25	25.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table shows family type. Out of 100 respondents 75% are nuclear family and 25% are joint family. It depicts that majority of the respondents are from nuclear family.

CHART 4.6:FAMILY TYPE



Source of information

Table 4.7:SOURCE OF INFORMATION

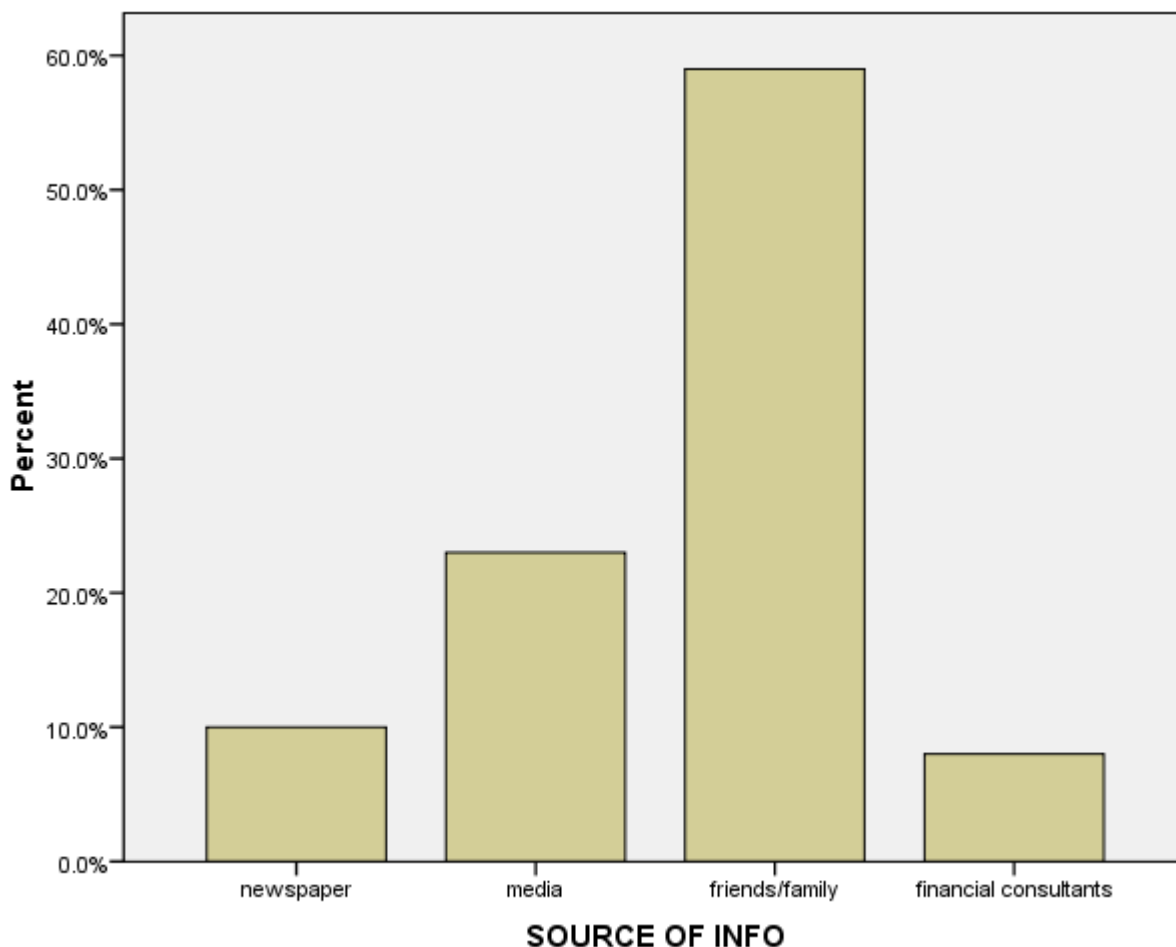
	Frequency	Percent
newspaper	10	10.0
media	23	23.0
friends/family	59	59.0
financial consultants	8	8.0
Total	100	100.0

(Source : Primary Data)

Interpretation

The above table depicts the source of information. Out of 100 respondents 10% are gathered from newspaper, 23% get from media, 59% from friends/family, 8% from financial consultants. It depicts that majority of respondents have been informed by family/friends.

CHART 4.7:SOURCE OF INFORMATION



Investment Avenue

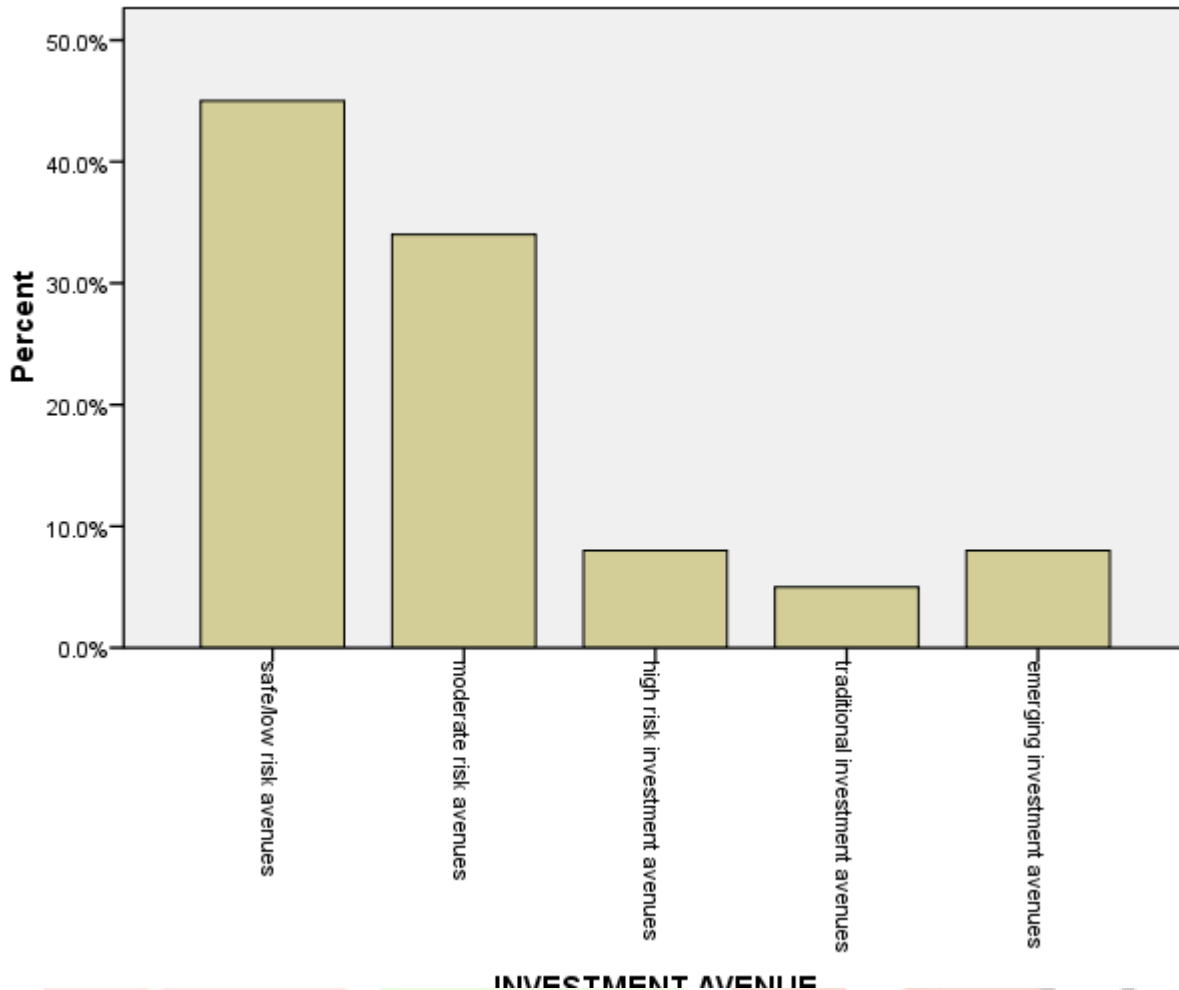
TABLE 4.8:INVESTMENT AVENUE

	Frequency	Percent
safe/low risk avenues	45	45.0
moderate risk avenues	34	34.0
high risk investment avenues	8	8.0
traditional investment avenues	5	5.0
emerging investment avenues	8	8.0
Total	100	100.0

Interpretation

The table shows different types of investment avenues. Out of 100 respondents 45% prefer safe/low risk avenues, 34% prefer moderate risk avenues, 8% prefer high risk avenues, 5% prefer traditional investment avenues and 8% prefer emerging investment avenues. It shows that majority of respondents prefer safe/low risk avenues.

CHART 4.8:INVESTMENT AVENUES



Regularity



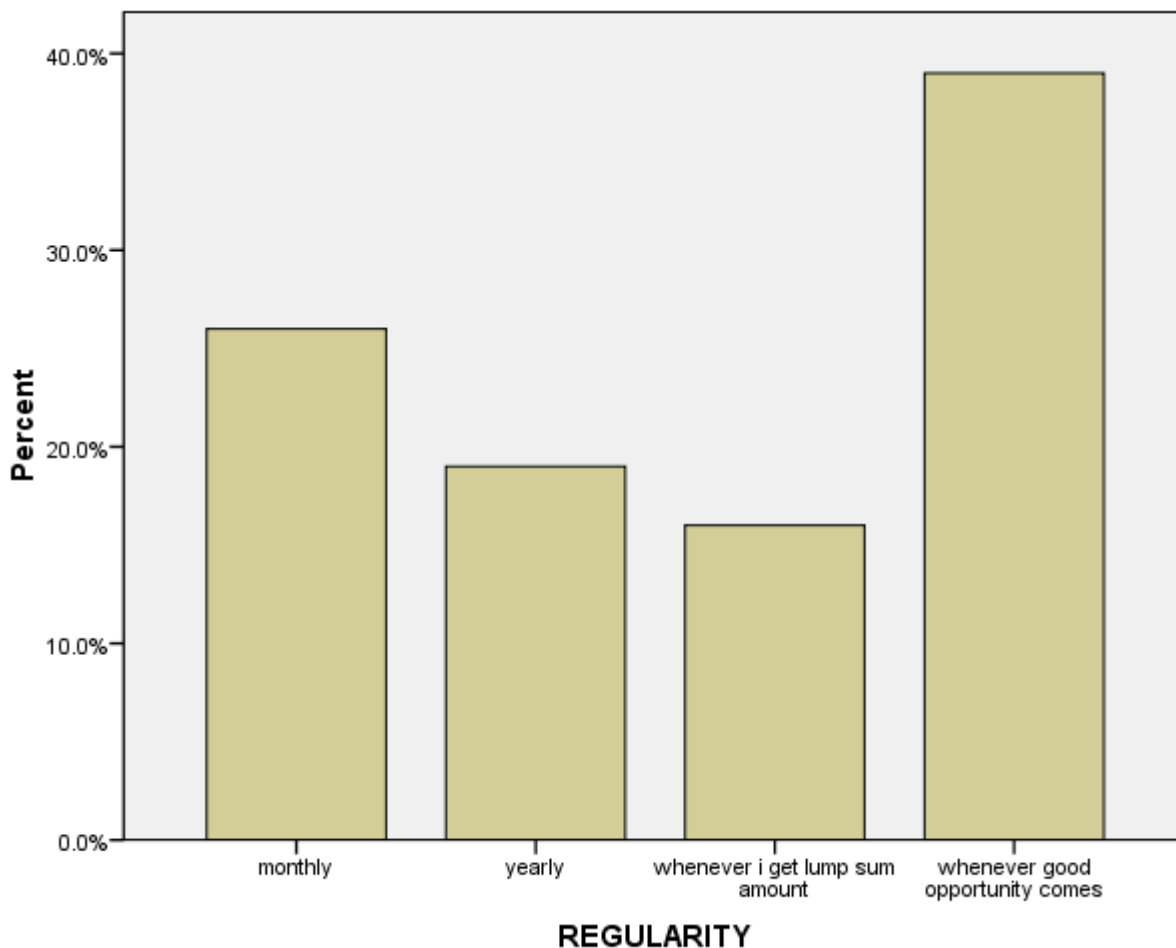
TABLE 4.9:REGULARITY

	Frequency	Percent
monthly	26	26.0
yearly	19	19.0
whenever i get lump sum amount	16	16.0
whenever good opportunity comes	39	39.0
Total	100	100.0

Interpretation

The above table presents how regularly the investor invests. Out of 100 respondents 26% invests on monthly basis, 19% invests on yearly basis, 16% invests whenever they get lump sum amount and 39% invests when good opportunity comes. It depicts that majority of respondents invests when good opportunity comes.

CHART 4.9:REGULARITY



RANK ANALYSIS

BASIS OF CHOICE OF INVESTMENT

Respondent have been asked about the basis on which they would prefer to invest in investment, to know the preference of investing factor

TABLE 4.10:BASIS OF CHOICE OF INVESTMENT

	Mean Rank	Rank
INTEREST	2.45	1
RETURN	3.14	4
MATURITY PERIOD	3.08	3
RISK	2.72	2
INVESTMENT SCHEME	3.60	5

INTERPRETATION

The above table shows that the investor is choosing the investment mainly on the basis of interest. The Second factor consider on the basis of choice of investment is risk. Private employee as investors choose maturity period as third factor on the basis of choice of investment. Return are moderately consider to invest. The investment scheme is considered the least, on the basis of choice of investment

Preference

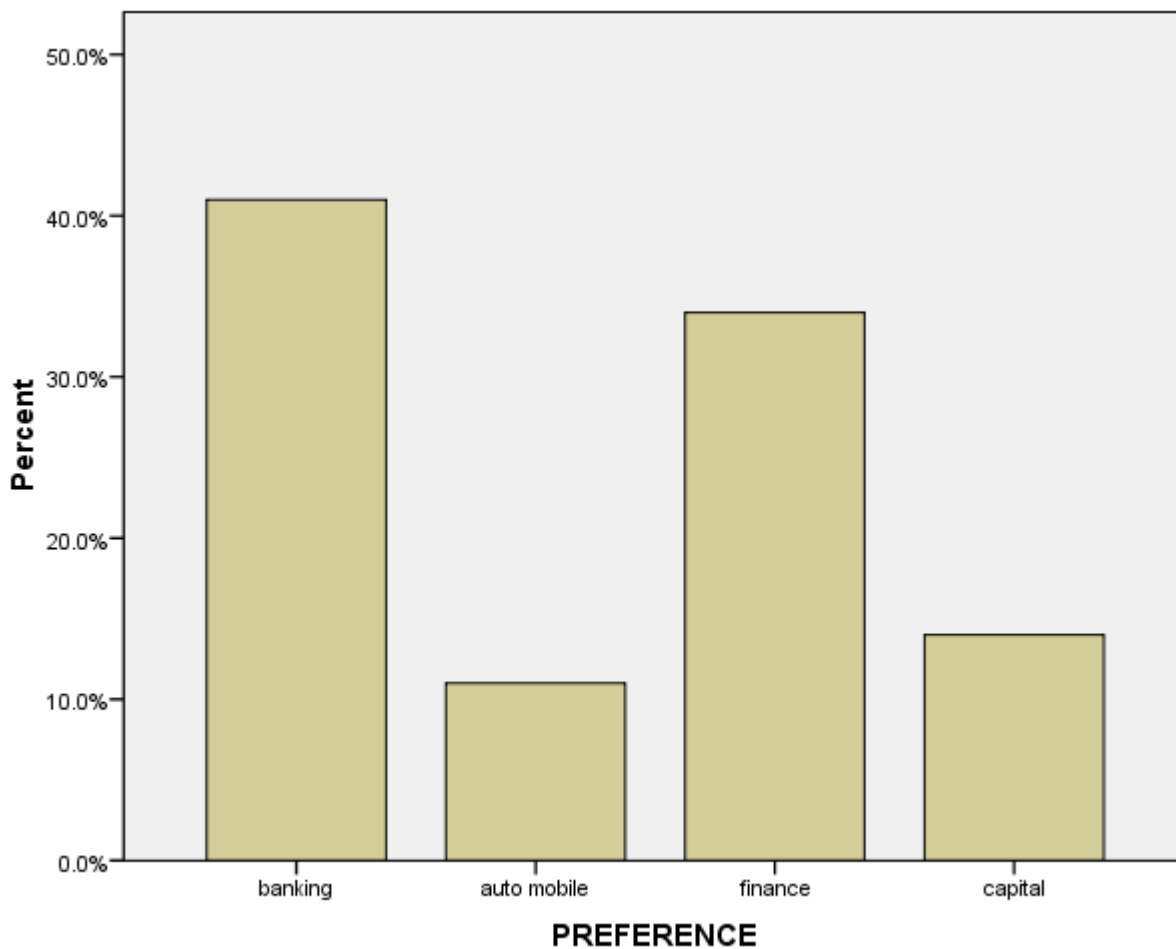
TABLE 4.11: PREFERENCE

	Frequency	Percent
banking	41	41.0
auto mobile	11	11.0
finance	34	34.0
capital	14	14.0
Total	100	100.0

Interpretation

The above table shows the preference of the respondents. Out of 100 respondents 41% prefer banking, 11% prefer automobile sector, 34% prefer finance sector and 14% prefer capital sector. It depicts that the majority of respondents prefer banking sector.

CHART 4.11: PREFERENCE



Purpose

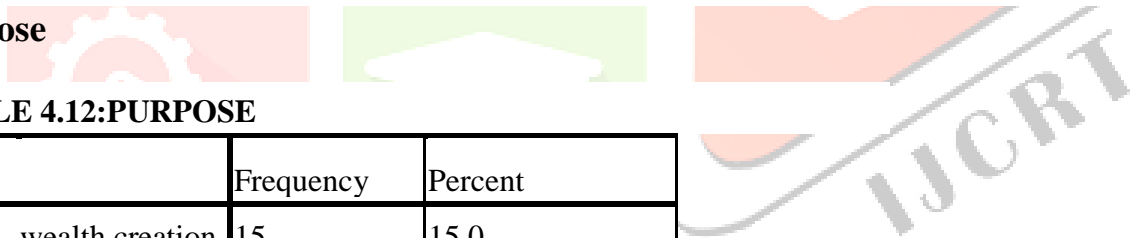


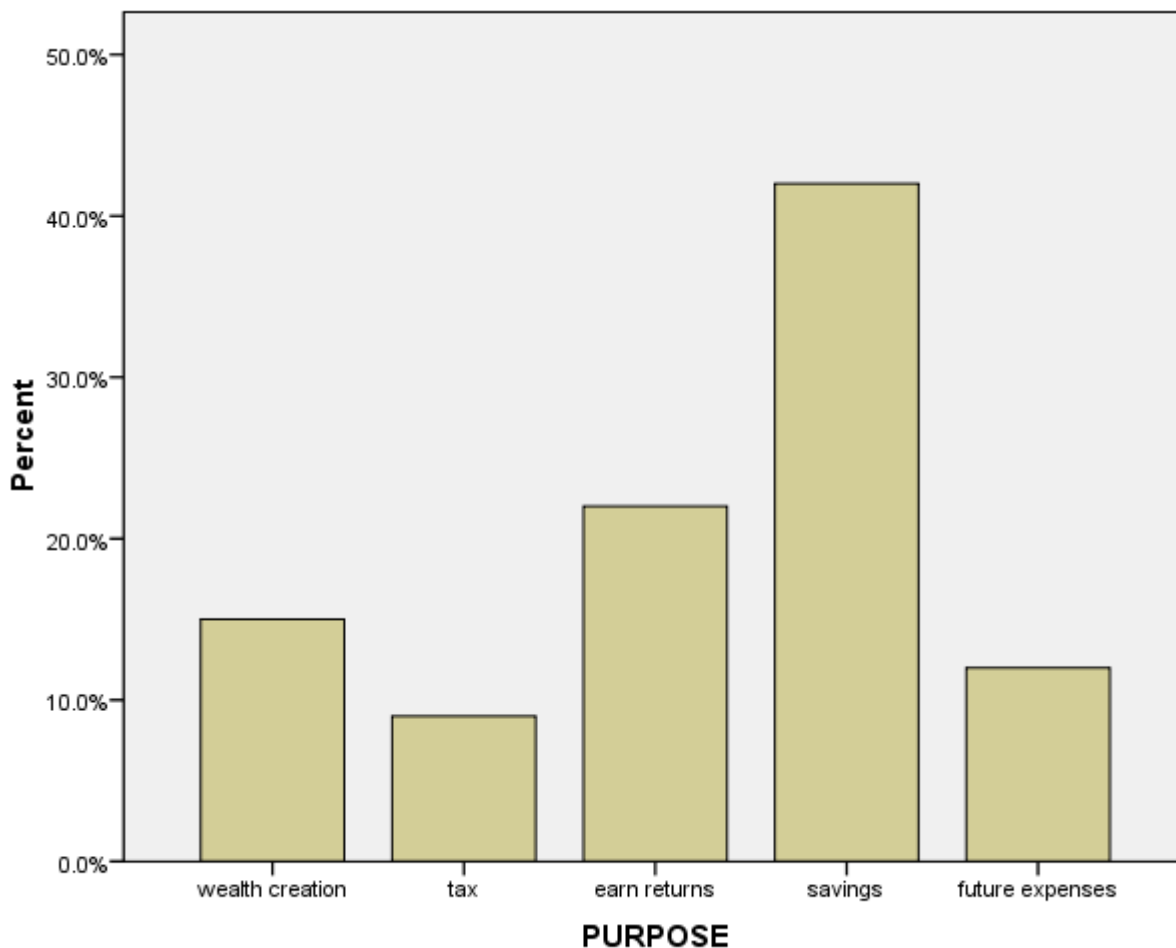
TABLE 4.12: PURPOSE

	Frequency	Percent
wealth creation	15	15.0
tax	9	9.0
earn returns	22	22.0
savings	42	42.0
future expenses	12	12.0
Total	100	100.0

Interpretation

The above table presents the purpose of investment. Out of 100, 15% invests for wealth creation, 9% for tax payment purpose, 22% to earn returns, 42% for savings purpose and 12% for future expenses purpose. It depicts that the majority of respondents invests for the purpose of savings.

CHART 4.12: PURPOSE



RANK ANALYSIS

FACTORS INFLUENCING INVESTMENT

Investors generally influenced by the attributes of the investment. Therefore, respondent were asked about the factors influencing the investment pattern.

TABLE 4.13: FACTORS INFLUENCING INVESTMENT

	Mean Rank	Rank
SAFETY OF PRINCIPLES	2.47	1
LOW RISK	2.56	2
HIGH RETURN	3.00	3
MATURITY PERIOD	3.40	4
LIQUIDITY	3.57	5

The above table shows that the investors consider the safety of principle as a major factor influencing the investment. Low risk is the secondary factor, the investor choose while considering factors influencing

investment. High return are considered as third and Maturity period as fourth while choosing the factors influencing the investment. Finally, Liquidity are considered as least factor influencing the investment.

Rate of growth

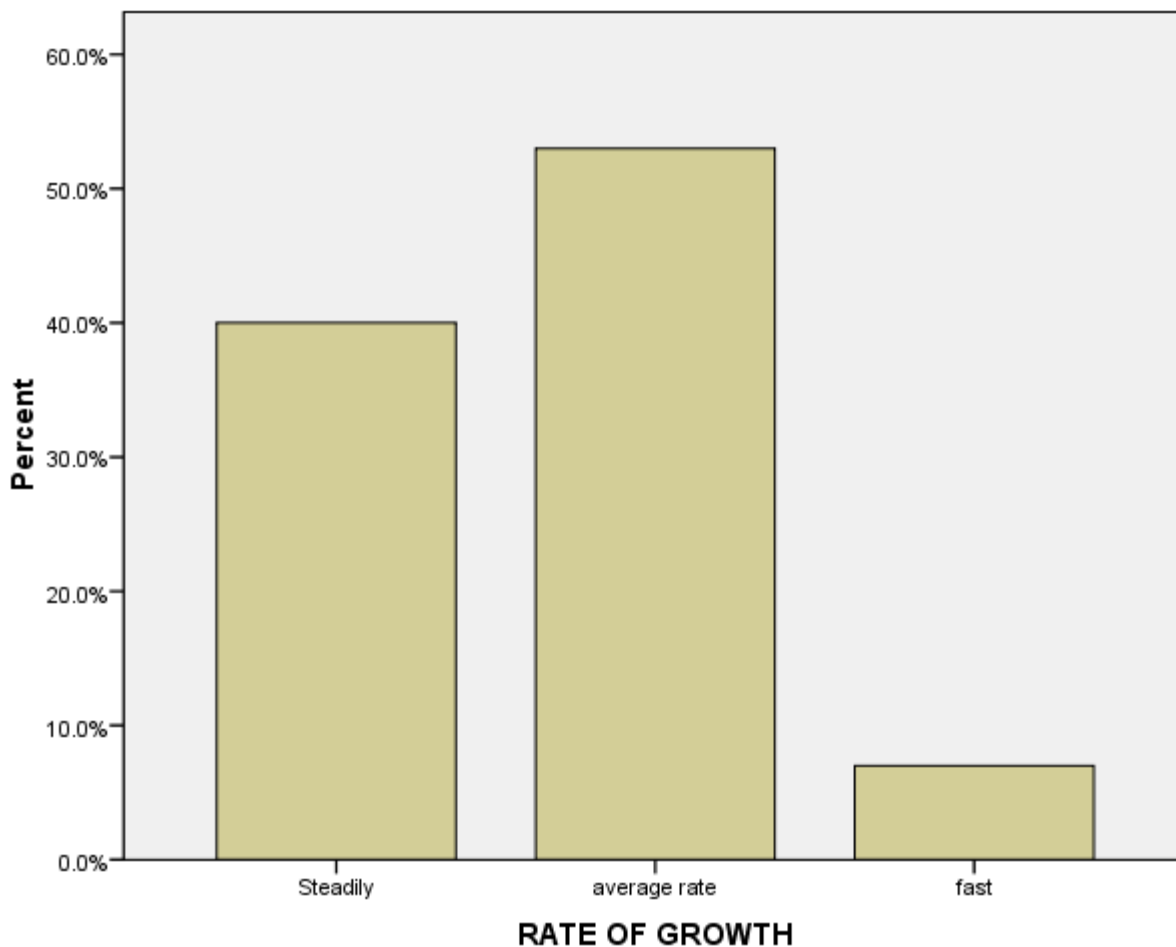
TABLE 4.14:RATE OF GROWTH

	Frequency	Percent
Valid Steadily	40	40.0
average rate	53	53.0
fast	7	7.0
Total	100	100.0

Interpretation

The above table shows the rate of growth which the respondents prefer. Out of 100 respondents, 40% prefer steady growth rate, 53% prefer average rate of growth, 7% prefer faster growth rate. It depicts that respondents mostly prefer average rate of growth.

CHART 4.14:RATE OF GROWTH



Preferred type

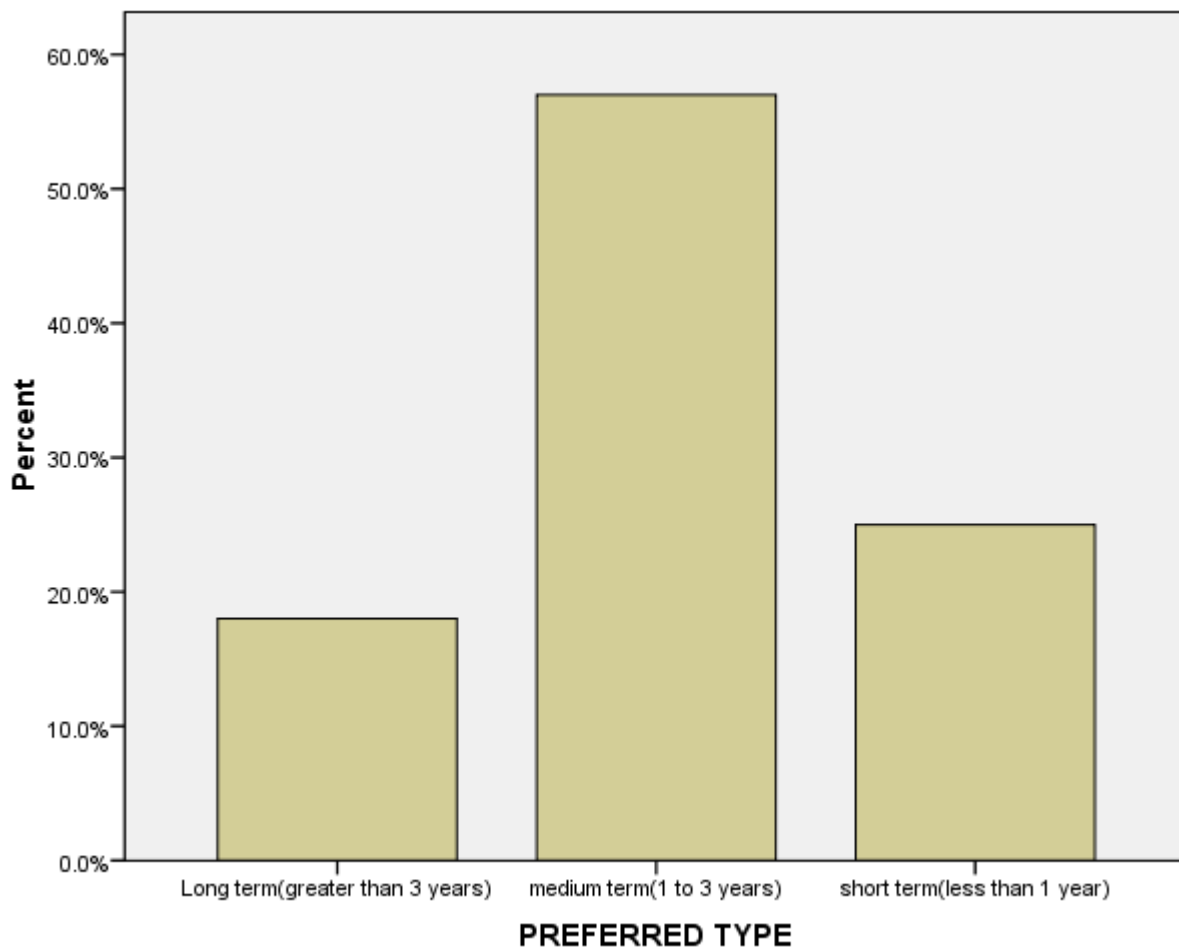
TABLE 4.15: PREFERRED TYPE

	Frequency	Percent
Long term(greater than 3 years)	18	18.0
medium term(1 to 3 years)	57	57.0
short term(less than 1 year)	25	25.0
Total	100	100.0

Interpretation

The above table presents the preferred period of investment. Out of 100 respondents, 18% prefer long-term, 57% prefer medium term and 25% prefer short term. It depicts that majority of respondents prefer medium term.

CHART 4.15: PREFERRED TYPE



Portion of savings and expenditure

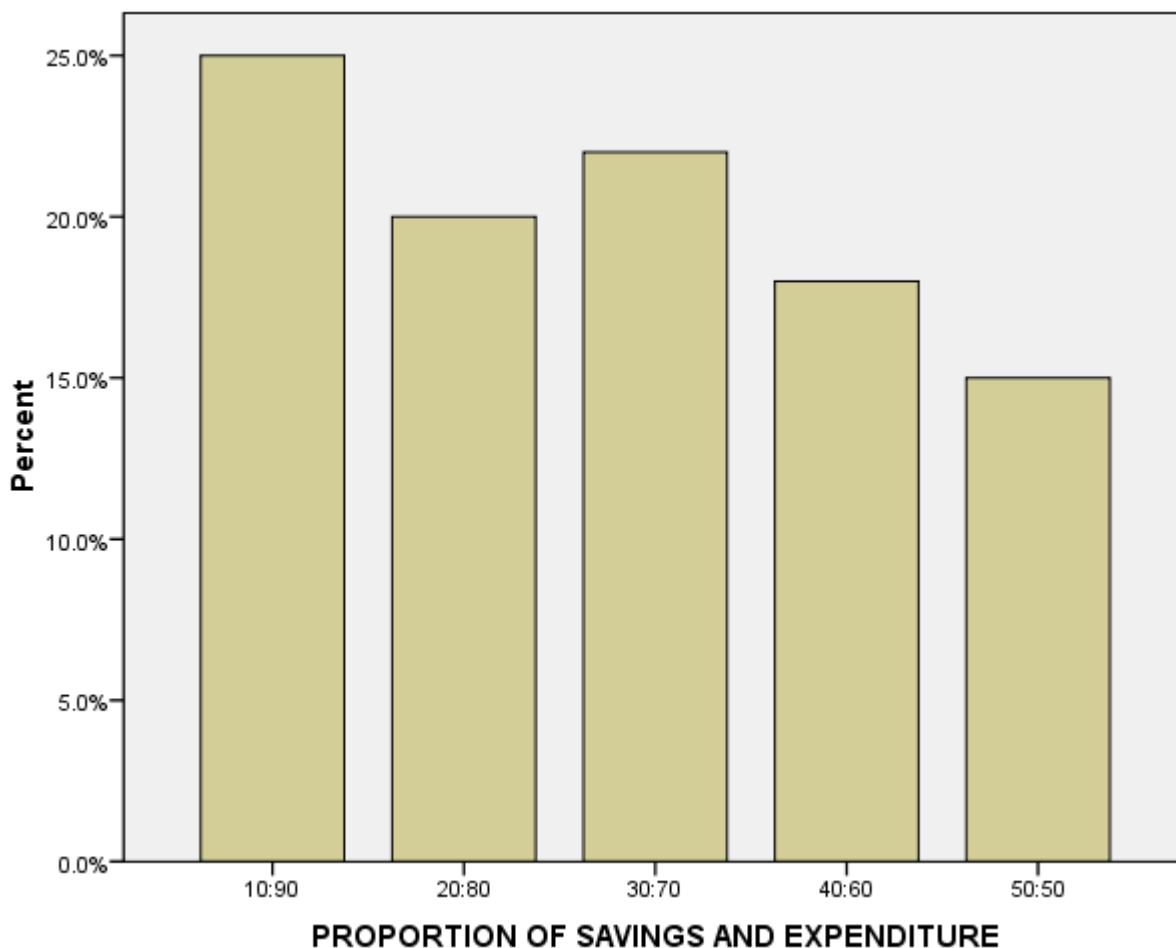
TABLE 4.16:PROPORTION OF SAVINGS AND EXPENDITURE

	Frequency	Percent
10:90	25	25.0
20:80	20	20.0
30:70	22	22.0
40:60	18	18.0
50:50	15	15.0
Total	100	100.0

Interpretation

The above table shows the portion of savings and expenditure ratio. Out of 100 respondents, 25% prefer 10:90 ratio, 20% prefer 20:80 ratio, 22% prefer 30:70 ratio, 18% prefer 40:60 ratio and 15% prefer 50:50 ratio. It depicts that majority of respondents prefer 10:90 ratio.

CHART 4.16:PROPORTION OF SAVINGS AND EXPENDITURE



Regularity in monitoring investment

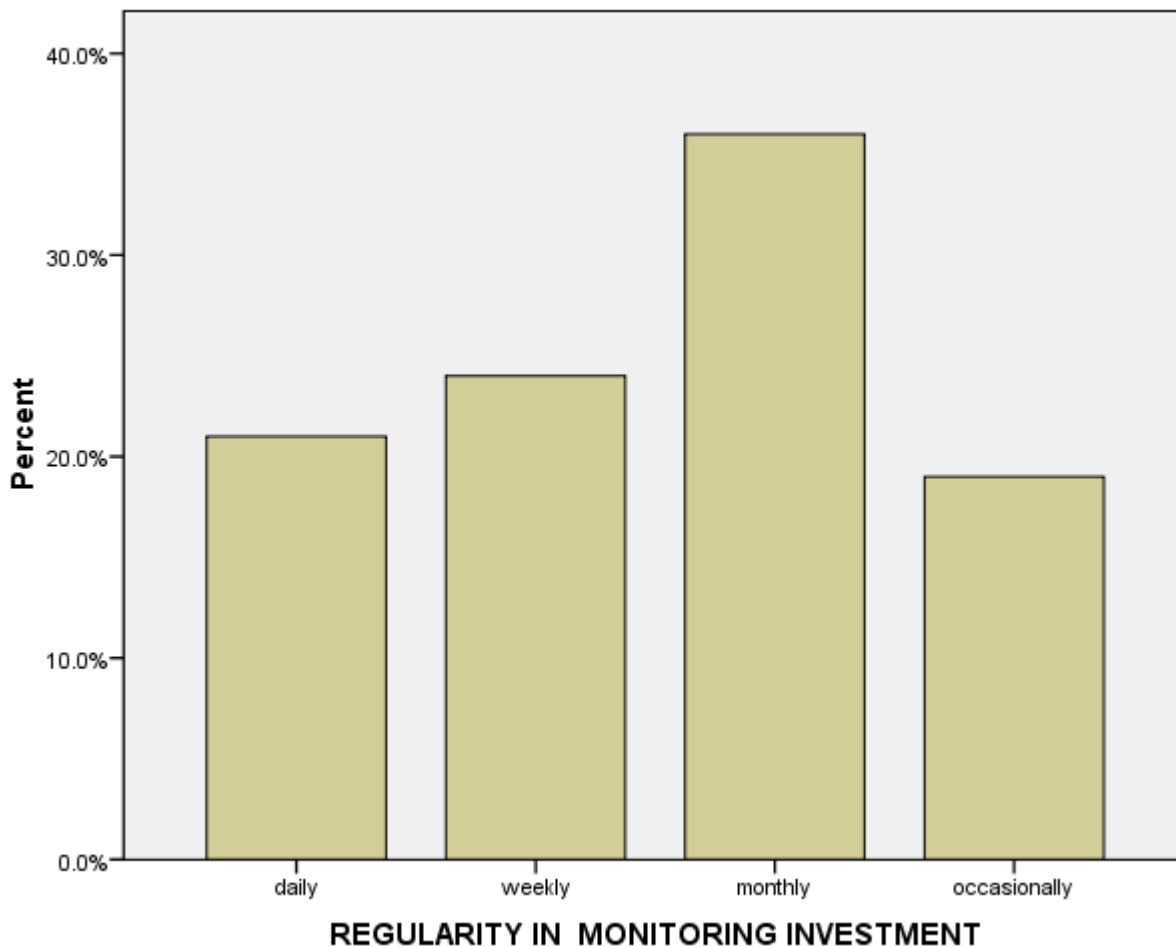
TABLE 4.17:REGULARITY IN MONITORING INVESTMENT

	Frequency	Percent
daily	21	21.0
weekly	24	24.0
monthly	36	36.0
occasionally	19	19.0
Total	100	100.0

Interpretation

The above table shows how often the respondents monitor their investment. Out of 100 respondents, 21% monitor daily, 24% monitor weekly, 36% monitors monthly and 19% occasionally. It depicts that most of the respondents monitor monthly.

CHART 4.17:REGULARITY IN MONITORING INVESTMENT



One way ANOVA

Comparison between preferred type of investment and level of satisfaction

H01: There is no significant difference between preferred type of investment and level of satisfaction from investment

Table 4.18

		N	Mean	Standard deviation	F	Table value	significance
Level of satisfaction	Long term(greater than 3 years)	18	2.5000	.51450	1.051	3.0718	NS
	Medium term(1 to 3 year)	57	2.4140	.55014			
	Short term(less than 1 year)	25	2.6160	.69724			

Interpretation

In above table, the significant value is at 2.0208.As computed value of F is less than table value , null hypothesis is accepted. There is no significant difference between preferred type of investment and level of satisfaction from investment.

Chi-Square**Comparison between gender and preference of investment**

H02: There is no significant difference between gender and preference of investment

Table 4.19

Preference of investment	Total	Male	Female	F	Table value	Significant
Banking	41	19	22	0.597	7.81	NS
Automobile	11	6	5			
Finance	34	15	19			
Capital	14	9	5			

The result of the above table shows significance level as 7.213. As the computed value is less than the table value, null hypothesis is accepted. there is no significant difference between gender and preference of investment.

CHAPTER 5**FINDINGS, SUGGESTION AND CONCLUSION****Findings :**

Demographic data of the respondents:

Findings of democratic data is carried out by using percentage analysis:

1. 64% of the respondents are of age 21 to 30
2. 51% are female respondents
3. 59% of the respondents are unmarried and 41 are married
4. 60% of the respondents have completed their under graduation.
5. 38% of respondents are earning between 10,000 to 25,000 per month
6. 75% of the respondents are from nuclear family

The awareness level towards investment Avenue :**Percentage analysis :**

1. 59% of the respondents gets the source of information about investment avenues through friends and families.
2. 23% of the respondents are informed through media
3. 10% are from newspaper
4. Only 8% of the respondents gets the information from financial consultants.

Preference of private employees towards investment :**Percentage analysis :**

1. 41% of respondents prefer banking sector to invest
2. 35% prefer finance sectors
3. 14% prefer capital sector for investment
4. 11% prefer auto-mobile.

Chi square :

There is no significance difference between gender and preference of investment, as the significance value is 7.213 and the computed value is less than table value, null hypothesis is accepted.

Factors influencing investors :**Rank analysis :**

the investors consider the safety of principle as a major factor influencing the investment.

Liquidity are considered as least factor influencing the investment.

Satisfaction level of the investor :**Preferred type**

1. 57% prefer medium term investment
2. 25% prefer short term
3. 18% prefer long term investment

One way anova :

Comparison between preferred type of investment and level of satisfaction. the significant value is at 2.0208.As computed value of F is less than table value , null hypothesis is accepted. There is no significant difference between preferred type of investment and level of satisfaction from investment.

SUGGESTIONS :

- The private employees have an average income of 10,000 – 25,000, considering investments with low risk and high return will be profitable.
- It is wiser as the investors choose investing in banking sectors rather than investing in shares of other sectors as for the safety of the investment.
- As mentioned earlier the private employees choose short term investment rather than long term investments, but long term investments are more safer and gives higher return, therefore the private employees should choose long term investments rather than short term. Investments.
- The investors should consider the risk rather than return while choosing the investments.

CONCLUSION :

A study on private employees to gain insight on their preferences towards various investment avenues was undertaken. The main objective of the study was to understand awareness level of the investor on various investment avenues and their preferences towards investment and the factors influencing the investment pattern and the satisfaction level of the investor. A data was collected by 100 private employees in Coimbatore city was surveyed and their data was used in the analysis of study.