



A Study on Investment Behaviour of Professionals in Surat City.

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ABSTRACT

Financial planning and tax saving options are duly considered by all Indians. Employees are in no way exception for the same. Planning for tax is a methodology to lessen tax rate, financial planning and tax planning decrease the burden of tax liability at the same gives mental satisfaction. Employees adopt tax planning to assist them to save a considered amount of money in legal manner. Government has given a wide variety of option to save money, hence it is our duty to get maximum benefit of it. A sample size of 160 respondents was taken for carrying out research. For achieving the objective of the study has used the descriptive research design and primary data collection method for getting the result. Researcher has used Frequency, cross tabulation analytical tools to get verified result. It is conducted through this research work that professionals are try to save a good amount for their future needs. The best option for the professionals is bank deposits. Professionals believe that saving money helps in many ways.

Keywords: Financial Planning, Tax Planning, Frequency, cross tabulation.

1. Introduction

Investment is an economic activity carried down with the objective of getting return. It is the commitment of funds which have been saved from current consumption with the hope that some benefits will accrue in future. Thus, it is a reward for waiting for money. So, the first step to invest is saving.

The main factor influencing investment are safety, return, growth of capital, risk, liquidity, tax benefit and convenience. Various investment options are available with differing risk-reward trade off. An understanding of the core concepts and a thorough analysis of the options can help investor create a portfolio that maximizes returns while minimizing risk exposure.

2. Literature review

1. Rajkumar Subbaiyan, Manisha Tyagi, Krishna Chanchal (August 2021). A study investigates the investment pattern of youth in India. The purpose of this paper is to investigate the investment pattern of youth in current time. Frequency is used for analysing data. And the study also shows the interest of youngsters in IPO but they have lack of knowledge but IPO can be a good guide for a common man to invest in share market.
2. Umair, Baig Batool Muhammad Hussain, Vida, davidaviciene, leva meidute-kavaliauskene (April 2021), studied about a investment behaviour of women entrepreneur. A qualitative investigation approach was employed for the study. The data was analysed through manual coding procedures. The study revealed that female professionals are not inclined to take risk for investment decisions.
3. Kannadas Sendilvelu, Dr. Manita Deepak Shah (2021), a comparative study on investment pattern on self-employed and start-up professionals with special preference to PAN India. This study is a comparative study between the investment pattern of self-employed and professionals. Data were analysed with the help of chi square and frequency. We can conclude that all the assumption relating to start up in terms of the financial decisions may not stand similar.
4. Dr. Varsha Agarwal, Findoliya Vidhiben, Neha Suresh (2021), a study investigated a impact of COVID-19 on the investment behaviour of professionals in India. The purpose is to analyse qualitative factor of investment behaviour of professionals. Primary data is used to conduct the research. Similarly, professionals have done the same by adopting a certain methodology to approach investment and make profit during the pandemic.
5. Sule Shmed (June 2020), assessment of the effect of saving and investment habit on entrepreneur development. Data were collected with the aid of a structured questionnaire and personal interview for respondents. Descriptive statistics, multiple regression, Anova, person correlation

were used for analysing the data. finding is that most of the respondents saved money and it is necessary in today's time. While most people saved, not all such savings are geared towards investments and development. The study also found a positive correlation between entrepreneurial development and the respondent's savings at 5% significance level.

6. Jyoti M Kappel, Shailesh Rastogi (June-October 2020), empirical study on investment behaviour of women professionals. The purpose is to find out the factors that drive their investment behaviour and investment decisions. The approach of qualitative inquiry was used for the research and the data was analysed using open coding. The study shows that women professionals consider investment as a long-term instrument are risk averse and quite conservative.
7. Dr. R. Ganapathi, Ms. Varsha Madhvan (July 202), a study on savings and investment behaviour of individual households. This paper attempts to study the saving objectives, identify the investment preference of individuals households over various investment avenues a that are available in India. Percentage, chi square and rank correlation are used and the result shows that the most proffered investment and safety avenues are life insurance, mutual fund, and secured deposits & PPF. There exists a significant relationship between the savings objectives in relation to age, occupation, income of individual investors.

3. Objective of the study

- To study investment attitude of professionals in Surat city.
- To study the investment pattern of professionals in Surat city.
- To study the investment objective of professional in Surat city.
- To identify the factors affecting to investment of professionals in Surat city.

Research Gap:

- The study had not been conducted in the area of Surat so it has been considered as a research gap in analysing the attitude of professionals towards the investment. so, as a researcher we wanted analyse and study investment behaviour or pattern of professional of the Surat city.

Statement of Problem:

From this study the research has covered Surat City. The study would help the future researcher to cover more area and to take more respondents from population. It will help to understand professional's behaviour towards to investment. because 14700 Chartered Accountants are graduated this year in Surat city. And they are giving services to others so that to understand the behaviour of professionals we have covered this study in Surat city.

4. Research methodology

- **Type of research design:** Descriptive Research
- **Sampling Method:** Non-Probability
- **Research Equipment:** Questionnaire
- **Analytical tools:** SPSS
- **Sample size:** 160
- **Sample Technique:** Convenient sampling
- **Sampling Frame:** Surat City
- **Sampling Unit:** Working Professional of the Surat city.

6. Analysis

- We can interpret that, from all the respondents, 73.8% are males whereas 26.2% are females.
- The majority respondents were from the age groups of 21-30, i.e., 64.4%.
- 68 no. of respondents are graduated which constituted highest 42.5% of sample population.
- The contrary 31.9% of the total respondents have professional work experience of 2.5-5 years.
- 78 no. of respondents were less than 1 earning member in family, which constituted 48.8 %. Which is near half of total sample population.
- The major group of respondents belong to the income slab of 5-10 lakh, i.e., 48.8%, which indicates that the person may be in the mature stage of career.

- Majority of professionals have annual savings of less than 10% of total income, i.e., 55.0% of total respondents.
- Majority of the respondents means 79.4% of the total respondents have enough savings to provide for at-least of 6 months of monthly expenses if COVID-19 situation takes place. And 53.1% of total respondents cannot completely paid their home loan or other liabilities in the event of not being there or disability. 50.6% of the respondents have more than enough money to pay off the outstanding loans and all liabilities. 53.1% of the respondents don't have any relatives in the field of finance. 76.2% have trusted financial professionals who looks after their wellbeing. 83.1% of the total respondents are agree in supplementary income is a necessary in today's time. 70.0% of the total respondents are interesting in learning more ways to provide for comfortable retirements. 61.9% of total respondents have planned for creating a retirement fund that is at least 10 times of their gross annual income.
- The most of the professionals are allocating around /- for their retirement and it carries 48.8% of the total respondents.
- all the respondents or professionals means 100.0% respondents are investors. They are investing their money in different investment avenues for different purpose. We can say that majority of the populations are believes in secondary source of income now a days.
- 42.5% respondents preferred monthly investment. 15.6% respondents prefer quarterly investment. 26.9% respondents were preferred yearly investment plan.
- Majority of the respondents are getting information of investment from their advisors (66), friends (57), and newspaper because now a days everyone are dealing with their money there are doing investment in somewhere and they are also giving advice to their friend to invest in best one from where they can get more return.
- There are so many instruments but investors are generally preferring Bank FD and gold (108) to invest because they might be thinking that it is safest and it gives more return.
- The most preferable financial instruments which is generally preferred by professionals. 25.6% of the total respondents are preferred band FD and gold as a most important financial instrument. Equity and insurance are second most important financial instrument in which they are invest (16.2%). Shares (13.8%) are also preferable financial instrument.
- 40.6% respondents are does return-based planning for the investment and 23.1% have selected would like to take decision to invest based on financial planning.
- 128 professionals are selected the criteria of risk, then 112 professionals are selected the criteria of return, 73 respondents are looking for chich planning 58 are selected the criteria of tax benefits. They are taking risk it doesn't meant they considered higher risk.
- 41.25% respondents are preferring criteria of return as a most important criteria for them while they are invested, after return they are also looking for safety (18.75) level during investment.
- 36.25% of the total respondents are invest by showing insurance company
- life insurance (108) is most common type of investment in which generally they are invest.
- Most of the investors have life insurance coverage for at least 10 times of your annual income.
- 56.2% of the respondents can manage their monthly expenses if they suffer from a prolonged illness/ disability.
- More than half of the total respondents means 58.1% professionals current health insurance cover provide for major illness protection of at least twice of their annual income.

7. Findings

- The majority professionals are male means 118 no of professionals are male and they are considered the criteria for investment is return (55), risk (17) and then safety (16). Female are also considered the same criteria return (16) and safety (14).
- the majority of the professionals is having age of 20-30 years and most important criteria for them is return (71).
- the majority of the respondents are the completed graduation and other like CA/CS/LLB and most important criteria for investment according to them is return (71).
- majority of the respondents having the experience of less than 2.5 year (78) and 2.5-5 years (48).
- 118 respondents are male and 42 respondents are female. Equity MF and insurance are the same instrument in which generally they are invest (26). Most preferred financial instrument is bank FD and gold (41). And then after insurance and equity MF.
- the majority of respondents is having age of 21-30 and most of them are preferred bank FD and gold (41). Second preferred financial instrument is equity MF and insurance (26). And then shares are preferred by the respondents.

- majority of respondents are completed their graduation (68). And most important financial instrument in which generally they are invest is bank FD and gold (41).
- majority of respondents has experience of up to 5 years (126) and they are also preferred bank FD and gold (41) as a most important financial instrument.
- majority of the respondents are male (118) and they are taking return-based investment decision (65) means they are interested to invest in financial instrument.
- majority of the respondents is having age of 20-30 (103) and 30-40 (50). And majority of them like to take return based financial decision to invest (65).
- majority of the respondents are completed their graduation and other courses like CA/CS/LLB (124).
- majority of the respondents have experience of 1 month -5 years (126). They are like to take return based financial decisions (65)

8. Conclusion

From study we analysis that number of males are more than female but the female is not less in professional in current scenario. They were from the age group 21-30. Most of the respondents are graduated in professional field than majority of professional have work experience less than 5 years. Majority of the professional are having 1 earning member in the family and their income between 5-10laks. Majority of the professionals are saves less than 10% of their annual income.

They do retirement planning they are also an investor they do monthly investment in bank FD and gold, insurance. They would like to take decision of investment on the return based. Majority of respondents have life insurance coverage at least 10 times of their annual income. 10 times of life insurance are not sufficient for them so they need to buy life insurance at least 30, 40 times of their annual income and they should also consider their age while investing in insurance.

Having a age of 20-30 years they do return as a most important criteria at the time of investment. most of the respondents are from CA/CS/LLB and they are also considered a return as an investment criterion. Mostly the graduated professionals are generally invested in bank FD and Gold. so, they can invest in debt mutual fund because they can balance their portfolio by investing in debt mutual fund rather than bank FD and gold. The professionals are having a age of 40-50 years and they are do return based investment planning. Having age of 40-50 years they have to do goal-based planning for they child's higher education their marriage and archiving other goals. having experience of more than 7 years they can invest in PPF, equity, insurance to balance their portfolio.

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