

RURAL INVESTOR ATTITUDE TOWARDS POST OFFICE SAVINGS SCHEME

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ABSTRACT

The Department of posts, with its network of 1,56,721 Post offices is the largest postal network in the world. Post office in the country are categorized into Head post office, Sub post office and Branch post office. Branch post office are mostly located in rural areas and are manned by GraminDakSevaks. The sub post offices are Departmental offices located in both rural and urban areas. Head post offices are located in important towns and cities mostly at district levels. The present study has been undertaken to analyse whether the postal saving scheme really increases the saving habits of the rural investors or not. So it is realised that there is a need to study on Rural Investor attitude towards post office saving scheme with special reference to Tiruchendurtaluk in Thoothukudi District.

INTRODUCTION

Savings and investment are considered as two very important concepts that need to be studied in order to understand the behavior, pattern and decision making process of the investors. Even today many of the people are still not aware of the significance of savings and investments. Therefore it is very crucial to make them aware about the importance of investment, different avenues available in the market and then

understand their attitude towards investment. People in rural area prefer investment in such a way that they need high returns as quickly as possible without the risk of losing principal money. This is the reason why many are always on the lookout for top investment plans where they can double their money in few months or years with little or no risk. Hence the present study makes an effort to examine the awareness and problems faced by investors in maintaining accounts with Post Office savings scheme.

STATEMENT OF PROBLEM

India post has the largest network of post offices in the world, 1,55,669 with 89% located in rural areas. The post office reach every nook and corner in town and village in India. This is their tradition and their strength. People are facing much problem due to internet link failure and people are very upset with CBS system of post offices and it directly impacting the services of government. The people from rural areas are mostly illiterate and don't have much awareness on the scheme so they find difficult in filling challans and vouchers. Even today depositors face many hurdles while depositing, withdrawing and transferring cash into another account. Thus the present study will examine the attitude and problems of investors while maintaining accounts with post office.

3. To critically examine the problem faced by the rural investors for maintaining accounts with post office.

4. To find out the level of awareness of schemes offered by post office.

REVIEW OF LITERATURE

1. Dr. Uma Kanth and Dr. Soma Sharma in their article critically analyse on return potential of postal saving scheme. The study was conducted in Bangalore. It was observed that investors preferred to follow 1-3 years saving plans. The statistical tools like Chi square, ANOVA and rank analysis were used.
2. Dr. Gaonkar Gopalakrishna M (2018) analysed in his paper about saving habits of people. The study is based on secondary data. In this study the author focus on annual growth rate of various savings scheme from 2012 – 17. He strongly believed that savings scheme of Post Office are surely tough competitors to commercial banks in India. He further concluded that Sukanya Samridhi savings scheme are serving the people and encouraging saving habit among the people.

ANALYSIS AND FINDING

TABLE-1 - Demographic profile

Variables	Particulars	No of respondents	Percentage
Age	Below 20	09	05
	20 – 40	97	56
	41 - 60	49	28
	Above 60	19	11
Gender	Male	24	14
	Female	150	86

OBJECTIVES OF THE STUDY

1. To examine the demographic profile of the respondents.
2. To analyse the inspiring factors which make them to opt saving scheme of post office.
3. To critically examine the problem faced by the rural investors for maintaining accounts with post office.
4. To find out the level of awareness of schemes offered by post office.

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TABLE-3
INSPIRING FACTORS TO OPT SAVINGS SCHEME IN POST OFFICE

S.No	Particulars	Extremely Inspiring	Very Inspiring	Moderately Inspiring	Slightly Inspiring	Not at all Inspiring
1.	Safety	73	51	9	19	22
2.	Children Welfare	117	43	8	4	2
3.	Stable return	88	24	13	11	38
4.	Tax deduction	91	24	13	7	32
5.	Amount gets doubled	104	18	13	5	7
6.	Lumpsum amount	96	17	54	24	3
7.	Easy to operate	69	41	37		

Source:Primary Data

Table-3 clearly examines the inspiring factors which make the rural investors to choose or opt a better scheme in post office. Most of the

respondents are extremely inspired by the factor "children welfare" followed by "Amount gets Doubled" and "Lump sum amount.

TABLE-4: PROBLEMS OF RURAL INVESTORS FOR HOLDING ACCOUNTS IN POST OFFICE

Problems	Frequently (3)	Rare (2)	Never (1)	Total Score	Average score	Rank
High penal charges	45 (135)	67 (134)	62 (62)	331	110	7
Difficulty in filling challans	118 (354)	21 (42)	35 (35)	431	144	1
Inadequate information	65 (195)	47 (94)	62 (62)	351	117	4
Unaware of net banking	78 (234)	11 (22)	85 (85)	341	113	6
Fluctuation in interest rate	58 (174)	19 (38)	97 (97)	409	136	2
Account Discontinued due to default of instalment	45 (135)	79 (158)	50 (50)	343	114	5
Internet link failure	49 (147)	89 (178)	36 (36)	361	120	3

Source:Primary Data

Table-4 shows the various problems faced by the rural investors. Difficult to fill challans scored first rank with average score of 144. Fluctuation in interest rate scored second rank with average score of 136 and internet link failure scored third rank with average score of 120.

Chi Square test

H_0

There is no significant relationship between occupation and problems faced by rural investors in maintaining accounts with post office

Particulars	Calculated Value	Table value	Degrees of freedom	H_0
Chi square value	55.309	28.869	18	Rejected

Education	School level	48	28
	Graduate	53	30
	Professional	57	33
	others	16	09
Occupation	Govt employee	22	13
	Private employee	66	38
	Business	19	11
	Farmers	67	38
Family Income Per month	Below 10000	40	23
	10000-20000	42	24
	20001-30000	64	37
	Above 30000	28	16
Savings Per month	Below 2000	89	51
	2000-4000	38	22
	4000-6000	37	21
	Above 6000	10	06

Source:Primary Data

Table-1 depicts that

- Majority (56%) of the respondents belongs to the age group of 20 – 40
- Majority (86%) of the respondents were female
- Majority (33%) of the respondents were professional

- Majority (38%) of the respondents were farmers and private employees
- Majority (37%) of the respondents family income falls between 20,001 – 30,000 per month
- Majority (51%) of the respondents were saving below 2000 per month

TABLE-2- AWARENESS ABOUT SAVINGS SCHEME IN POST OFFICE

Post office savings scheme	Aware		Slightly aware		Unaware	
	Freq- uency	Percent- age	Frequ- ency	Percent	Frequ- ency	Percent- age
Savings Account	127	73	29	17	18	10
Recurring deposit Account	94	54	37	21	43	25
Time deposit	47	27	99	57	28	16
Monthly income scheme	29	17	38	22	107	61
Public provident fund	32	19	84	48	58	33
National savings certificate	19	11	87	50	68	39
Sukanya Samriddhi Account	49	28	93	53	32	19
Ponmahan podhu Vaippunidhi	9	5	92	53	73	42
Senior citizen savings scheme	35	20	82	47	57	33

Table-2 clearly depicts the level of awareness of rural investors in post office savings scheme. Majority of the respondents are strongly aware of savings account (73%) and recurring

deposit(54%). Majority of the respondents are unaware of Ponmahan podhu Vaippunidhi (42%) and Monthly Income Scheme(61%).

Result:

Thus the Calculated Value is more than table value we reject null hypothesis. Therefore there is a significant relationship between occupation and the problems faced by rural investors in dealing with post office.

SUGGESTIONS

1. In rural areas people find it difficult to fill challans and voucher. So the government must sort the issues by appointing officials to train and educate those people.
2. Some of the respondents said that they don't have adequate knowledge in net banking. So proper awareness should be given in private T.V Channels by demonstrating a video to operate net banking.
3. Most of the respondent felt that every year interest rate is fluctuating in sukanyasamriddiyojanascheme. Hence the government must maintain a stable interest rate to attract existing and new customers.
4. People in rural areas still not known about features and benefits of the scheme. So the government must place a digital board to explain clearly about every scheme. Thus it will create confidence in the mind of the rural investors to feel secured.

CONCLUSION

From the study it is understood that the investors were highly inspired to save in saving scheme due to children welfare, amount gets doubled and lump sum amount. The recommendation must be implemented by the post office to attract new customers and prove to be a strong competitors for banks and financial institutions. In this pandemic world, without technology no one can exist as such the regulatory

authorities must keep in mind to show progress in post office by making the investors to adapt modern technology like net banking and proves to be the back bone of nations development.

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