



## **‘A STUDY ON INVESTMENT AWARENESS AND KNOWLEDGE AMONG SALARIED EMPLOYEES IN NAVI MUMBAI’**

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**Author: Mr. Eshwar Ege<sup>1</sup>**

**<sup>1</sup>Student, Rajeev Gandhi College of Management Studies, Ghansoli**

**Co Author: Dr. Puja Kaushik<sup>2</sup>**

**<sup>2</sup>Assistant Professor, Rajeev Gandhi College of Management Studies, Ghansoli**

### **ABSTRACT**

Financial literacy and investment awareness are essential elements of economic well-being, especially for salaried workers who frequently rely on fixed revenue streams to ensure their financial security. Salaried workers make up a large percentage of the workforce in Navi Mumbai's constantly expanding urban landscape, and they have particular opportunities and challenges when it comes to handling their cash. In order to better understand the investing behaviors, preferences, and factors impacting financial decisions of salaried professionals in Navi Mumbai, this study aims to investigate the levels of investment awareness and knowledge among these workers. Navi Mumbai offers a distinctive background for analyzing these trends because of its diversified population and active economic climate. The importance is highlighted by the changing economic environment and the growing complexity of financial products. Given the widespread

### **KEYWORDS:**

Investment Awareness, Financial Knowledge, Salaried Employees, Wealth Management, Risk Appetite, Investment Behavior, Navi Mumbai, Retirement Planning.

### **INTRODUCTION**

Knowledge and understanding of investments are essential to managing one's personal finances, particularly for paid workers who depend on their income to accomplish their financial objectives and ensure their future. Over the years, Navi Mumbai, a planned satellite city of Mumbai, has experienced substantial infrastructure and economic growth, which has increased the number of people who work for a living there. The purpose of this study is to investigate the awareness and knowledge of investments among Navi Mumbai's salaried workforce.

With more people having access to a wider range of investment options, including equities, mutual funds, term deposits, and retirement plans, the financial landscape in India has significantly changed in recent years. The working population still lacks sufficient financial knowledge despite the availability of numerous investment opportunities. To encourage superior financial decision-making and guarantee financial stability for individuals and families, it is imperative to comprehend this disparity.

India's financial scene has undergone significant changes, particularly with the advent of a wide range of investment opportunities like stocks, mutual funds, term deposits, real estate, and various retirement plans. These channels provide people with significant chances to increase their money and secure their financial future. Effective use of these choices, though,



depends on having a solid background in financial literacy. Making well-informed investing decisions requires topics like risk, return, market dynamics, and alignment with individual financial goals. Ignorance of this kind can result in less-than-ideal investing decisions, which could endanger stable finances.

This study's importance stems from its objective of assessing the present level of investment awareness and understanding among Navi Mumbai's paid workforce. The main goals of this research are complex. First, it aims to assess the level of investing awareness and expertise among Navi Mumbai's salaried workforce. Its second goal is to determine the favored investment vehicles and comprehend the reasoning behind these decisions.

### **OBJECTIVES OF THE STUDY:**

1. To understand the investment behaviour and preferences of salaried employees
2. To identify the areas where salaried employees lack knowledge of investment avenues.
3. To identify the sources of investment information and advice for salaried employees.

### **RESEARCH METHODOLOGY :**

The research methodology describes the methodical process used to gather and examine and comprehend the knowledge and awareness of investments within Navi Mumbai's paid workforce. This thorough methodology covers the research design, sample selection, data collection strategies, and analytical approaches used to meet the goals of the study.

#### **Data Collection Procedure**

For a duration of two months, the data is gathered. To increase response rates and contact as many people as possible, both online and offline means are employed. While offline surveys are carried out through in-person interactions at workplaces, seminars, and financial literacy programs, online surveys are disseminated via email and social media platforms.

### **Ethical Considerations**

The entire investigation is conducted with scrupulous adherence to ethical principles. Every participant provides informed permission, guaranteeing that they understand the goal of the study and their part in it. Respondent anonymity and confidentiality are preserved, and data is only used for study. At any time, participants are free to leave the research without facing any repercussions.

### **RESEARCH DESIGN:**

To determine the present level of investment awareness and knowledge among salaried employees, the study uses a descriptive research approach. This study is a good fit for descriptive research because it seeks to characterize the population's characteristics and determine how well-informed employees are about investment alternatives. To present good understanding of the topic, the research relies on both data.

**Sample Selection:**

The study's target demographic consists of salaried workers in Navi Mumbai who are employed in a variety of fields. The technique of stratified random sampling is employed to guarantee representation across various income brackets, occupations, and industries. The population size, intended level of confidence, and margin of error are used to calculate the sample size. 500 respondents make up the final sample, guaranteeing a thorough representation of Navi Mumbai's salaried workforce.

**Data Collection Methods:**

Data collection is undertaken through a standardized questionnaire designed to capture several aspects of investment awareness and expertise. The questionnaire includes both closed and open-ended questions to capture quantitative and qualitative data. Demographic Information: Age, gender, income, educational background, and employment.

Investment Behavior: Current investment patterns, frequency of investments, and factors influencing investment decisions To ensure that the questions are relevant and clear, a pilot study with 50 respondents is used to pre-test the questionnaire. Based on the input received, the final questionnaire is modified as needed.

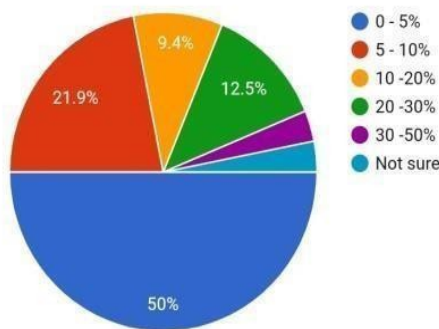
**Software Tools:**

Data analysis is done using statistical software programs like Microsoft Excel and SPSS Excel is used for initial data entry, cleaning, and basic descriptive statistics, whereas SPSS is employed for its powerful statistical analysis capabilities.

**DATA ANALYSIS AND INTERPRETATION:**

Fig 1.1 What is the percentage of your total income that you save

1. What is the percentage of your total income that you save?



50% of the population save their Income up to 0-5%

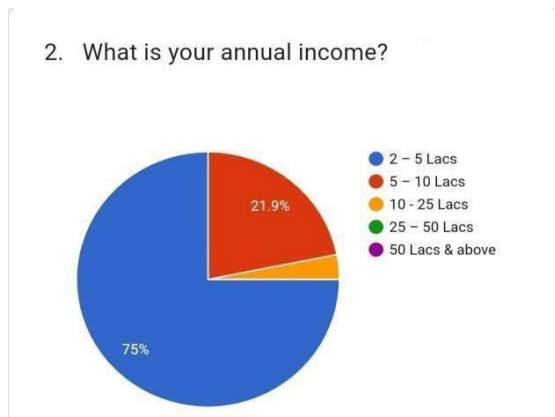
21.9% of the population save their Income up to 5-10%

9.4% of the population save their Income up to 10-20%

12.5% of the population save their Income up to 20-30%

1(3.1%) of the population save their Income up to 30-50%

Fig 1.2 What is your annual income



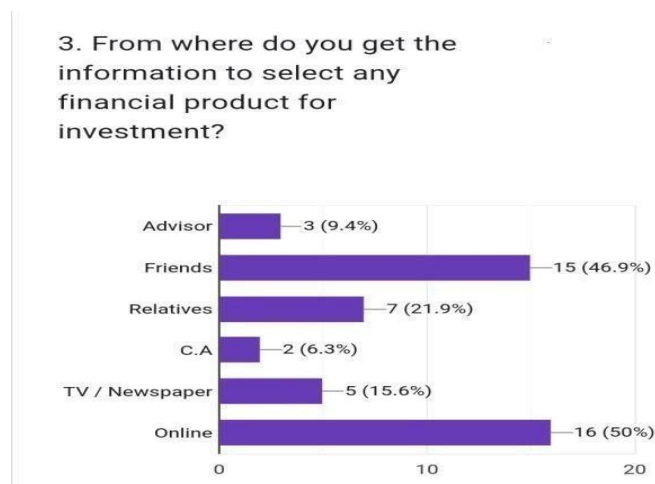
1(3.1%) of the population save their Income up to Not sure

75% of population have 2-5 Lakh of annual Income

21.9% of population have 5-10 Lakh of annual Income

1(3.1%) of population have 10-25 Lakhs of annual Income

Fig 1.3 financial product for investment



9.4% of population get advice regarding financial product for Investment from advisors

46.9% of population get advice regarding financial product for Investment from Friends

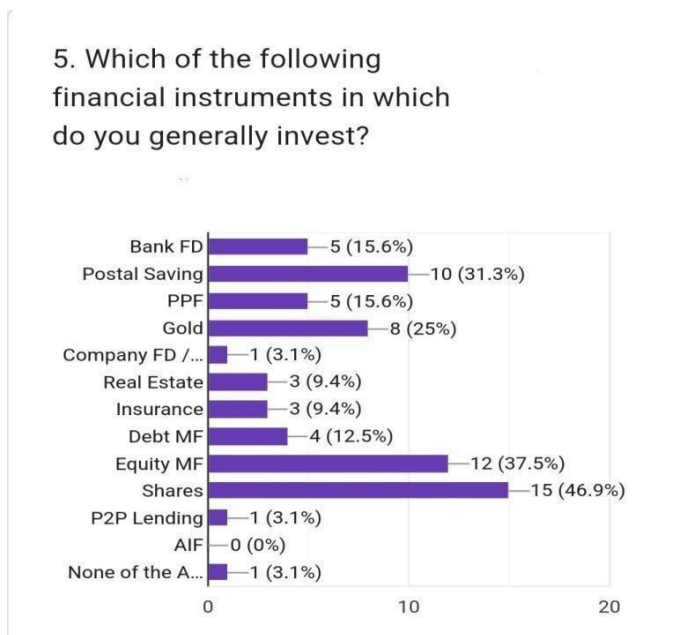
21.9% of population get advice regarding financial product for Investment from Relatives

6.3% of population get advice regarding financial product for Investment from CA

51.6% of population get advice regarding financial product for Investment from Tv/ Newspaper

50% of population get advice regarding financial product for Investment from Online

Fig 1.4 Financial Instruments in which do you generally Invest



15.6% of the population Invest in Bank FD

31.3% of the population Invest in Postal Saving

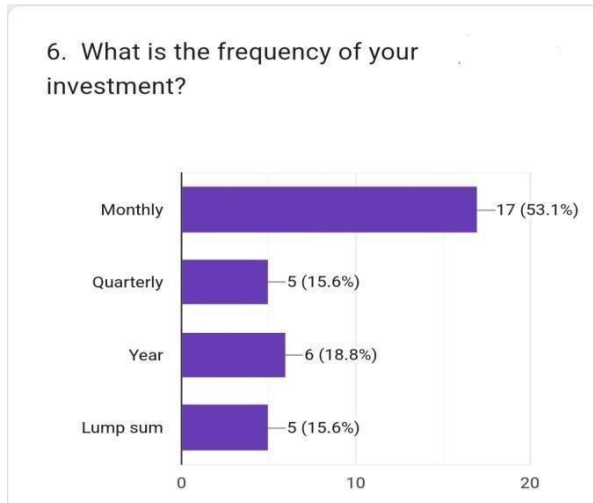
15.6% of the population Invest in PPF

25% of the population Invest in Gold

3.1% of the population Invest in Company FD

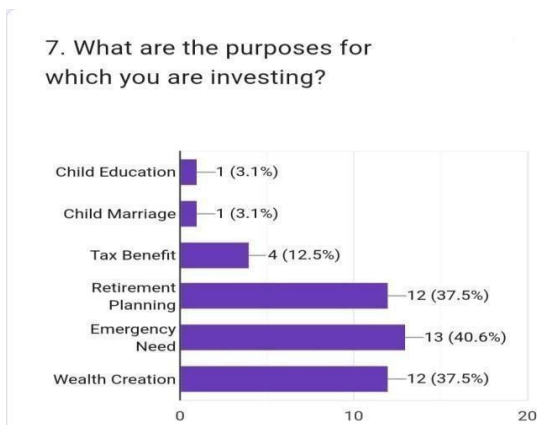
9.4% of the population Invest in Real estate  
 9.4% of the population Invest in Insurance

Fig 1.5 What is the frequency of your investment



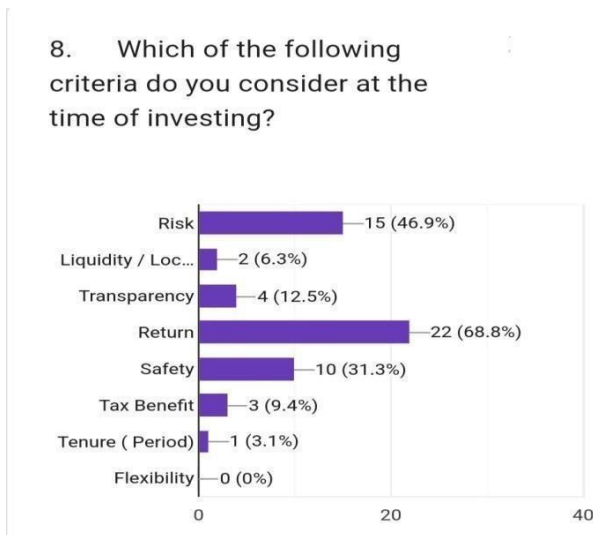
53.1% people Invest Monthly  
 15.6% people Invest Quarterly  
 18.8% people Invest yearly  
 15.6% people Invest Lump Sum

Fig 1.6 What are the purposes for which you are investing



- 3.1% of population Invest because of Child Education
- 3.1% of population Invest because of Child Marriage
- 12.5% of population invest because of Tax Benefit
- 37.5% of population invest because of Retirement planning
- 40.6% of population invest because of Emergency Need
- 37.5% of population invest because of wealth creation

Fig 1.7 Which of the following criteria do you consider at the time of investing



- 46.9% of population Consider Risk while Investing
- 6.3% of population Consider Liquidity/Loin period
- 12.5% of population Consider Transparency
- 68.8% of population Consider Return
- 31.3% of population Consider Safety
- 9.4% of population Consider Tax Benefit
- 3.1% of population consider Tenure

## FINDINGS

### 1. Financial Literacy Understanding:

A significant percentage of residents in Navi Mumbai have a basic understanding of financial literacy

However, there are varying levels of comprehension, with some participants demonstrating in-depth knowledge in certain areas, like investment strategies and risk management.

### 2. Awareness of Financial Literacy:

The overall residents in Navi Mumbai is moderate.

There is a notable gap in awareness among specific demographic groups, indicating educational initiatives, especially among younger individuals and those with lower income levels.

### 3. Investment Preferences:

Residents in Navi Mumbai exhibit diverse preferences regarding investment avenues, choices such as stocks, mutual funds, real estate, and fixed deposits.

Risk tolerance varies among participants, influencing their investment choices. Younger individuals tend to show a higher appetite for risk compared to older age groups.

## CONCLUSION:

In conclusion, the residents of Navi Mumbai, with a specific focus on Sumruddhi Investwise Pvt. Ltd., unravels a complex tapestry of challenges within the region. Despite the inevitable limitations inherent in such research, the findings provide valuable insights into the dynamic economic landscape of Navi Mumbai. The study underscores the nuanced variations emphasizing the impact of factors like age, income, and education. The influence of rapid urbanization and economic growth is palpable, offering residents striving to navigate the financial landscape. Recognizing the positive contributions of Samruddhi Investwise Pvt. Ltd., the study acknowledges the role of private-sector initiatives in promoting financial literacy. It advocates for tailored educational programs that consider the community, leveraging digital platforms to enhance accessibility.

## RECOMMENDATION:

- **Tailored Educational Programs:** Develop and implement educational programs tailored to the specific needs and knowledge gaps identified in the study. These programs should cover a broad spectrum of financial literacy topics, catering income levels.
- **Digital Platforms and Mobile Apps:** Leverage digital platforms and mobile applications to disseminate financial literacy information. Interactive and userfriendly apps can engage residents and facilitate continuous learning.
- **Community Workshops and Seminars:** Organize community workshops and seminars on financial literacy, collaborating with local experts, financial institutions, and educational institutions. These events can create a forum for residents to ask questions and interact with financial experts.
- **Partnerships with Financial Institutions:** Collaborate accessible and targeted financial literacy resources. Establishing partnerships can lead workshops, webinars, and informational materials that align with residents' needs.



- **Incorporate Financial Education in Schools:** Advocate for the inclusion of school curricula. Early exposure to financial concepts can lay
- **Promotion through Local Media:** Utilize local media outlets, such as newspapers, radio, and community magazines, to promote financial literacy initiatives. Regular features and interviews can create a sustained awareness campaign.

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