



A STUDY ON AWARENESS ABOUT THE INVESTMENT PATTERN AMONG THE WORKING WOMEN IN VIRUDHUNAGAR DISTRICT

Dr.K.Uma* S.PackiaRaji**

**Assistant Professor in Commerce, Madurai Kamaraj University, Madurai, India.*

***Assistant Professor in Commerce C.A, S.B.K.College, Aruppukottai, India.*

INTRODUCTION

Investment is the deployment of funds with the aim of achieving additional augmented income or growth in capital value. Investment is an interesting activity that attracts all people irrespective of their occupation, education and social status. The financial investment is the obligation of money to acquire assets that are expected to yield some gain over a period of time. If a person has more money than her/his current needs she/he can deposit her/his surplus money in the bank account to earn a fixed rate of interest or buy gold or purchase shares or invest in any other instruments. Women may invest either in financial or non-financial investments, such as Recurring Deposit or Fixed Deposit or children plans in Banks, Shares or Debentures in companies, units in Mutual Fund, Schemes of Life Insurance Corporation or Units Trust of India or jewels, Land, Buildings and the like. They may be having different aspirations and expectations from their investments. The investment portfolio may also differ from one person to another person. They may be having different combinations of investments expecting different benefits.*1

Investments are both important and useful in the context of present day conditions and style of living. Factors influencing investment decisions are longer life expectancy, planning for retirement, increasing rates of taxation, high rate of inflation, high income, and availability of numerous investment outlets.*2 The study has been undertaken to analyze the awareness about the investment pattern among the working women in Virudhunagar district. The main reasons behind the study is to study the demographic factors like income, gender, age, occupation, education and the risk covering nature of working women. The percentage of the women investors investing in the Indian equity market is very less as compared to the bank deposits.

OBJECTIVES OF THE STUDY

1. To study the various investment avenues generally available to working women investors.
2. To analyze the perception of the investors towards investment avenues.
3. To analyze the risk faced by the working women investors while making investment.
4. To study the awareness of the investment pattern of the working women.

LIMITATIONS OF THE STUDY

1. The sample size taken for analysis is only 50.
2. The size is restricted to Virudhunagar district.

RESEARCH DESIGN

This is a descriptive research where survey adopted to collect primary information from the investors using different scales, and secondary information for the analysis.

Primary data – A questionnaire was prepared and the primary data was collected through survey method.

Secondary data – Companies websites, books and internet customer database.

Sample size: The population being surveyed was carried among 50 respondents.

RESEARCH METHODOLOGY

The study is descriptive in nature. The methodology of the present study is outlined here under.

1. Population

Population for selecting sampling units of the study includes the investors of the Virudhunagar district.

2. Sampling Technique

Virudhunagar district is the geographical region selected for the research work. The sampling technique used by the researcher is “systematic convenient sampling method”. The sample size is 50.

3. Source and tool of data collection

The source of data collection is primary in nature. For collecting data from the sample respondents, the questionnaire was used.



ANALYSIS AND INTERPRETATIONS

The tools used for analyzing are as follows

1. Percentage analysis
2. Ranking Method
3. Perception Scores

1. Percentage method

Percentage method refers to a specified kind which is used in making comparison between 2 or more series of data. Percentages are based on descriptive relationship. It compares the relative items. Since the percentage reduces everything to a common base and thereby allow meaning comparison.

$$\text{Percentage} = \frac{\text{Number of respondents} * 100}{\text{Total no. of Respondents}}$$

2. Ranking method

The ranking method was conducted to find out preference of investors regarding the various investment avenues and to find their prime objective for making investment.

3. Perception Scores

The perception scores were classified into three groups.

- a) High Perception: Scores above (Arithmetic Mean + Standard Deviation)
- b) Moderate perception: Scores ranging from (Arithmetic Mean – Standard Deviation) to (Arithmetic Mean + standard Deviation) and
- c) Low perception: Scores less than (Arithmetic Mean – Standard Deviation)

REVIEW OF LITERATURE

Kannan and Thangavel* had stated that life insurance had today become a mainstay of any market economy since it offered plenty of scope for garnering large sums of money for long periods of time. A well regulated life insurance industry which moves with the times by offering its customers tailor-made products to satisfy their financial needs was, therefore essential if we desired to progress towards a worry – free future.

Syed Tabassum sultan* concludes that the individual investor still preferred to invest in financial products which gave risk free returns. The investment product designers can design products which can cater to the investors who are low risk tolerant and use TV as a marketing media as the investors seemed to spend long times watching TV shows.

Gridhari Mohanta and Sathya swaroop Debasish* studies that investors invested in different investment avenues for fulfilling their financial, social and psychological needs, while selecting any financial avenue they also expect other types of benefits like, safety and security, getting periodic return or dividends, high capital gain, secured future, liquidity, easy purchase, tax benefit, meeting future contingency etc.

FINANCIAL INVESTMENT

Financial Investment means investment into financial assets. These assets help in creation or production of further money. This refers to depositing money into securities such as banks, post office, shares, mutual funds, debentures, LIC, Government securities, private insurance, private finance and the like.*3

Table No: 1, Financial Investments of the Respondents (Source: Primary data)

Sl.No	Investment	No.Of Respondents	Percentage
1	Share	23	46
2	Debenture	07	14
3	Mutual Funds	19	38
4	Bank Deposits	44	88
5	Post office deposits	35	70
6	Life Insurance Corporation schemes	42	84
7	Government Securities	05	10
8	Chits	25	50
9	Private Insurance policies	20	40
10	Private Finance	02	04



It is clear from the table that 23 investors invested in shares, 7 in debentures, 19 in mutual funds, 44 (88%) in Bank deposits, 35 in post office deposits, 42 in LIC schemes, 05 in Government securities, 25 in chits, 20 in private insurance policies and 2 in private financing. Thus a majority of 44 respondents have made deposits in banks which is the traditional form of making financial investment followed by LIC schemes (84%).

NON – FINANCIAL INVESTMENT

The second category of Investment is Non-Financial Investment means investment in physical assets, which is for consumption or future use. This investment does not produce further money. This refers to depositing money into assets other than securities such as land and buildings, jewels and consumer durables.*4

Further the objective of investment also decide the nature of investment whether it is financial or non-financial. For example, if the buildings are purchased for self-occupation then it will be a non – financial investment which aims at consumption. Similarly when the building is purchased for letting it out, then it will be a financial investment aimed at making further money. Most of the respondents have made investment in non financial investment and the details are shown in the Table No: 2

Table No: 2, Non financial Investment of the respondents (Source: Primary data)

Sl.No	Investment	No.of Respondents	Percentage
1	Land	29	58
2	Buildings	25	50
3	Gold	40	80
4	Silver	06	12
5	Diamond	02	4
6	Platinum	01	2

It is clear from the above Table No: 3 that around third of the respondents have given priority to gold as far as non financial investments are concerned. The next priority is given to land and the next to buildings. They are also interested is very less in invest in silver, diamond and platinum. One can come to a conclusion that gold is the top most priority of the respondents or working women as its value is on the increase day by day.

AWARENESS OF DIFFERENT INVESTMENT PATTERN

Investment pattern refers to the distribution of asset class by which an individual has made portfolio. The distribution of assets may not be seen similar in everyone’s portfolio. This highly dependent on the awareness level and the perception of the investor. There were wide array of investment avenues which were available and mainly these assets could be classified as:

1. Financial
2. Non - Financial
3. Both

The investment pattern is an intricate area which needs deep in sight in designing a basket of securities after taking into account vast number of factors which will determine the financial benefits of the investor for the sacrifice they make from present consumption. The individuals may adopt one which is framed by them or they depend upon an expert advice given by a person named as portfolio manager. In financial connotation it is commonly called as portfolio management service. These services enable the investors to do their financial planning in a sequential order thorough technical frame work. The table No.3 given below makes us understands the investment pattern of the working women.

The distribution of the respondents on the basis of their awareness and current investment pattern was shown in Table no: 3

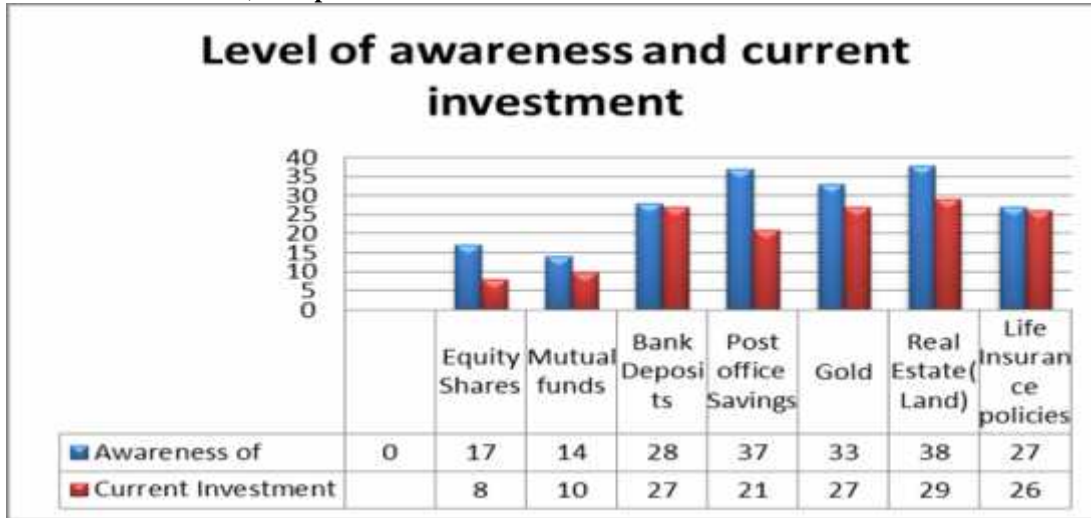
Table No: 3, Awareness of Investment avenues and current patterns (Source: Primary data)

Sl.no	Asset class	Awareness of Investment pattern	Percentage	Current investment	Percentage
1	Equity Shares	17	34	8	16
2	Mutual funds	14	28	10	20
3	Bank Deposits	28	56	27	54
4	Post office Savings	37	74	21	42
5	Gold	33	66	27	54
6	Real Estate(Land)	38	76	29	58
7	Life Insurance policies	27	54	26	52



From the above table 3 it is evident that more number of respondents were aware of the various investment avenues like Post office small savings, Real estate, Bank deposits and Gold. Nearly 50% of the respondents were aware of these schemes had also invested in these asset classes. It is observed from the table that respondents who knew about the investment like equity investment (34%) and mutual funds (28%) had not invested in them to their level of awareness. Since the percentage of investment in these types of assets tends to be lower on comparison with the bank deposits. There existed moderate relationship with the awareness and investment level of working women. Chart 3.1 explains this concept.

Chart 3.1, Comparison between level of awareness and actual investment



PERCEPTION ON VARIOUS INVESTMENT PATTERNS

With a view to finding out the attitude of the sample investors towards various investment patterns their average scores and standard deviation have been computed. Their perception falls under three categories namely, Low, Medium, High.

Low below (Arithmetic Mean – Standard Deviation)

High Above (Arithmetic Mean + Standard Deviation)

Medium From (Arithmetic Mean – Standard Deviation)

To (Arithmetic Mean + Standard Deviation)

The overview of the respondents' attitude scores of investment patterns is presented in Table 4

Table No: 4, Perception Scores for Different Investment Avenues

Sl.no	Various Investment Patterns	Low	Medium	High
1	Equity Shares	7	32	11
2	Mutual Funds	9	29	12
3	Bank Deposits	5	38	7
4	Post office savings schemes	7	31	12
5	Gold	8	36	6
6	Real Estate(Land)	7	32	11
7	Life insurance	9	29	12
8	Both	8	33	9

Source: Primary data

From the above table it can be seen that the attitude of a majority of sample respondents was under the medium category. This meant that with regard to any type of investment patterns taken individually by the study that the performances of all these patterns were considered fairly good. They were not either above or below the expectation. And with regard to Both financial and non financial attitude 33(66%) respondents come under the medium category, 9(18%) of them were in high category and 8 (16%) found themselves in the low category. Hence it is seen that the opinion regarding the investment pattern is average.



DIFFICULTIES WHILE MAKING INVESTMENT

Working women investors in Virudhunagar District have faced many problems while investing. The researcher has given the problems identified by her while making the present study. In most of the houses the women are dependent on their husbands. They give away their total salary to their husbands. The women cannot take own decisions in respect of investment. There are so many deductions from their salaries in their working place itself. So, they do not want any separate investment.

At the time of investment the investors meet a lot of troubles especially in women. In what ways the respondents meet the (difficulties) risk ranked below:

Table No: 5, Rank provided to the difficulties to the respondents

Sl.No	Difficulties	Rank
1	Cumbersome Procedures	II
2	Price fluctuation	VI
3	Low liquidity	V
4	Commission and Brokerage	I
5	High Risk	IV
6	Lack of awareness	III
7	Cheating by chit fund companies	VII

Source: Primary data

It is observed from the above table no: 5 that the problem of working women face the difficult commission and brokerage took first place, cumbersome procedures took second place; Lack of awareness third place, High risk fourth place, low liquidity fifth place, price fluctuation sixth place, cheating by chit fund company took seventh place. It indicates that the payment of commission and brokerage while making investment is the major problem faced by the working women.

SUGGESTIONS OF THE STUDY

1. By creating awareness among the Younger people about savings.
2. Investment related programs can be conducted for women.
3. Women investors are made to get advice from professional consultant before deciding on their investment options.

CONCLUSION

Thus the present study has made an attempt to study awareness about the investment pattern among the working women in Virudhunagar District. Even though the awareness of investment patterns was present among them it appeared that an in-depth knowledge was lacking in the relating to the different investment avenues. The working women required ample guidance in this area as many of them were not found to be well versed in selecting the investment avenues for framing their own investment pattern. The working women also gave their opinion regarding improvement of investment pattern.

BIBLIOGRAPHY

1. Preeti Singh, Investment Management, Himalaya Publishing house, second Revised Edition, 1991.
2. Preeti Singh "Investment Management security Analysis and portfolio Management", Himlaya Publishing House, Delhi Ed 2005, p3.
3. Available at: <http://www.exclusivemba.com/ijemr>.
4. Rustagi R.P, Investment Management Theory and Practice sultan chand and sons, New Delhi, 2005p.5.

Review of Literature

5. .Kannan,N. and Thangavel,N., "Overview of Indian Insurance Sector," Academic open Internet journal, volume 22, 2008.
6. Syed Tabassum Sultana, " A empirical study of Indian Individual Investors Behavior", Global Journal of finance and Management volume2, 1st Number, 2010., pp19-33.
7. Giridhari Mohana and sathya swaroop Debasish, " A study on Investment preferences among urban investors in Orissa" Prerna journal of Management Thought and practice, volume:3, Issue:1, March, 2011pp.1-9