



**INTERNATIONAL JOURNAL OF NOVEL RESEARCH
AND DEVELOPMENT (IJNRD) | IJNRD.ORG**
An International Open Access, Peer-reviewed, Refereed Journal

INVESTORS' CONSCIOUSNESS AND INCLINATION OF INDIAN POST OFFICE SCHEMES: WITH SPECIAL REFERENCE TO SENIOR CITIZENS SAVINGS SCHEME

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Abstract

Savings are common to all human societies. In India, there are different investment possibilities available to meet the different needs of investors. The investors' interest in saving schemes will have a significant impact on people's saving behavior. Positive awareness of the scheme in which they have invested will encourage people to keep investing in it. They frequently begin investing in different schemes offered by the same organizations. Investors' level of awareness regarding savings plans and the organizations that provide them was examined.

Keywords: Savings, Post office, Investors and Department of post.

Introduction

Post Office Savings schemes play an important role. It offers investors abundant welfare. The nation's primary savings institution is the Post Office Savings. It plays a major role in rural India. It provides investors with a number of advantages. Numerous schemes have been developed with the specific needs of various small savers in mind. The most significant tools of post office savings plans are tax benefits like investment contribution exemptions. It functions under the Postal Department and works as an agent for the Ministry of Finance, Government of India, for which it takes a commission.

Senior citizens savings scheme (SCSS)

The Senior Citizens Savings Scheme (SCSS) is a government-backed investment scheme designed for senior citizens, offering a safe and reliable way to earn regular income and tax benefits.

- From 01.01.2024 interest rate is 8.2% per annum, payable from the date of deposit to 31st March/30th Sept/31st December in the first instance & thereafter, interest shall be payable on 1st April, 1st July, 1st October and 1st January.
- An individual person above 60 years of age can open SCSS Account. Minimum deposit shall be Rs. 1000 and in multiple of 1000, subject to maximum limit up to Rs. 30 Lakhs in all SCSS accounts opened by an individual.
- Interest shall be payable on quarterly basis and applicable from the date of deposit to 31st March/30th June/30th September/31st December.
- Account can be prematurely closed any time after date of opening.

Statement of the problem

One of the most important tools for reducing poverty is saving. People want to manage their daily lives with investments. The post office has hosted a number of post office savings programs to boost our nation's economy. When making deposits and receiving their money back, depositors encounter numerous difficulties. Currently, the main problems are that the uneducated are unaware of the government's facilities. Therefore, an attempt is made to determine the degree of satisfaction and awareness regarding the post office's senior citizen savings program.

Objectives

- To study the investors level of awareness towards senior citizens savings scheme in post office.
- To identify the purpose of investing in post office senior citizens savings scheme.

Research methodology

Area of study

The study covers the respondents from Coimbatore city. Coimbatore is called as Manchester of South India. It is a major metropolitan city in the Indian state of Tamil Nadu. It is a city that lives and breathes the essence of Indian culture with its renowned beauty.

Source of data

Both primary and secondary data are used in the study. Primary data have been collected from 100 respondents by administering a well-structured questionnaire schedule. Secondary data have been collected from authorized sources such as postal department database, various Journals, Libraries and Newspaper Articles.

Sampling design

Sampling design is a technique adopted for selecting the samples from a given population.

The sampling design used for this study is multi stage sampling method.

Tools

- Percentage analysis
- Kendall's coefficient of concordance – ranking
- Chi- square analysis

Limitations

- The study is confined to Coimbatore city only.
- The results are based on the data collected from 100 investors only.
- The opinion of the investors may vary at different destinations.

Review of literature

Dr.N.Rameshkumar (2018) undertook a study on the investor's attitude and savings pattern towards post office savings schemes in Coimbatore district. The notable findings of the study indicates that there is no significant relationship between educational qualification and awareness level of schemes in post office and no significant relationship between family monthly income and factors influencing to invest in post office savings schemes. The study suggests giving hike in interest rate and all the transactions can be systemised, which will save the investor's time. So Government should take care of these issues into consideration and make necessary arrangements.

Analysis and interpretation

TABLE NO. 1
Demographic profile of the investors

S.NO	PARTICULARS	NUMBER	PERCENTAGE
GENDER			
1	Male	28	28.0
2	Female	72	72.0
AGE GROUP			
1	21-30 years	6	6.0
2	31-40 years	29	29.0
3	above 40 years	65	65.0
OCCUPATION STATUS			
1	Employed	8	8.0
2	Business	35	35.0
3	Professional	23	23.0
4	Retired persons	34	34.0
TYPE OF FAMILY			
1	Nuclear family	63	63.0
2	Joint family	37	37.0

The above table shows that out of 100 respondents, 72 % of the respondents are male and 28% respondents are female. , 65% of the respondents are in the age group of above 40 years, 29% of the respondents in the age group of 31- 40 years and 6% of the respondents are in the age group of 21 – 30 years s. 35% of the respondents are business persons, 34% of the respondents are retired persons , 23% of the respondents are professionals and 8 % of the respondents are employed. 63% of the respondents are in the nuclear family and 37%of the respondents are in the joint family.

Cluster analysis

Table No .2

Awareness of investors towards the features of the senior citizens savings scheme account in post office

Final clusters and ANOVA

Features of the senior citizens savings scheme account in post office	Final Clusters			ANOVA	
	1	2	3	F Value	Sig.
Opening of account	4.06	4.43	3.52	176.726	0.000
Facilities	3.19	4.19	3.84	213.769	0.000
Restrictions	3.65	4.17	3.47	69.600	0.000
Mean	3.63	4.26	3.61		
No. of cases	184	78	138		
Percentage	46	19.5	34.5		

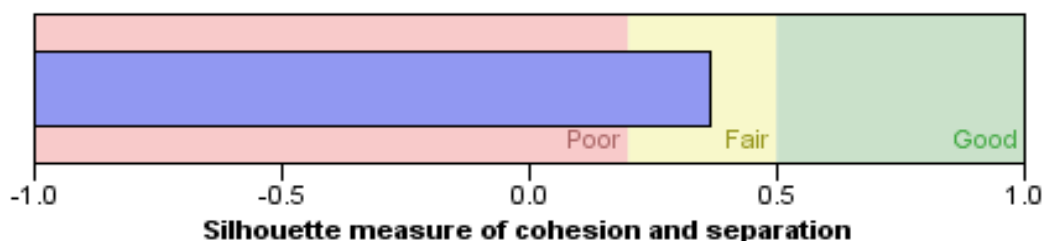
Table shows the final clusters and ANOVA results of investors' awareness about the features of post office schemes. The second cluster has a high level of awareness about the features of post office schemes with a mean value of 4.26. The investors in this cluster agree to a large extent that the awareness level is more than satisfactory. The number of cases in this cluster is high at 19.5 percent of the total investors. This cluster can be branded as “Highly aware with formalities” cluster. The first cluster can be branded as “Moderately aware with formalities “cluster with a mean value of 3.63 as the investors agree about various features of post office schemes. The third cluster investors can be classified as “less aware formalities” cluster with a mean value of 3.61. It can be concluded that most of the investors agree that the level of awareness towards the features of post office schemes is satisfactory.

F value with respect to facility is highest (213.769), followed by opening of account with a value of 176.726. Hence, facility is the most important among all the factors. From the ANOVA results, it can be inferred that the significant value is less than 0.05 which means that all the variables are contributing significantly to the segmentation of the investors. Thus, it can be concluded that investors are distinctly classified into the different clusters based upon their awareness towards the features of post office post office savings schemes.

The quality of the segmentation is also tested with a two-step cluster analysis. Figure shows a “fair” quality of segmentation of investors based on the level of awareness towards the features of post office schemes.

Exhibit No:1

Awareness of investors about the features of senior citizens savings scheme account in post office – Cluster Quality



Average rank analysis.

Table No: 3

Factors influencing the investors to open senior citizens savings scheme

S.No	Factors	Rank	1	2	3	4	5	6	7	8	9	10	Mea n	Ran k
		Value	10	9	8	7	6	5	4	3	2	1		
a	Easy liquidity	No	43	32	0	0	0	0	0	0	18	7	8.87	III
b	Easy operation	No	36	24	23	0	17	0	0	0	0	0	8.62	VI
c	Fixed income	No	45	0	34	0	21	0	0	0	0	0	8.48	VII
e	Flexibility	No	0	0	0	0	0	6	0	40	0	54	6.9	IX
f	Interest rate	No	43	22	0	35	0	0	0	0	0	0	8.73	IV
g	Low risk	No	54	12	18	0	0	16	0	0	0	0	8.72	V
h	Maturity period	No	0	0	0	0	0	0	0	33	0	67	1.66	X
i	Minimum and maximum period	No	0	12	32	0	30	5	17	4	0	0	6.49	VIII
j	Safety of the funds invested	No	78	0	13	9	0	0	0	0	0	0	9.47	I
k	Tax savings	No	56	32	12	0	0	0	0	0	0	0	9.44	II

Among the various factors influencing customers to prefer the scheme, most of the respondents have given top priority to safety of the funds invested followed by tax savings, easy liquidity, interest rate, and low risk.

Weighted Score analysis**.Table No: 4****Satisfaction level of the investors towards Senior citizens savings scheme**

Factors	Score	HS	S	NU	DS	HDS	Total	Score
Mode of deposits	No	60	13	13	10	4	100	4.15
	Score	300	52	39	20	4	415	
Nomination facility	No	33	13	28	15	11	100	3.44
	Score	165	52	84	32	11	344	
Payment flexibility	No	35	22	13	24	6	100	3.56
	Score	175	88	39	48	6	356	
Safety and security	No	90	10	0	0	0	100	4.9
	Score	450	40	0	0	0	490	
Tax benefit	No	83	13	4	0	0	100	4.79
	Score	415	52	12	0	0	479	
Withdrawal	No	32	22	13	26	7	100	3.46
	Score	160	88	39	52	7	346	
Interest rates	No	40	34	20	6	0	100	4.2
	Score	200	136	60	24	0	420	

Note: HS-Highly Satisfied, S-Satisfied, N- Neutral, DS-Dissatisfied, HDS- Highly Dissatisfied)

It is found from the table the respondents have high-level agreeability towards “tax benefit “followed by “mode of deposit” when compared to the other factors relating to the satisfaction towards the scheme.

CONCLUSION

Today postal department has to formulate itself by improving its facility and saving schemes to satisfy the customers. In the light of changing environment, it has constantly upgraded its knowledge of the internal and external environment to understand the customer relationship properly. Saving is necessary for human life

as it provides a life and security for the customers. One of the main motives of the Department of Post is to uplift the savings of the people. The researcher strongly believes that the post offices are the only public organization which is more intimately bonded with human relations than any other government department. It is universally recognized as a facilitator of communications. Though there are many saving choices available, as a public organization, the Department of Post should try to give innovative saving schemes to the public..

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