

Savings and investments among salaried class: An Evaluation

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Abstract

The savings and investments behavior of salaried class such as purpose of savings, current holding of investment are evaluated after focusing on general profile of the respondents in this articles. The study area for the present research is Cuddalore district as this district comprising the population with both agriculture and salaried as major profession. This district accommodates Neyveli Lignite Corporation, a giant public sector company under Central Government of India, a reputed century old Annamalai university, and large size industrial units in SIPCOT industrial area. Focus of the study the factor that influences savings and investment behavior of the salaried class in the study area. The reveal find out that Majority of the salaried class save money for their children's education, emergency need and future life. It is found that current holding of investment in bank deposit, house property, insurance, bullion and provident fund' is more among salaried class people. Salaried class investor holds their investment in insurance and chit fund for the purpose of their daughters / sons marriage. The first pair of canonical variates (first canonical function) relates high holding of land as well as chit fund and low holding in provident fund to the respondents belong to small families with less number of earning members, working in non-government sector in low job status with low monthly income and low monthly expenses. Researcher suggested that in any country, the investment climate should not encourage public to hoard cash and postpone investments. On the other hand, government and other institutions must evolve new systems to induce more and more public savings. The government may compel the various investment operators to launch a special program /scheme to the different segment of the society. Since savings is the main factor for investment, the government though legal measures encourage savings accumulation

Introduction

There is a need to improve productivity and which for the application of modern technology. Modern technology in turn calls for heavy dose of capital investment. The prosperity of an economy is closely linked with the ability of the public to save and invest in productive assets for an uninterrupted supply of capital. To survive and develop in this competitive business world, capital must be made available at a reasonable rate without conditions attached to it. Investment climate must attract the people to save from their income at times even by forgoing the enjoyment of comforts and luxuries. Countries can never sustain development unless they have adequate savings.

The savings and investments behavior of salaried class such as purpose of savings, current holding of investment are evaluated after focusing on general profile of the respondents in this articles. The relationship of demographic characteristics of the respondents with purpose of savings, current holding of investment is also evaluated in this articles. The study area for the present research is Cuddalore district as this district comprising the population with both agriculture and salaried as major profession. This district accommodates Neyveli Lignite Corporation, a giant public sector company under Central Government of India, a reputed century old Annamalai university, and large size industrial units in SIPCOT industrial area.

Review of Literature

There are several pioneering models in behavioral finance theory. Amos Tversky and Daniel Kahneman (1986)⁴ stated that the investors become more risk averse when making profits and more risk taking when making a loss. Rober J Shiller (1989)⁵ stated that the attitude changes among the investors' with two basic attitudes are explored: bubble expectations and investors confidence. They concluded that the investors' confidence has remained vary flat.

Yoo (1994) said that the diminishing of risky assets over an individual' s lifetime is not uniform and individuals appeared to increase their investment in risky assets throughout their working lifetime and decrease their risk exposure once they retire. He also used regressions and found that age was a significant factor in determining the portfolio composition.

Warren and et. al. (1990) used lifestyle characteristics to differentiate investors by the size and the nature of their investment holdings. He found that the failure to use lifestyle characteristics for further egmentation blurs some real differences between individual investors and their financial service needs.

Karthikeyan (2001) has conducted research on Small Investors Perception on Post office Saving Schemes and found that there was significant difference among the four age groups, in the level of awareness for kisan vikas patra (KVP), National Savings Scheme (NSS), and deposit Scheme for Retired Employees (DSRE),and the Overall Score Confirmed that the level of awareness among investors in the old age group was higher than in those of young age group. NO differences were observed among male and female investors except for NSS and KVP.

Nasir and Khalid (2004) assessed behavior of saving and investment in Pakistan using appropriate econometric and statistical technique and attempted to generate a model on the basis of fundamental theories of saving and investment. They used data from 1971 to 2003, collected from Economic Survey of Pakistan. Ordinary Least Square Method was used as an estimation technique. The study concluded that Government Expenditures, Growth rate of Gross Domestic Product and Remittances Growth were positively and significantly influencing National Savings. Lewis A Sanders (2004) believes that people, irrespective of their location, have their own bias and react differently when investing in financial assets.

Krishnamoorthy.C.(2008).in his study has analyzed the profile and awareness of salaried class investors and their attitude and satisfaction towards investment. In has been concluded that all salaried people were aware of bank deposits, PF

schemes, insurance schemes, post office savings schemes, gold and however only few were aware Of UTI.

Syed Tabassum Sultana (2010), found that there is a strong negative correlation between Age and Risk tolerance level of the investor. Television is the media which is largely influencing the investor's decisions to design products which can cater to the investors who are low risk tolerant.

Objective of study

- To study the factor that influence savings and investment behavior of the salaried class in the study area.

Methodology

The study is based on primary and secondary data. Primary data have been collected from 520 respondents through a structure questionnaire covering different groups of salaried class among cuddalore district. The secondary have been collected from various books, magazine, journals, news papers and websites. The samples sizes of 520 respondents were taken for the research work among in cuddalore district. The sampling technique followed in this study is multistage sample. Simple random techniques are used to select the respondent from the available database. The simple percent and Canonical Correlation of statistical tools are used.

Analyses and interpretation

Table.1. Presents about the sample respondents based on demographic characteristics. Out of 520 randomly selected sample respondents, 356 respondents (68.5%) are male and the remaining 164 respondents (31.5%) are female. On the selection respondents, 45.8% are between in the age group 40-50 years, 27.7% in the more than 50years of age, 20.2% in the age group of 30-40 years and only 6.3% in the age group below 30 years.

The respondents with non-technical education (61.9 %) outnumber the technically qualified group (38.1). Most of the respondents are found to be working in the supervisory cadre (35.2%), 30.8 per cent in the clerical cadre, only 8 per cent in the managerial cadre, 88.7%in the sex wise respondents are married and the rest unmarried.

While respondents living in urban areas comprise 54.2 per cent, those in township, rural and semi-urban areas constitute 24.4 per cent, 15.0 per cent and 6.3 per cent respectively. It is found that 62.3 per cent of the respondents are head of the family while remaining 37.7 per cent are member of the family. As much as 59.8 per cent of the respondents hail from families with 4-5 members followed by 31.9 per cent from small families with members up to 3 and 8.3% from families with over 5 members.

In the sample respondent families, one earning members families is 48%, two earning member families is 46% and three or more earning member families 6%. Out of 520 respondents 53.6 per cent of the respondents live in own house whereas those live in rented and company quarters comprise 25.4 per cent and 21.0 per cent respectively.

Table.2. gives the various factors relating to the purpose of savings of the respondents and their opinion in this regard.

From the observation of the table 2, it is understood that 64.23 per cent of the salaried class save money for their children's education 58.08 per cent for "emergency need", 55.77 per cent for "future life" and 51.73 per cent for "daughters / sons marriage". While 49.62 per cent, 45.38 per cent and 41.54 per cent of the salaried class save money for purchase of consumer durables, Income Tax Benefits and pay the debt respectively, 39.81 per cent of the respondents do save for acquisition of property. The savings for the purpose of investing in business and religious purpose is found with just 15.96 per cent and 20.38 per cent of the respondents.

The relationship between demographic characteristics and purpose of savings is analyzed by canonical correlation analysis. The results of the analysis are reported in Table 3 and 4

Table 3

Canonical Functions Produced by Canonical Correlation Analysis between Purpose of Savings and Demographic Characteristics

Canonical Function	Canonical R	Canonical R ² (Eigenvalue)	Chi-Square	df	p-Value	Wilks Lambda
0	0.7603	0.5780	1309.88	130	0.0000	0.0755
1	0.6302	0.3971	872.43	108	0.0000	0.1789
2	0.5194	0.2698	615.85	88	0.0000	0.2968
3	0.5127	0.2629	456.46	70	0.0000	0.4064
4	0.4306	0.1854	301.83	54	0.0000	0.5514
5	0.3609	0.1302	197.86	40	0.0000	0.6769
6	0.3293	0.1084	127.12	28	0.0000	0.7782
7	0.3096	0.0958	68.93	18	0.0000	0.8729
8	0.1396	0.0195	17.86	10	0.0575	0.9654
9	0.1241	0.0154	7.87	4	0.0963	0.9846

Source: Primary Data

It is seen from the table. 3. that out of 10 canonical functions reduced by the analysis, eight functions are significant at 1 per cent level. The remaining two functions are just marginally

significant at 10 per cent level. Further, the correlations of ninth and tenth function are less than 0.30, indicating that these two functions do not possess substantial correlation. As an arbitrary rule of thumb, a canonical function is meaningful and interpretable if correlation between its canonical variates is 0.30 and higher, corresponding to about 10 per cent of shared variance (shared variance is measured in terms of canonical R^2 or eigenvalue). So, first eight canonical functions are considered and canonical loadings of criterion (purpose of savings) and predictor (demographic characteristics) variables with these eight canonical functions are calculated.

A perusal of the Table 4, shows that the variables in the criterion set, namely “purchase of consumer variables” and “religious purpose-pilgrimage” have high negative loadings with canonical variate of the first function. In the predictor set, only employment sector has high negative loadings with first canonical variate. This implies that the salaried class people in non-government sector save their money for religious purpose and purchase of consumer durables. The loadings of “daughters / sons marriage” and “future life for in the criterion set and that of “family income”, “age”, “family expenses” and “education type” in the predictor set are high with respective canonical variates of the second function (all with positive sign).

Table 4

Canonical Loadings of Measures of Purpose of Savings and Demographic Variables with Significant Canonical Function

Variables	Canonical Function							
	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eight
CRITERION VARIABLES								
Purpose of Savings								
Children’s Education	-0.1157	-0.1646	-0.5146	0.5676	-0.0686	-0.0360	0.3659	0.2228
Daughters / Sons Marriage	0.2998	0.6367	-0.2143	0.1921	0.2324	-0.1843	-0.2803	0.0739
Purchase of consumer durables	-0.4844	0.1949	0.1465	0.1907	0.0137	-0.7245	0.1120	0.2560
Acquisition of property	0.2010	-0.0856	0.5042	0.0681	-0.0758	-0.4712	0.0880	0.2241
Investment in Business	0.2024	-0.2293	0.0309	0.3867	0.0558	-0.7097	-0.0379	0.4274
income tax benefits	0.2371	0.1503	-0.2333	-0.0052	-0.2016	-0.6478	0.2170	0.3189
Pay the debt	-0.0214	-0.0327	-0.1301	0.1398	-0.7662	-0.3709	-0.2790	-0.3244
Emergency Need	-0.2524	-0.0474	-0.1549	-0.4488	0.1805	-0.5082	0.2720	-0.2276
Future life	-0.2444	0.4629	0.1649	0.1695	0.0651	-0.0923	0.1912	-0.1390
Religious purpose	-0.5689	-0.0754	-0.1849	-0.0343	0.1440	-0.3607	-0.4409	0.1499
PREDICTOR VARIABLES								
Demographic Characteristics								
Sex	0.1555	-0.0198	-0.0731	0.2554	-0.2003	-0.0072	0.4343	-0.3205

Age	0.1192	0.6086	-0.1152	-0.0481	0.3644	0.3325	0.2072	-	0.0087
Education Type	-0.0806	0.4366	0.2063	-0.0133	0.3606	0.1044	0.2992	-	0.1703
Employment Sector	-0.4829	-0.2651	0.0777	-0.0286	-0.0552	-0.5105	-0.0607	-	0.3666
Job Status	-0.1127	0.1912	-0.2054	-0.2240	0.0170	0.0879	-0.1022	-	0.1926
Marital Status	-0.3701	-0.2080	0.4534	-0.7112	-0.0999	0.0168	-0.1818	-	0.0439
Location (Area of Residence)	0.3054	0.3088	-0.0440	-0.0264	0.1472	-0.5493	-0.0828	-	0.0293
Family Status	0.1291	-0.2239	0.2962	-0.3803	-0.1724	-0.2166	0.3877	-	0.2322
Family Size	-0.3179	0.0568	0.3546	0.1556	-0.1878	0.0723	0.6327	-	0.0829
Earning Member	0.3042	0.0455	0.6826	-0.1093	-0.2885	0.1817	0.1466	-	0.0509
House Type	0.2582	-0.0623	-0.2523	-0.4114	0.0760	-0.3415	0.1042	-	0.4769
Family Income	0.1172	0.6407	-0.0018	-0.2229	-0.3896	0.1094	0.4387	-	0.0896
Family Expenses	0.0814	0.5753	0.0516	-0.2942	-0.2966	0.0174	0.3239	-	0.0917

Source: Primary Data

Similarly, among the criterion variables, “children’s education” (negative) and “acquisition of property” (positive) with third canonical variate, “childrens’ education” (positive) and “emergency need” (negative) with fourth, “pay the debt” (negative) with fifth, “Purchase of consumer durables”, “Invest in Business”, “Avoid income tax”, “Emergency Need” and “Acquisition of property” (all negative) with sixth, “Religious purpose – Pilgrimage” (negative) with seventh, and “Invest in Business” with eighth canonical variate are highly loaded. In predictor variable set, the loadings of earning member and marital status (positive) with third canonical variate, marital status and house type (both negative) with fourth, employment sector and location (both negative) with sixth, family size, monthly income of the family and sex (all positive) with seventh, and house type (positive) with eighth canonical variate are high.

From loadings of criterion and predictor variables with eight canonical functions, it is found that, (1) salaried class people in non-government sector save their money for religious purpose and purchase of consumer durables; (2) salaried class people having non-technical education with high income save for their daughters / sons marriage as well as for comfortable future life despite an increase in family expenses; (3) salaried class people in the married group save more for acquisition of property but less for children’s education when there is more earning members; (4) married group living in own house tend to save less for children’s education but more for emergency need; and (5) salaried people working in government departments residing in urban areas save more for purchase of consumer durables, invest in business, emergency need and also for acquisition of property to small extent when they are in a position to avoid income tax.

Table 5 provides the opinion of the respondents on current holding of investment.

Table 5

Pattern of the Respondents’ investments on Current Holding

Current Holding of Investment	Yes		No		Total	
	Number of Respondents	%	Number of Respondents	%	Number of Respondents	%
Bank deposit	415	79.81	105	20.19	500	100
House property	315	60.58	205	39.42	500	100
Land	158	30.38	362	69.62	500	100
Postal savings	187	35.96	333	64.04	500	100
Insurance	407	78.27	113	21.73	500	100
Bullion	344	66.15	176	33.85	500	100
Company deposit	37	7.12	483	92.88	500	100
Government Bond	45	8.65	475	91.35	500	100
Mutual Fund / UTI	35	6.73	485	93.27	500	100
Share	86	16.54	434	83.46	500	100
Provident Funds	285	54.81	235	45.19	500	100
Chit Fund	144	27.69	376	72.31	500	100

Source: Primary Data

The table 5 shows that the current holdings of investment not opinion in land is by 69.62% in postal savings by 64.04%, in company deposit by 92.88%, in government bond by 91.35%, in mutual fund / UTI' by 93.27%, in Share by 83.46% and in Chit fund by 72.31%. Again, the current holding of investment option in bank deposit is 79.81%, in house property 60.58%, in insurance 78.27%, in bullion 66.15% and In provident fund 54.81%. Result on the, it is found that current holding of investment in 'bank deposit', 'house property', 'insurance', 'bullion' and provident fund' is more among salaried class people.

The relationship between current holding of investment and socio-economic characteristics (demographic as well as job and income oriented characteristics) is identified through canonical correlation analysis. Table 6 shows the canonical correlation functions (correlation between linear composites, i.e., canonical variates of criterion and predictor variables). According to the table, the first ten canonical correlation functions are significant at one per cent level, in turn indicating the existence of relationship between first ten pairs of canonical variates of two sets of variables (criterion set and predictor set). From Canonical R-square values, it is however understood that the shared variance is above 10 per cent (canonical $r \geq 0.30$) for first eight canonical functions. This shows that interpretation of ninth and tenth functions is inappropriate.

Table 6

Canonical Functions Produced by Canonical Correlation Analysis between Current Holdings of Investments and Demographic Characteristics of Respondents

Canonical Function	Canonical R	Canonical R ² (Eigenvalue)	Chi-Square	df	p-Value	Wilks Lambda
0	0.7194	0.5175	1301.14	156	0.0000	0.0764
1	0.6234	0.3886	932.34	132	0.0000	0.1584
2	0.5464	0.2985	683.35	110	0.0000	0.2591
3	0.5308	0.2817	503.96	90	0.0000	0.3694
4	0.3969	0.1575	336.51	72	0.0000	0.5143
5	0.3715	0.1380	249.79	56	0.0000	0.6104
6	0.3341	0.1116	174.65	42	0.0000	0.7081
7	0.3209	0.1030	114.78	30	0.0000	0.7971
8	0.2234	0.0499	59.79	20	0.0000	0.8886
9	0.2025	0.0410	33.89	12	0.0007	0.9352
10	0.1204	0.0145	12.72	6	0.0478	0.9752
11	0.1023	0.0105	5.33	2	0.0697	0.9895

Source: Primary Data

The criterion and predictor variables associated with canonical variates of the valid eight canonical correlation functions are ascertained by the canonical loadings. Table 7 presents the canonical loadings of criterion and predictor variables with eight valid canonical functions.

Table 7

Canonical Loadings of Measures of Current Holding of Investment and Demographic Variables with Significant Canonical Function

Variables	Canonical Function							
	First	Second	Third	Fourth	Fifth	Sixth	Seventh	Eighth
CRITERION VARIABLES								
Current Holding of Investment								

Bank deposit	0.1850	0.3937	0.0327	-0.3506	0.0922	-0.3177	0.3124	0.0484
House property	-0.2407	0.5957	-0.1363	0.0195	0.0059	-0.2442	-0.1654	-0.2055
Land	0.4963	0.2969	0.5642	0.2291	0.0333	-0.1990	0.0276	0.2191
Postal savings	-0.3828	0.2280	0.5845	0.2602	-0.1799	0.3719	0.1502	-0.1495
Insurance	0.0474	0.0969	-0.2978	0.5848	0.1297	0.2132	0.1360	0.4498
Bullion	0.1057	0.5256	-0.3974	-0.1948	-0.4268	0.0259	0.3281	0.2223
Company deposit	0.1999	0.0311	-0.2083	0.1408	-0.5150	-0.3853	-0.1290	-0.2869
Government Bond	0.0544	0.0796	-0.0182	-0.1735	-0.3896	-0.1533	-0.5185	0.2957
Mutual Fund/UTI	-0.2078	0.0304	-0.0302	0.4130	-0.4490	-0.3757	-0.0038	0.4047
Share	-0.1916	0.1098	0.1107	0.2325	0.3345	-0.4762	0.3550	-0.0237
Provident Funds	-0.4323	-0.1619	0.0887	-0.2212	-0.2343	-0.1702	0.2087	0.6502
Chit Fund	0.4327	-0.1004	-0.1806	0.0748	-0.2978	0.1528	0.3426	-0.1922
PREDICTOR VARIABLES								
Demographic Characteristics								
Sex	-0.2963	0.4906	0.5295	-0.2014	0.0726	-0.1284	0.3453	-0.0150
Age	-0.3913	0.0389	-0.0923	-0.1505	0.2196	-0.3423	-0.6028	0.4704
Education Type	-0.2288	-0.2085	0.1341	-0.3855	0.2685	0.1449	0.2858	0.3880
Employment Sector	0.4272	0.5119	-0.2105	0.1880	0.0453	-0.1280	0.1111	0.1190
Job Status	-0.4183	-0.0405	-0.0556	0.3197	0.1512	0.0549	-0.2997	-0.1833
Marital Status	0.0394	-0.3722	0.0197	-0.1724	0.3103	0.1270	0.2267	-0.2104
Location	-0.0313	0.2274	0.2336	0.5842	0.5184	-0.0033	-0.3471	0.0749
Family Status	-0.2565	0.1944	0.3377	-0.2846	0.2836	0.3098	0.4600	-0.0769
Family Size	-0.5327	0.0190	-0.0274	0.3494	-0.3809	0.0663	0.2018	0.4131
Earning Member	-0.4883	0.0513	0.2868	-0.2384	0.2285	-0.3315	0.4487	-0.0229
House Type	0.1253	-0.0239	-0.2429	0.6295	0.6091	-0.0307	-0.0591	0.0692
Family Income	-0.7794	0.3966	-0.1609	-0.2377	0.2481	-0.1202	-0.1050	-0.0027
Family Expenses	-0.5025	0.1847	-0.0875	-0.1874	0.3654	-0.4148	-0.0549	0.0231

Source: Primary Data

A perusal of the table shows 7 that the first pair of canonical variates (first canonical function) relates high holding of land as well as chit fund and low holding in provident fund to the respondents belong to small families with less number of earning members, working in non-government sector in low job status with low monthly income and low monthly expenses. The second pair of canonical variates links investment in house property and bullion with female salaried class working in non-government sector. While current holding of investment in land and postal savings is associated with female salaried employees (third

canonical function), current holding of investments in insurance and mutual fund / UTI is related to salaried people residing in rented / staff quarters (fourth canonical function) located in non-urban areas.

Similarly, investments in company deposit is more among those living in owned house located in urban areas (fifth canonical functions), while current holding of investments is high with those with low family expenses (sixth canonical functions). From loadings of variables with seventh and eighth canonical functions, it is identified that current holding of investment in government bond is higher among younger group with family status as member while more holding of investment in provident fund and substantial holding of investment in insurance and mutual fund / UTI is high for elderly salaried class people belong to families with more number of family members.

The canonical correlation functions identifying the simultaneous relationship between purposes of savings and current holding of investment (type of investment) are depicted in Table 8

Table 8

Canonical Functions Produced by Canonical Correlation Analysis between Purpose of Savings and Current Holding of Investment

Canonical Function	Canonical R	Canonical R ² (Eigenvalue)	Chi-Square	df	p-Value	Wilks Lambda
0	0.7455	0.5558	1262.70	120	0.0000	0.0831
1	0.6433	0.4138	850.89	99	0.0000	0.1870
2	0.5531	0.3060	579.80	80	0.0000	0.3190
3	0.5077	0.2578	394.44	63	0.0000	0.4597
4	0.4254	0.1810	243.15	48	0.0000	0.6193
5	0.3652	0.1333	141.83	35	0.0000	0.7562
6	0.2460	0.0605	69.20	24	0.0000	0.8725
7	0.1912	0.0366	37.51	15	0.0011	0.9287
8	0.1806	0.0326	18.61	8	0.0171	0.9640
9	0.0591	0.0035	1.77	3	0.6205	0.9965

Source: Primary Data

As per the table 8 first eight canonical functions with one per cent level and ninth function with five per cent level are significant. However, the correlation between two pairs of canonical variates is above 0.30 for first six canonical functions. That is, shared variance between pairs of canonical variates of first, second, third, fourth, fifth and sixth canonical function (55.58 per cent, 41.38 per cent, 30.60 per cent, 25.75 per cent, 18.10 per cent and 13.33 per cent respectively) is above 10 per cent, in turn indicating that only these six canonical functions are valid for the further interpretations.

Table 9

Canonical Loadings of Purposes of Savings and Current Holding of Investments with Significant Canonical Function

Variables	Canonical Functions				
	First	Second	Third	Fourth	Fifth
CRITERION VARIABLES					
Current Holding of Investment					
Bank deposit	0.0154	0.0114	0.0371	-0.1726	-0.0366
House property	0.1164	0.0067	-0.7635	0.2027	0.0603
Land	0.2897	0.5331	0.1090	-0.3962	-0.2449
Postal savings	0.1348	0.5385	-0.2067	-0.1109	-0.4478
Insurance	0.5147	0.2981	0.4565	0.1713	0.0219
Bullion	0.3616	0.0106	0.0959	0.2745	0.1194
Company deposit	-0.0684	-0.0946	0.2894	0.3588	-0.7293
Government Bond	-0.0247	-0.1359	0.4049	0.4250	-0.4877
Mutual Fund/UTI	0.6023	-0.5604	-0.0508	-0.1115	-0.3305
Share	0.0798	0.4024	-0.4407	0.2034	-0.2797
Provident Funds	0.6228	0.0639	-0.1205	0.2350	-0.0314
Chit Fund	-0.2880	0.1863	-0.1380	-0.2035	-0.2808
PREDICTOR VARIABLES					
Purpose of Savings					
Childrens Education	0.2053	0.1980	-0.4380	-0.0488	-0.0862
Daughters / Sons Marriage	-0.0004	0.1701	-0.1620	0.4333	0.4325
Purchase of consumer durables	0.3176	-0.0811	0.0466	0.2321	0.1243
Acquisition of property	0.5047	0.4847	0.2171	-0.0084	0.1477
Investment in Business	0.3079	0.6724	-0.2289	-0.1095	0.0872
income tax benefit	0.3939	0.3454	-0.1673	0.6133	0.1228
Pay the debt	-0.1762	0.2913	-0.5971	0.0736	-0.4235
Emergency Need	-0.2195	0.3993	0.2321	0.2898	0.2071
Future life	0.4511	0.0208	0.1523	0.4484	-0.1073
Religious purpose	-0.0647	0.3458	0.5083	0.3948	-0.4017

Source: Primary Data

To further interpret the valid canonical functions, the structure coefficients, also called as canonical loadings of the variables in the criterion and predictor set with those functions are calculated and provided in Table 9. In the table, the loadings of insurance, mutual fund / UTI and provident funds with positive sign in the criterion set and that of 'acquisition of property' followed by "Future" life also with positive sign in the predictor set are high with first

canonical variate. This implies that the current holding of investment among salaried class is primarily in provident fund followed by mutual fund / UTI and insurance when their purpose is to acquisition of property and comfortable future life.

Similarly from the loadings of criterion and predictor variables with respective canonical variates of the second, third, fourth, fifth and sixth canonical functions, it is identified as follows: (1) salaried class people with purpose of investing in business and also with purpose of acquiring property to certain extent hold their investments in land, postal savings in shares by reducing their current holding in mutual fund / UTI; (2) salaried people with more intention of saving for religion purpose and less intention of saving for paying off the debt from friends and relatives reduce their current holding of investment in house property as well as their investment in shares at the same time substantially increasing their current holding of investment in insurance and government bond; (3) the salaried people hold their investment in government bond to avoid income tax in addition to the purpose of daughters / sons marriage as well as for comfortable future life; (4) the salaried class have high investments in company deposit and substantial investments in government bond and postal savings for religious / pilgrimage purpose as well as with purpose of paying the debt by forfeiting their purpose of savings for their daughters / sons marriage; and (5) salaried class people hold their investment in insurance and chit fund for the purpose of their daughters / sons marriage.

Conclusion

Majority of the salaried class save money for their children's education, emergency need and future life. It is found that current holding of investment in bank deposit, house property, insurance, bullion and provident fund' is more among salaried class people. Salaried class investor holds their investment in insurance and chit fund for the purpose of their daughters / sons marriage. The first pair of canonical variates (first canonical function) relates high holding of land as well as chit fund and low holding in provident fund to the respondents belong to small families with less number of earning members, working in non-government sector in low job status with low monthly income and low monthly expenses. Researcher suggested that in any country, the investment climate should not encourage public to hoard cash and postpone investments. On the other hand, government and other institutions must evolve new systems to induce more and more public savings. The government may compel the various investment operators to launch a special program /scheme to the different segment of the society. Since savings is the main factor for investment, the government though legal measures encourage savings accumulation.

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