

INVESTMENT PATTERN AMONG WORKING WOMEN WITH SPECIAL REFERENCE TO ERANAD TALUK IN MALAPPURAM DISTRICT, KERALA

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ABSTRACT

The great role of investment and savings in the economic development of the country has been well recognized by the economist since the time of Adam Smith. The investment and savings of private individual forms on the basis of wealth accumulated by the society. The savings in financial assets as great relevance in a developing country like India from the fact that savings can be mobilised for investment in priority areas in conformity with the planning strategies. The savings and investment of individual affect to a great extent the national economic growth and national income. All though some people consider the terms savings and investments synonymous, they are not similar. Though they are different they are like the two sides of the coin, which are inseparable. There is a link between saving and investments and vice versa. Savings may be thought as a way of getting return on the savings in the form of interest, dividend, profit or other things.

Key words:- investment, savings, income, safety, liquidity, risk

1. INTRODUCTION

The great role of investment and savings in the economic development of the country has been well recognized by the economist since the time of Adam Smith. The investment and savings of private individual forms on the basis of wealth accumulated by the society. The savings in financial assets as great relevance in a developing country like India from the fact that savings can be mobilised for investment in priority areas in conformity with the planning strategies. The savings and investment of individual affect to a great extent the national economic growth and national income. All though some people consider the terms savings and investments synonymous, they are not similar. Though they are different they are like the two sides of the coin, which are inseparable. There is a link between saving and investments and vice versa. Savings may be thought as a way of getting return on the savings in the form of interest, dividend, profit or other things.

1.1 What is investment?

In general, to invest is to allocate money (or sometimes another resource, such as time) in the expectation of some benefit in the future – for example, investment in durable goods, in real estate by the service industry, in factories for manufacturing, in product development, and in research and development. However, this article focuses specifically on investment in financial assets.

In finance, the benefit from investment is called a return. The return may consist of capital gains or investment income, including dividends, interest, rental income etc., or a combination of the two. The projected economic return is the appropriately discounted value of the future returns. The historic return comprises the actual capital gain (or loss) or income (or both) over a period of time.

Investors generally expect higher returns from riskier investments. Financial assets range from low-risk, low-return investments, such as high-grade government bonds, to those with higher risk and higher expected commensurate reward, such as emerging markets stock investments.

An investment is an asset or item acquired with the goal of generating income or appreciation. In an economic sense, an investment is the purchase of goods that are not consumed today but are used in the future to create wealth. In finance, an investment is a monetary asset purchased with the idea that the asset will provide income in the future or will later be sold at a higher price for a profit.

The term "investment" can refer to any mechanism used for generating future income. In the financial sense, this includes the purchase of bonds, stocks or real estate property. Additionally, a constructed building or other facility used to produce goods can be seen as an investment. The production of goods required to produce other goods may also be seen as investing.

2.STATEMENT OF THE PROBLEM:

Traditionally women were to the family. Their role was purely to look after home. Their world was limited to their families. But then, people slowly started recognizing the importance of education for women and today we find many highly educated women they are progressing in real sense because in almost all sectors we find women working successfully. Now a days we find more and more women who are financially independent. No doubt today's women are more successful. They are getting paid handsome salaries but what about their investment behavior? Are they financially aware enough to make their own investment. If yes, then what are their investment patterns? What are their perception towards savings and investment, what is their risk bearing capacity?

This study is carried out primarily to find out various avenues available to the working women. Investors while doing their financial planning. To find the type of investment option which are desirable by working women investors and also to know income, savings and investment relationship.

3. OBJECTIVES OF THE STUDY:

The overall objectives of the study is to analyses the income, savings and investment habits of working women

1. To understand the awareness among working women on various investment avenues
2. To know about the reason for selecting savings scheme
3. To study relationship between income, investment and savings among respondents

4. METHODOLOGY OF THE STUDY:

Both primary and secondary data have been used for the study. But primary data is extensively used. The study is based on primary data that has been collected through survey method. For this purpose a structured questionnaire was prepared and personally to the respondents. Secondary data is collected from various books, journals and publications related to savings and investment.

4.1. Sources of data

Primary data: This study mainly depends on primary data which have been collected from 40 respondents from Ernad Taluk in Malappuram District, Kerala.

Secondary data: The necessary information regarding the investment avenues are collected from various published sources.

Tools used for study: The data collected have been analyzed by using various statistical and mathematical techniques. Descriptive statistical tools like percentage analysis, correlation are used

Percentage analysis: Percentages are used in data presentations as they simplified numbers by deducting all of them to a 0 to 100 range through the use of percentages they are reduced to the standard form with base equal to 100 which facilitate relating comparison

Correlation: Degree and type of relationship between any two or more quantities or variables in which they vary together over a period. Correlation is a statistical measure that indicates the extent to which two or more variables fluctuate together. A positive correlation indicates the extent to which those variables increase or decrease in parallel; a negative correlation indicates the extent to which one variable increases as the other decreases.

4.2. Data analysis and interpretations:

Table.1: Annual savings

Annual savings	No. of respondents	Percentage
Up to 10000	10	25
10000- 25000	25	62.5
Above 25000	5	12.5
Total	40	100

- Inference: the table shows that most of the respondents make their annual investments in between the range of Rs 10000 to 25000 (62.5%).

Table.2: Purpose of savings

Purpose	No. of respondents	Percentage
Marriage of children	14	35
Education of children	15	37.5
Construction of house	6	15
Purchasing of vehicles	5	12.5
Total	40	100

- Inference: It is analyzed that, the most of the respondents make their savings for educational and marriage purpose of their children 14 % for marriage of children and 15% for education of their children.

Table.3: Investment scheme

Scheme of investment	No. of respondents	Percentage
Monthly	36	90
Half yearly	2	5
Yearly	2	5
Total	40	100

- Inference: it clear that 90% of the respondents prefer monthly investment scheme than annual and half yearly scheme

Table.4: Investment pattern

Pattern of investment	No. of respondents	Percentage
Bank deposits	40	100
Real estate	0	0
Govt. / corporate bond	0	0
Total	40	100

- Inference: Respondents give first preference to bank deposits and it is to be noted that none of the have investment in real estate and corporate or govt. bond.

5. FINDINGS:

- It is found that majority of respondents belong to the age group of below 40
- Majority of respondents are married. It is found that, the majority of working women taken for the studies are graduates. Education made them aware of various investment options
- 50% of respondents are private sector employees
- The majority of respondent's year of service is below 10 years
- Salary is the main source of income for majority of respondents
- The survey highlights that the annual income of respondents is in between the range of 100000 to 300000 as per the study
- It is found that all the respondents have savings habit
- From the study it is cleared that the savings of respondents is directly proportionate to their level of income
- The respondents make their annual investments in between the range of Rs 10000 to 25000
- It is view that the investment of respondents is directly proportional to their income level
- The annual investment and annual savings of respondents are positively correlated
- Majority of respondents are make their investment decisions based on the information collected from the family or friends
- 90% of women respondents employs monthly investment schemes
- It is analyzed that, the most of the respondents make their savings for educational and marriage purpose of their children
- The study indicate s that the respondents make investment with the view of creating wealth
- From the study it is viewed that 50% of the respondents have moderate experience in investment.
- Respondents make their investment in bank deposits and gold, due to, tax benefit, safety, liquidity and assured return on investment
- Respondents give first preference to bank deposits and it is to be noted that none of the have investment in real estate and corporate or govt. bond.

6. SUGGESTIONS OF THE STUDY:

Based on the findings of the study the following suggestions are made

- Steps should be taken for increasing the awareness of respondents regarding corporate or govt. bonds, mutual fund, real estate
- The investors should carefully analyses the returns available in the market before making her investments
- Govt. should reduce the formalities and procedures for attracting more investors
- Attractive interest rates should be made with the deposit schemes
- Provide proper guidance to the stakeholders

7. CONCLUSION;

The study is conducted to delve in to the income, savings and investments habits of working women. A special attention has been attributed to the investment pattern of working women in Ernad Taluk Of Malappuram District, Kerala. The highlighted the fact that most of working women are aware about the various investment avenues and

they are found to save their income in the most appropriate manner. The income, investment and savings of respondents are highly associated and savings can be effectively be made only if they have enough income. Various other factors such as educational qualification, occupation, etc influences the savings and investments. It is because; savings and investments can be made better only if one has the knowledge and awareness about various investment avenues. The main reason selecting the various schemes are safety, tax benefits and return. In spite of various investment avenues available, the respondents are highly satisfied with bank deposits and gold. Nowadays bank deposits lose its glitter since they are changing the interest rates every year. Therefore, people have to find other alternatives which are safe and provide regular and stable income.

8. REFERENCE

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