

Chapter-VI

Findings, Suggestions and Conclusion

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FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 Introduction:

A detailed presentation of the findings of the study, with supporting data in the form of tables and charts together with a validation of results. It is the main part of the research. All the results must find a place in the report. The researcher has to draw all the important things of the research in the form of findings, Suggestions are the remedial measures to be taken to get the better results. Conclusion which summaries and recapitulates the main points of the study.

6.2 Findings:

A finding is the main part of the research. All the results must find a place in the report. The researcher has to draw all the important things of the research in the form of finding.

The following are the important finding of the study. The findings are broadly classified into two categories i.e. general findings and specific findings.

6.2.1 General Findings:

General findings are the important findings which are related to the study. These are generally observations of the researcher which are relevant to the particular study.

1. The most of the management institutes are not recruiting Professors, Associate Professors.
2. Most of the respondents are aware about traditional avenues of investment. The respondents are highly aware of traditional investment avenues like- bank deposits, gold and silver, real estate, insurance etc. But

they are not highly aware about modern investment avenues like-equity shares, mutual fund, preference shares, debentures etc.

3. The savings are low; investments are low because most of the respondents are in the early stage of career and young. It means that they are having more liquidity needs and their income is also low because they are working as assistant professor.

4. Most of the respondents are having only one source of income. As salary is the only source of their income.

5. Most of the respondents are making investments in bank deposits because it is safer, with more liquidity and they are getting moderate return, followed by Investment in gold and silver which gives better return by capital appreciation with more liquidity. This is followed by real estate to cover inflation, especially to have an own house they prefer this option. Most of the respondents prefer these three avenues.

6.2.2 Specific Findings:

Specific findings are those findings which are collected with the help of questionnaire, schedules etc. It means they are having support of relevant data.

1. Total 81 faculties are working in ten MBA institutes affiliated to Shivaji University, Kolhapur. in Kolhapur district. (Table no.4.1)

2. There were two professors, three associate professors and seventy six Assistant Professors working in the above institutes. (Table no.4.1)

3. 70% of the respondents are having yearly income below Rs. Four lacks and 22% in between four to six lacks and only 8% respondents are having income above Rs. six lacks. (Table no.5.1)

4. 48% of the respondents are not having other than salary income, 38% of the respondents are having non salary income below Rs. fifty thousand p.a.

and 14% of the respondents are having non salary income above Rs. fifty thousand p.a.(Table no.5.2)

5. Total income of 56% of the respondents is below Rs. Four lacks p.a., 32% respondents are having income between Rs. Four lacks to six lacks, and 12% above Rs. Six lacks p.a. (Table no.5.3)

6. 69% of the respondent's yearly expenses are below Rs. three lacks, 29% in between Rs. three lacks to six lacks and only 2% above Rs. six lacks.(Table no.5.4)

7. Salary income is the major source of income which is followed by income from house property, income from profession, income from business and income from other source. (Table no.5.5)

8. 75% of the respondents are having only one source of income, 21% are having two sources and only 4% are having three sources of income.(Table no.5.6)

9. Yearly Savings of 40% respondents are below 10%, savings of 38% respondents are in between 11-20%, savings of 10% respondents are in between 21-30% and 8% respondents are above 30% and 4% respondents are not having any savings.(Table no.5.7)

10. 60% of the respondent's yearly savings are below Rs. one lack, 34% in between one lack to two lacks and only 6% above two lacks per year. (Table no.5.8)

11. 38% of the respondents are paying income tax below Rs. ten thousand, 26% each in between Rs. ten thousand to twenty thousand and twenty to thirty thousand , 6% in between Rs. thirty thousand to forty thousand and only 4% above Rs .forty thousand (Table no.5.9)

12. 41% of the respondents are having DMAT Account and 59% are not having DMAT Account. (Table no.5.10)

13. 43% of the respondents invest below 10% of their income, 38% in between 11-20%, 9% in between 21-30% and 4% above 30 %. (Table no.5.11)
14. Most of the respondents are highly aware about various avenues of investment and current trends in various avenues of investment, (Table no.5.12)
15. There are very few respondents who are not aware about various avenues of investment (Table no.5.13)
16. The respondents are highly aware about Bank deposit, gold and silver, real estate and insurance. (Table no.5.15)
17. Provident Fund, Post Office Deposits, Debentures & Bonds and Preference Shares are the main avenues about which most of the teachers are normally aware. (Table no.5.16)
18. The respondents are not aware about the investment avenues such as mutual fund, government securities, national saving certificate and other avenues like chit fund, inter corporate deposits, etc.(Table no.5.13)
19. The awareness of the teachers are concerned bank deposits first rank, gold and silver second rank, real estate third rank, insurance fourth rank, post office deposits fifth rank, equity shares sixth rank, provident fund seventh rank, mutual fund eighth rank, NSC and debentures and bonds ninth rank, government securities tenth rank, preference shares eleventh rank and others last rank.(Table no5.14)
20. The first priority of the respondents is real estate followed by bank deposit followed by gold and silver, post office deposits and equity shares respectively. (Table no.5.17)
21. The investors preference ranking are considered gold and silver first rank, bank deposits second rank, real estate third rank, post office deposits

fourth rank, insurance fifth rank, equity shares sixth rank, provident fund seventh rank, NSC eighth rank, mutual fund ninth rank, government securities tenth rank, debentures and bonds eleventh rank, preference shares twelfth rank and others last rank.(Table no.5.18)

22. Nearly 57% of the respondents are considering safety as the first factor to be considered at time of investment followed by return, on investment, tax consideration, capital appreciation and last priority is given to the liquidity. (Table no.5.20)

23. The ranking regarding the investment objectives are considered safety first rank, return second rank, tax consideration third rank, capital appreciation fourth rank, liquidity fifth rank and others last rank.(Table no.5.21)

24. Nearly 50% of the respondents are investing for medium period and 25% each respondent are investing for short period and long period. (Table no.5.22)

25. The respondents are investing high investments in bank deposit followed by gold and silver followed by real estate followed by insurance.(Tableno.5.23)

26. Nearly 83% of the respondents are investing in bank deposits, 77% in gold and silver, 75% in insurance, 53% of the respondents are investing in real estate. (Table no 5.24)

27. Data about the respondents not investing in different options include - 90% of the respondents are not investing in debentures and bonds, 87% in preference shares, 81% in government securities, 77% in national saving certificate, 66% in mutual fund, 63% in equity shares, 60% in provident fund and 51% in post office deposits. (Table no.5.24)

28. Generally the respondents are investing in the following major investment avenues like-bank deposit, gold and silver, real estate and insurance. (Table no.5.25)
29. The respondents are having normal investment in following investment avenues like-insurance, gold and silver, bank deposits, post office deposits, provident fund and mutual fund equity shares and real estate etc. (Table no.5.26)
30. Generally the respondents are not investing in the following avenues of investment like-debentures and bonds, preference shares, government securities and national saving certificates etc. (Table no.5.27)
31. The ranking of actual investments are concerned bank deposits first rank, gold and silver second rank, insurance third rank, real estate fourth rank, post office deposits fifth rank, equity shares sixth rank, provident fund seventh rank, mutual fund eighth rank, NSC ninth rank, government securities tenth rank, preference shares and debentures and bonds eleventh rank, and others last rank.(Table no.5.28)
32. 74% of the respondents are not taking loan for investment purpose.(Table no.5.29)
33. 72% of the loan is taken for investment in real estate (Table no.5.30)
34. 41% of the respondents are investing on their own name followed by 20% on spouse, 16% on children, 15% on parents and only 8% on joint name. (Table no.5.31)
35. 57% of the investments are made on single name, 26% on two names (Table no.5.32)
36. Professional financial advisors and news papers are playing important role for investment advice or source of investment advice. (Tableno.5.33)

37. 85% of the respondents feel that earlier investments are profitable and only 9% feel that earlier investment are not profitable (Table no.5.34)

38. Gold and silver, bank deposits, equity shares and real estate are the earlier profitable investment avenues of investment. (Table no.5.35)

39. Insurance and national savings certificates are the earlier non profitable investment avenues. (Table no.5.36)

40. 36% of the respondents are of the opinion that people in general may save 21-30% of their income followed by 28% in between 11-20% (Table no.5.37)

41. Real estate and gold and silver are the two important avenues of investment where people in general invest their saving. (Table no.5.38)

42. Equity shares and debentures and bonds are the two important avenues where people in general may not invest their saving.(Table no.5.39)

43. 74% of the respondents are male and remaining 26% are female. (Table no.5.40)

44. 51% of the respondents are below 30 years of age, 36% are between 31-40 years, 9% between 41-50 years and only 2% above 50 years. (Table no.5.41)

6.3. Suggestions:

Suggestions are remedial measures to get the better results. Once the researcher find the causes for the problem, it is easy to take precautions to solve the problems. Suggestions are remedies to solve the problem.

1. There is a dire need to initiate steps to inculcate the saving habit among the teachers. The savings are to be pooled and channelized into productive investment, thereby enhancing the returns to the investors. It may further accelerate investment in corporate securities in future on a large scale.

2. Efforts should be made to attract teacher investors by providing right information about the investment market through advertisements .Print and electronic media should play vital role in disseminating investment information for facilitating timely decision-making.

3. The IRDA as well as all insurance companies should try to provide adequate information to the teacher investors. Most of the investments by teachers are normal investments in insurance. But there is a need for adequate insurance cover is required.

4. All the mutual fund companies and SEBI have to try to increase the awareness about mutual fund as an important avenue of investment. The mutual fund industry in India has registered a healthy growth over last 15 years; it is still very small in relation to other intermediaries like banks and insurance companies.

5. Most of the respondents are not taking more risk. They are considering safety as the objective or factor; until and unless they take more risk it is not possible for them to earn high return.

6. Most of the teachers are having high investments in bank deposit where interest rate is low and gold and silver where there is no certainty. Therefore the teachers have to prefer to invest in modern avenues of investment like- equity shares, mutual fund, government securities, debentures and bonds etc.

7. It is observed that most of the respondents are paying tax; therefore the teachers have to consider the possibility of getting tax benefits. It is recommended that the teachers need to invest in avenues like- insurance, national saving certificate, government tax free bonds etc. to avail tax benefits.

8. University should conduct the workshops and seminars on the topics related to 'Savings and Investment' in which all the teachers of affiliated

institutions can participate and update their knowledge. Heads of the institutes can also motivate maximum number of teachers to attend these workshops.

9. Institutes can also arrange seminars, guest lectures on 'Savings and Investment' for all the teaching as well as non-teaching staff and the students so as to give proper orientation to them on this issue.

10. Teachers can also attend various workshops and seminars on savings and investment, organized by professional bodies and institutes. This will help them to acquire recent information which will help them to save more and invest in more profitable avenues.

11. In addition to the newspapers and magazines, more use of the electronic media such as internet/websites is necessary on the part of the teachers to help them acquire recent and updated knowledge on these aspects.

12. To start investing in shares, each teacher also needs to open DMAT account and initiate investments in shares. Initially they can invest small amount in shares and gradually they can increase their investment after consulting with experts on this issue.

13. Teachers also need to take care while investing funds into diversified avenues of investment. The investment must be made in both debt instruments to get guaranteed income and investment in equity to earn flexible return.

14. 51% of the teachers are below 30 years of age and 36% in between 31 to 40 years of age, these teachers can consider more investment in equity and mutual fund because they can bear more risk as they are young and they come under initial stage of life cycle.

15. The teachers have to consider the long and medium term investment because the time horizon is long since most of them fall under earlier stage

of life cycle. By considering their liquidity needs they can plan for the investment.

16. Health insurance should be also given priority by the teachers, as it will reduce the risk of uncertainty of health problems. This will also ensure security for their family members.

17. Teachers can also prefer to invest under SIP, which is getting more popular now a days.

18. The university and institutes try to recruit the required number of Professors and Associate Professors in various management institutes.

6.4 Basic Guidelines for all investors:

The following are the eleven important basic guidelines that all investors can bear in mind.

1. Start saving early and save regularly.
2. Maintain an adequate cash reserve.
3. Invest only in registered companies according to prevailing law.
4. Invest in those companies which come under Regulatory Authority.
5. Maintain an adequate and an appropriate insurance cover.
6. Accord top priority to a residential house.
7. Match your stock-bond mix to your investment situation.
8. Select stocks and bonds (fixed income instruments) judiciously.
9. Avail of tax shelters.
10. Diversify adequately.
11. Review and revise your investments periodically.

6.5 Conclusion:

It can be concluded from the study that management teacher's savings are low because majority of teachers are young and their investments are also low. Most of the teachers are aware about various investment avenues available for investment, the real estate, gold and silver, bank deposits and insurance are the avenues where they are high aware, but equity shares, mutual funds, debentures and bonds, preference shares, government securities etc. where they are normal aware. The investment pattern is concerned the management teachers' investments are more in real estate, gold and silver and bank deposits but they are not investing more in equity shares, mutual funds, government securities, because they prefer more safety investments.

The management teacher's earlier investments are profitable; their earlier profitable investment avenues are real estate, gold and silver and bank deposits. Now the interest rate in banks are low, the prices of gold and silver are decreasing rapidly, the management teachers can go for investment in equity shares and mutual funds where it is possible for them to earn more return in future.

The government, regulatory body's like-SEBI, IRDA, RBI can take more efforts to increase the awareness. The electronic media, print media has to play vital role in creating awareness about various investment avenues like-investment in equity shares, mutual funds, and insurance etc. The various universities and institutes can also try to conduct more seminars and workshops on savings and investment and both students and teachers are allowed to participate.

The management teachers can also make more efforts to acquire recent knowledge about various investment avenues so as to increase the

profitability and safety of the investment. The awareness is playing important role at the time of investment. From the present study it can be concluded that higher the awareness, higher the actual investment, and management teachers are preferring more importance to safety of the investment. They diversify the investments in debt and equity, periodical review must be taken. So that their investments give better return.