



SKILL DEVELOPMENT OF INVESTORS WITH RESPECT TO INVESTMENT AVENUES IN THANE DISTRICT

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Abstract:

Investment is to allocate money in the expectation benefits in the future. Investment gives the benefit to the society as well as to the economic. Through investment we can grow your economic all over the world through modern capitalism. In earlier times investment only means saving in banks like FDs, jewellery and rare stones but today the people are more of investments. But now a days people are aware about investing and their return but still they do not take high risk while investing their money in the capital market (investment avenues). As they are not able to select appropriate investment avenues available in the market because of changing in the market and business trends day by day. The main aim of investment is to keep their future safe by having abundant money to meet their future needs and to safeguard themselves from the risks arising out of the uncertainties of the future. An investor must collect his money where he can get a big return. Investment habits changed from generation to generation. The terms were formulated in such a way that investors who previously breached the financial agreement to invest were penalized, resulting in financial loss.

In this research paper researcher study the perspective of investors specially salaried persons with respect of investment avenues in thane district. From the study data collected from the 80 respondents from different parts of thane district.

Keywords: *Investor, Investment, Saving*

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Introduction:

Investment is recruiting the money which is laying ideal into different schemes with a motive of yielding more out of the lying funds in future”. During this course people expect something against the time and money invested by them and also the pain suffered by them in the meantime. Investment means keep a side some part of the income in other avenues which give high returns. Most investors want to make investments in such a way that they get a sky-high return as soon as possible without bearing the risk and without losing the principal money that they have invested. his is the reason why investors are always on the lookout for top investments plans where they can double their money in a few months or years with little risk. It is a fact that investment products that give high return with low risk do not exist. The financial objectives can be the growth of money, making the future secure, making financial increment or maintaining liquidity of one to face any challenge. The personal objectives can be the pressure of the family to earn more, planning the life after retirement, higher income consumption, safety of the future, etc. These objectives can be classified as per the approach of the investor. The inflation makes the savings of the people go away due to the rising prices of various commodities in the



market. The money invested by the investor leads to the growth of money without any effect of the inflation on them. Investment leads to the allocation of savings and make them work properly to generate returns. The money invested at early stage with proper management makes the investor sit and earn which happens after retirement. The investors need to manage their investment portfolio which will generate them the interests on the money invested. The investments made by the investor also help the investor to save the taxes to be paid by them to the government. Many policies are framed which provide the rebate on investments held by the investors. The development of special economic zones led to the growth of the investments made by the corporate sector in real estate sector. The total number of Special Economic Zones is 239 which show the growth in the real estate sector. The innovation of real estate mutual funds led to the increase of the investments in the industry. • The investments by various private sectors in the real estate sector recorded to US\$ 4.47 billion in the year 2018. The occupancy of the office spaces by the top-grade offices are expected to reach by 700 million sq. feet by the end of the 2022.

According to the 2011 census, Thane district ranks third in terms of population among all other districts in Maharashtra. The area of Thane district is 4214 km². This region covers the 1.37% of the total land area of Maharashtra. Along with marine fishing groundwater fishing has more demand and the products so generated have great demand from gulf countries as well. As per the current prices the net per capita income of the state in the year 2013-2014 was Rs.117091 and that of Thane district was Rs.173150. The people working in the private sector industries in the year 2017-18 was 206899 which was 62% of total employment in Thane district and in public sector industries this count was 126157 which was 37.88 % of total employment in Thane district. Which shows the Earning power and related with the saving habits of the people from Thane district. The growth of this had led to the overall development of the economy.

Objectives of the Study:

1. Analyse the investment preference among the salaried people working in different sectors in Thane City
2. To know the factor that are influencing investment behaviour of the peoples.
3. To examine the pattern of investment and saving among the salaried investors.

Review of Literature:

Palanivelu K. Chandrakumar (2013): This analysis separates the investment avenues into various parts such as debt with a higher risk and rate of return. Debt which has a fixed amount of rate of interest on investment, Fixed deposits are only with the bank, insurance, public fund, with very less rate of return on investment, and safe. Data that analysis revealed 60% of responses like to invest their amount in insurance, 20% of responses like to invest their money in banks in term or fixed deposits, 30% of people invest in metals such as Gold, property and silver

Gauri Prabhu N.M. Vechalekar (2013): Mutual funds are the place where investors can invest their funds in the global capital market also. The huge amount of money is collected in Mutual funds and then it is invested in shares, debentures, bonds, and other securities which are available in the capital market. This paper analyses the knowledge and awareness about the mutual funds between the peoples. The study states that between age 21 to age 40 are more active or interested in more investments. Private sectors employees invest more rather than

the Government sectors employees.

Gaurav Chhabra, Ankesh Mundra (2014): The study indicates that there are various Investment options and avenues available with the people in the market. In earlier times, there was no knowledge of investments and banking because investors have so much cash, gold jewellery, and unique and rare (prestige) stones as savings. Now the people are investing in Mutual funds, pension funds, debts, equity schemes, medical policies etc through banks and various clubs.

Mak and Lp (2017): analyzed the financial investment behavior of investors and found that sociological, psychological and demographic factors like income level, educational level, gender, marital status and investment experience, influenced the investors' behaviours. Financial service providers must make suitable strategic plans to understand the investment approach of various interested investors. This research paper helps the new investors to invest their money or fund in the appropriate way. By increasing the saving habit in the peoples this can increase your country economic wealth as well as economic growth all over the world. In a long-term investment people can increase their standard living and also, they can increase the capital of the companies.

Research Methodology:

For the present research study data have been collected from the primary data and secondary data sources. Primary data was collected from respondents through survey. A structural questionnaire was prepared and administered among 80 respondents from Thane district. Secondary data was obtained through various published documents such as research reports, articles, periodicals, web sites etc.

Limitations:

- 1) The present study is based on investment patterns from 2005 to 2019.
- 2) Study is geographically Limited to the Thane district of Maharashtra State.
- 3) Sample size was limited.
- 4) The samples are selected at random basis.

Data Analysis and Findings:

Throughout the research it was shows that 55% were male respondents and 45% were female respondents for the analysis of perception towards investment avenues such as post office, bank deposits, government securities, share market, real estate, precious objects, life insurance and other insurance.

Educational qualification:

Education	Sample Size	Percentage
Up To 12th	12	15%
Graduate	48	60%
Postgraduate	20	25%

Occupation:

Occupation	Sample Size	Percentage
Service	50	62%
Self Employed	24	30%



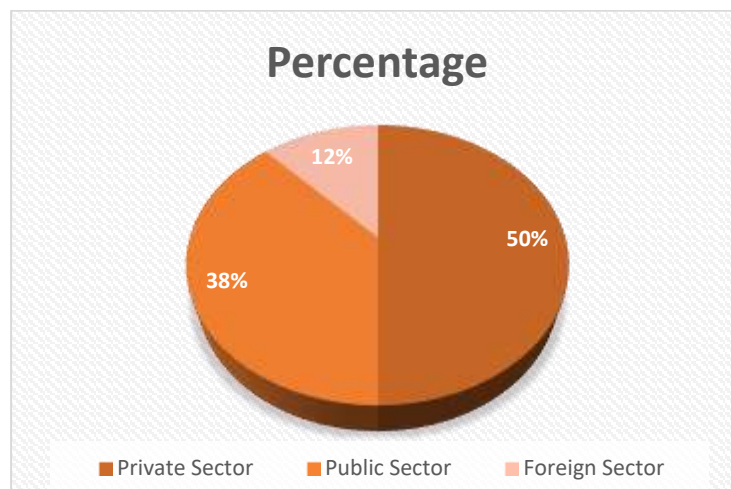
Unemployed	2	3%
Students	4	5%

Annual Income:

Annual Income	Sample Size	Percentage
Up To 2.5 Lakhs	28	35%
2.5 To 5 Lakhs	35	44%
5 To 10 Lakhs	9	11%
More Than 10 Lakhs	8	10%

Investment preference wise sector

Sectors	Sample	Percentage
Private Sector	40	50%
Public Sector	30	38%
Foreign Sector	10	12%



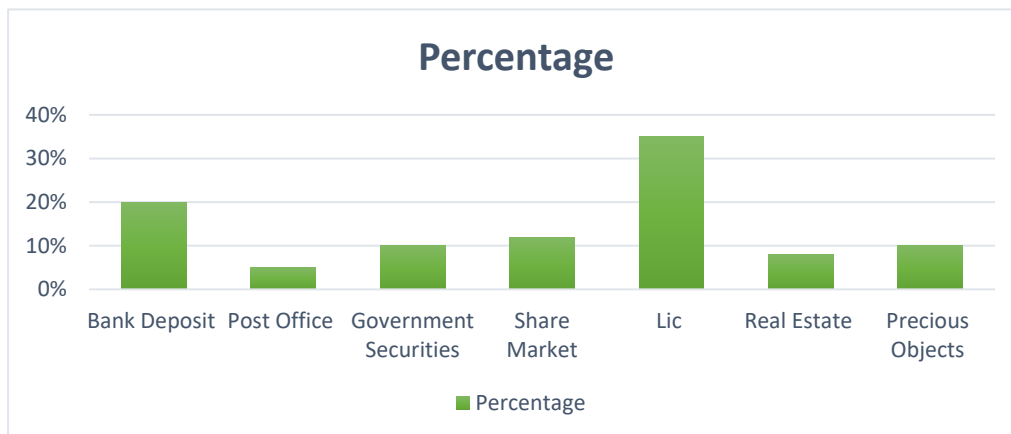
Source: Data collected by researcher through survey

Above table shows that the private sector with highest preference of 50% and public sector was second preference to invest money of 38% It can be observed that others and foreign sector is least preferred 12% but private sector are most preferred to invest money.

Investment Preference:

Investment Avenue	Sample	Percentage
Bank Deposit	16	20 %
Post Office	4	5%
Government Securities	8	10%

Share Market	10	12%
Lic	28	35%
Real Estate	6	8%
Precious Objects (Gold, Diamond, Jewellery Etc.)	8	10 %

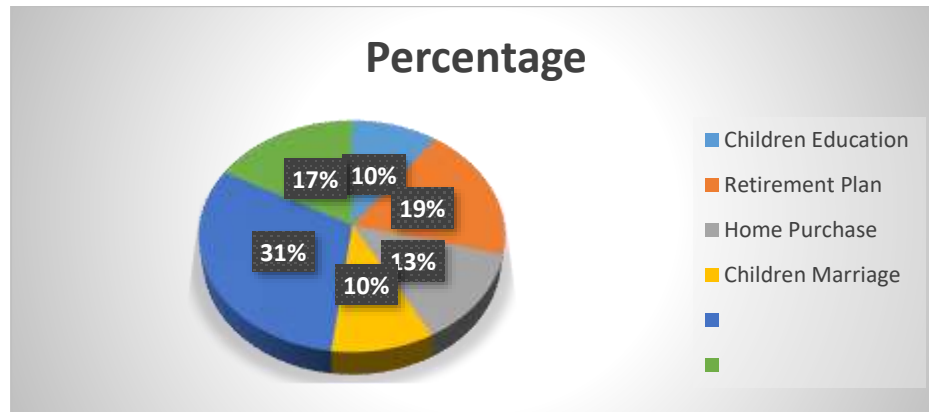


Source: Data collected by researcher through survey

Above table shows that 35% investors prefer Investment in LIC follow by Bank deposits, Share market, Government securities and precious objects like Gold, Diamond, Jewellery etc. etc. It shows that very few people prefer investment in real estate and post office investments.

Purpose to Investment:

Purpose of Investment	Sample	Percentage
Children Education	8	10%
Retirement Plan	15	19%
Home Purchase	10	13%
Children Marriage	8	10%
Health Care	25	31%
Other	13	17%



Source: Data collected by researcher through survey

Above table shows that the 31% investors do investment for the purpose of health care securities. 19% investors wants retirement planning from investment follow by other purpose 17%, for purchase of home 13%, children education and marriage 10%.

Investment Amount:

Amount	Sample	Percentage
1 Lakh above - 5 Lakh	30	37%
5 Lakh above - 15 Lakh	25	30%
15 Lakh above - 30 Lakh	14	18%
30 Lakh above - 50 Lakh	6	8%
Above 50 Lakh	5	7%

Above table shows basically 37% investors invest above 1 lakhs amount in a year follow by others. Its depends upon the income of the investors.

Factor Do You Consider Before Investing :

Factor	Sample	Percentage
Safety Of Principal amount	10	13%
Low Risk	2	3%
High Returns	47	59%
Maturity Period	21	25%

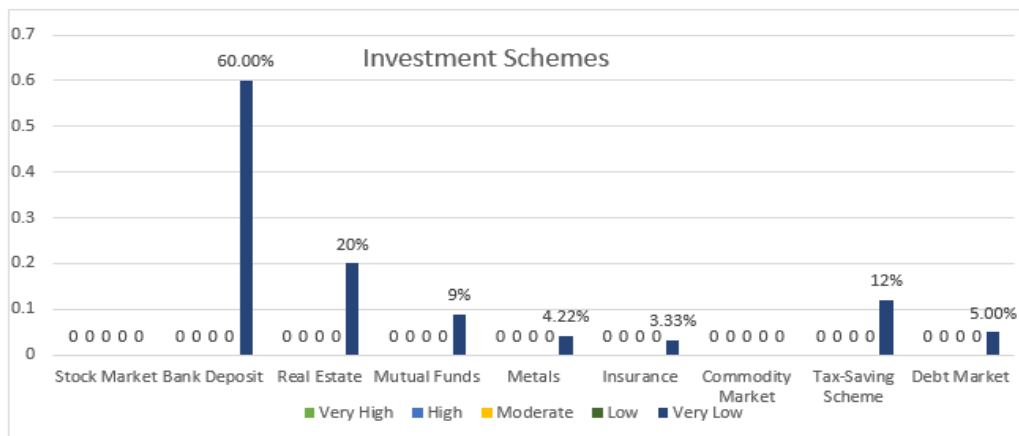
From the above table we can observe that the 59% investors consider high return from their investment. 25% concern with the maturity period when investment for the special purpose of time. 13% consider safety of principal amount follow by low risk.

Level of Risk is Involved in Investment Schemes:

Investment Schemes	Very High	High	Moderate	Low	Very Low
Stock Market	70.55%	22.33%	0.2	3%	0
Bank Deposit	1%	3.55%	25.00%	20.00%	60.00%
Real Estate	15%	18.33%	33.33%	33.00%	20%
Mutual Funds	6%	50.02%	62%	10.00%	9%
Metals	2.00%	40%	20%	20%	4.22%
Insurance	2.55%	18.00%	45%	25.00%	3.33%
Commodity Market	38.20%	20.00%	24.33%	10%	0



Tax-Saving Scheme	0	12.00%	55.33%	22.00%	12%
Debt Market	14.67%	10%	32%	20%	5.00%



Source: Data collected by researcher through survey

Above table shows the how much risk involved in different types of investment scheme. It shows that stock market involved very high risk follow by commodity market. Investment in metal and Mutual fund involved high risk. Real estate and insurance involved moderate risk. Tax saving schemes and Bank deposits involved very low risk.

Suggestions:

- 1) More awareness needs to be created amongst female investors to increase investment in the market.
- 2) New policies should be introduced to boost the investments from retired and professionals.
- 3) various seminars & workshops should be conducted to create awareness about post office investments.
- 4) The investors should invest money for long term to generate secured returns and improve the financial health.
- 5) New type of security for the companies not listed on the exchange but is doing good business in the market which will generate more investment options for investors and will grow the capital market.

Conclusion:

The awareness about investment in bank deposits, LIC, precious objects, government securities, stock market and real estate was significantly more as compared to investment in post offices. The comparison of bank deposits with post office shows that the bank deposit is more preferred against post office as an investment option. Government securities and bank deposits are preferred equally as an investment option when compared with each other. Comparison of share market and bank deposits shows that bank deposits are most preferred investment option even more than real estate. Bank deposits and LIC are preferred equally as an investment option when compared with each other. The investors with low and moderate risk-taking capacity prefer investing money in bank deposits, post offices, government securities and LIC. The investors with high risk-taking capacity prefer investing their money in share market, real estate and precious objects. Investors



are investing their money in bank deposits, government securities and precious object only for a period of 1 to 5 years.

The decision for investment in the investment avenues is not dependent on the age of the investor. The performance of economic indicators, stock indicators and returns on investment are very important for investment decisions of investors. Every people need to invest their money in any prefer type of investment for their different type of securities.

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