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## A STUDY ON AWARENESS LEVEL AND PERCEPTION OF RURAL INVESTORS ABOUT FINANCIAL PRODUCTS (SAVING SCHEMES) INDIA POST.”

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### ABSTRACT:

India post is emerging as a banking institution by offering new pattern of financial products to the small investors. As it is the oldest institution in the country with wider geographical coverage, which will be helpful for attracting more number of people in to the formal financial system in the country especially from rural part of the country where a large part of the country's population is located by providing an opportunity & cultivating the habit of savings in a systematic way among poor & rural population. In this light the present study is undertaken to identify the awareness level, acceptance level and problems faced by the rural investors in availing the financial products of India post as banking institution.

An exploratory research technique was adopted for the present study. The primary data was collected through a structured questionnaire from 100 samples selected through convenient sampling method and data so obtained is analyzed with the help of simple percentages, weighted average method and chi-square techniques will be used.

**Keywords:** Rural investors, financial products, India post, financial inclusion etc.

### INTRODUCTION:

India post acts as oldest and largest banking system in the country by covering larger geographical area of the nation, which will be helpful in mobilizing the domestic financial resources through varied investment products/ financial products/ saving schemes to the people of the nation especially to the low income group in the country. The small savings mobilized by the postal saving schemes plays a important role in public debt financing by the government. India post is accepted as an investment alternative among many available as it enjoys the status of highest trustworthy entity in the country among the investors.

India post as an indirect financial institution is offering various financial products to mobilize small savings of the rural, low income group in particular. The various investment schemes offered by the India post in the name of banking institution includes,

- India post saving deposit.
- 5 Years recurring deposit scheme.
- Kisan vikas patra.
- PO time deposit.
- PO monthly income scheme.

- Public provident fund.
- Senior citizen saving scheme.
- Sukanya sammridhi yojana

### STATEMENT OF THE PROBLEM:

For the economic growth of any country, financial resource is vital. A country like India with huge population scattered to large geographical area, most of them located in rural part requires a strong financial system to mobilize the small savings of large portion of the population. with the objective of mobilizing such huge untapped small savings of the rural population the government initiated a policy to make use of the large network of India posts by offering various investment schemes/ financial products to all class of people. Even though the India posts enjoy the status of highest trustworthy entity, offering better returns at low risk. The saving schemes of India posts are not considered as an better investment option among majority of the rural investors. Therefore the present study is undertaken to evaluate the awareness level, factors motivating & problems faced by the rural people in accessing to the saving schemes of India post.

### OBJECTIVES:

1. To evaluate the awareness level of rural investors towards the financial products (saving schemes) of India post.
2. To analyze the motivational factors related to India post saving schemes.
3. To examine the intensity of problems faced by rural investors in India post saving schemes.

### SCOPE OF THE STUDY:

The present study focused on the behavior of rural investors with respect to financial products (saving schemes) of India post and it also highlights the various problems faced by the investors in opting for saving schemes of India post in Doddaballapura(T), Bangalore rural district in Karnataka.

### RESEARCH METHODOLOGY:

- **Geographical study area:** Doddaballapura (T), Bangalore rural district.
- **Study period:** February, 2023 to April, 2023.
- **Sampling method:** Convenient sampling method.
- **Sample size:** 100 respondents.
- **Source of data:** Primary data collected through the structured questionnaire.
- **Tools for data analysis:** simple percentages, weighted average ranking method.

### DATA PRESENTATION, ANALYSIS & INTERPRETATION:

**Table:1- SOCIO- ECONOMIC PROFILE OF THE RESPONDENTS**

Variable		Count	Percentage
Age:	21-30	10	11
	31-40	47	50
	41-50	23	24
	50 & above	24	26
	<b>Total</b>	<b>94</b>	<b>100</b>
Gender:	Male	43	46
	Female	51	54
	<b>Total</b>	<b>94</b>	<b>100</b>
Education qualification:	Scholl dropout	15	16
	Intermediate /PUC/10+2	26	28
	Graduate	51	54
	Post graduate	17	18

	<b>Total</b>	<b>94</b>	<b>100</b>
<b>Average monthly income (Rs.):</b>	Less than 15000	11	12
	Rs.15001 to 25000	34	36
	Rs.25001 to 35000	41	44
	Rs.35001 & above	19	20
	<b>Total</b>	<b>94</b>	<b>100</b>
<b>Average monthly savings (approximate %):</b>	Less than 10%	9	10
	11 % to 15%	34	36
	16% to 20 %	39	41
	21 % to 25 %	12	13
	<b>Total</b>	<b>94</b>	<b>100</b>
<b>Family size :</b>	Couple only	17	18
	Nuclear family	51	54
	Joint family	26	28
	<b>Total</b>	<b>94</b>	<b>100</b>
<b>Major source of family income :</b>	Farming	21	22
	Own business	12	13
	Private employee	64	68
	Government employee	18	19
	<b>Total</b>	<b>94</b>	<b>100</b>

Source: Primary data (Questionnaire)

**From table: 1** Among the sample respondents 47(50%) belongs to the age group of 31-40, 24(26%) belongs to 50 & above, 23 (24%) belongs to 41-50 and only 10(11%) belongs to 21-30 years. In the survey about 51(54%) of the respondents are female and 43(46%) are male. Among the respondents majority i.e. 51(54%) are graduates and 26(28%) are completed their intermediate only. Respondents average monthly income is concerned about 41(44%) are having the income between Rs.25001 –Rs.35000, 34(36%) are having Rs.15001-Rs.25000 & 19(20%) with Rs.35000 and above, only 11(12%) have their income less than Rs.15000. when it comes to the approximate monthly savings of the respondents an about 41% said that their savings is around 16% to 20 % , 36% of the respondents have around 11% to 15 % of their monthly income. The main source of family income comes 68% of the respondents from private employment, 22% get through farming & 19% through government employment.

## Table:2 SOURCE OF INFORMATION:

Sl.no	Source of information	Count	Percentage
1	Family & friends	35	37
2	India post office staff	9	10
3	Advertisements	24	26
4	Investment consultants	4	4
5	Self interest	22	23
	<b>Total</b>	<b>94</b>	<b>100</b>

Source: Primary data (Questionnaire)

From table no.2 shows that 35(37%) of the respondents know about the schemes through their family members and friends, 24(26%) from the advertisements in various medias, 22(23%) are knowing by making inquiries at different sources out of their self interest, 9(10%) came to know about the schemes from the India post office staff, only 4(4%) have taken the guidance of the investment consultants.

**TABLE NO.3 AWARENESS LEVEL AMONG RURAL INVESTORS WITH RESPECT TO SAVING PRODUCTS OF INDIA POST.**

Sl.no	Name of the scheme	Very high	High	Moderate	Low	Very low	Mean score
1	India post saving deposit.	45	26	16	7	0	<b>4.16</b>
2	5 Years recurring deposit scheme.	19	35	20	14	6	<b>3.50</b>
3	Kisan vikas patra.	7	18	17	16	36	<b>2.40</b>
4	PO time deposit.	5	11	19	21	38	<b>2.19</b>
5	PO monthly income scheme.	7	21	16	30	20	<b>2.63</b>
6	Public provident fund.	11	13	29	18	23	<b>2.69</b>
7	Senior citizen saving scheme.	12	14	30	26	12	<b>2.87</b>
8	Sukanya sammridhi yojana	29	31	18	7	9	<b>3.68</b>

Source: Primary data (Questionnaire)

Table no 3 shows that the level of awareness about India post saving deposit, 5 Years recurring deposit scheme & Sukanya sammridhi yojana are very high whereas the level of awareness about Kisan vikas patra, PO time deposit , PO monthly income scheme , Public provident fund , Senior citizen saving scheme are low

**TABLE NO 04- MOTIVATIONAL FACTORS IN INDIA POST FINANCIAL PRODUCTS (SAVING SCHEMES):**

Sl no.	Motivational factor	Extremely influential	Very influential	Somewhat influential	Slightly influential	Not at all influential	Mean score	Rank
1	Attractive Returns	39	31	17	7	0	4.09	<b>2</b>
2	Convenience	27	21	31	13	2	3.62	<b>5</b>
3	Low Risk	38	27	17	9	3	3.94	<b>3</b>
4	To Enjoy Tax Benefit	19	20	8	37	10	3.01	<b>7</b>
5	Simple Formalities	21	37	22	9	5	3.64	<b>4</b>
6	Possibility To Save Small Amount	25	32	18	9	10	3.56	<b>6</b>
7	Promote Social Protection	41	32	18	3	0	4.18	<b>1</b>

Source: Primary data (Questionnaire)

Table no 4 it is clear that among the various factors motivating to invest in india post financial products, promotion of social protection occupies the 1<sup>st</sup> rank with mean score of 4.18, followed by the attractive returns in 2<sup>nd</sup> place with mean score of 4.09, low risk with mean score of 3.94 (3<sup>rd</sup> rank), then simple formalities with mean score of 3.64 (4<sup>th</sup> rank), convenience with mean score of 3.62 (5<sup>th</sup> rank), possibility to save small amount with mean score of 3.56 (6<sup>th</sup> rank) and last place to get tax benefit with mean score of 3.01 (7<sup>th</sup> rank)

## TABLE NO.05: PROBLEMS FACED BY INVESTORS WHILE INVESTING IN SAVING PRODUCTS OF INDIA POST

Sl.no	Particulars	Mean score	Rank
1	Low level of technology integration	4.21	1
2	Lack of information about features and benefits about the products	3.50	6
3	Longer waiting time	3.68	4
4	Poor customer service	4.00	3
5	Low rate of interest	3.47	5
6	Long lock in period	4.14	2

**Source:** Primary data (Questionnaire)

Table no 5 it is clear that major problems faced by the investors of India post financial products(saving schemes are low level of technology integration with mean score of 4.21(1<sup>st</sup> rank, long lock in period with mean score of 4.14(2<sup>nd</sup> rank) and poor customer service in the post offices with mean score of 4.00 (3<sup>rd</sup> rank).

### FINDINGS:

The following are various facts found in the survey,

- Majority of the respondents are female in the age group of 31-40years.
- Most of the respondents are private sector employees with an average monthly income of Rs.25001-Rs.35000.
- Most of the respondents are graduates.
- The major source of information flow to the respondents about the schemes of India post is friends and family members as well as advertisements in different media.
- Among the various financial products about India post saving deposit, 5 Years recurring deposit scheme & Sukanya sammriddhi yojana are more popular.
- The major reasons for the acceptance of India post financial products by the rural investors are promote social protection, attractive Returns and low risk.
- The major problems faced by the investors of inda post financial products are low level of technology integration to render services, long lock in period of the investments and poor customer service.

### CONCLUSION:

India post plays a very key role in the development of the economy by performing various financial services and activities to attract people to invest money to secure their future. The present study focused on ascertain the awareness level and problems faced by the investor especially in the rural areas while investing their money in the financial products of India post. From the study it was found that in spite of huge efforts by the government and other departments very few schemes of the India post are popular i.e rural people are aware about about India post saving deposit, 5 Years recurring deposit scheme & Sukanya sammriddhi yojana. As many of the India post offices are not equipped with latest technology to render faster service to the people as result people need to wait for longer hours in the post offices. So the government can focus on improving the technology and training the India post office staff to render better service by creating customer friendly environment at the India post Offices.

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