

A Study on Investment Inclination of Women Investors towards Different Avenues of Collateral in Rudrapur purview, Uttarakhand

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Abstract: *The economic dimension of an empire is operate by savings and its fluctuation (transformation) into investment. Future is uncertain, for this purpose each and every men and women promotes saving. Presently, India have a higher investment rate than the saving rate. Savings can be used to expand returns by investing in several investment instruments. In today's scenario India is considered one of the most piquant investment tempting worldwide. Only women are proficient in saving and have experient habit comparison to men. But they don't want to take risk and don't invest more money as compare to the men. For this purpose, they want invest their money in different portfolios, which give better return and minimize the risk. Opinion of men and women are divergent for financial decisions. In Indian scenario Indian women are actively participating in investment, they are very self-reliant and stimulate them to invest their earning appropriately to secure the family's future financially. For this, they are deedful involved in all movements such as education, politics, media, science and technology, and become financially independent. This study is focused on the analysis of women investment inclination on the priority of investment in different avenues and the demographic factors which influenced the investment decision of women towards financial instruments with special reference to Rudrapur purview. The study is made to identify women investment preference. How the demographic factors affect their investment decisions with risk capacity. They are aware about the investment avenues or not.*

Keywords: *Women, Inclination, Avenues, Decision, Instruments, Appropriately, Purpose.*

1. INTRODUCTION

Awareness of investment avenues and financial market plays a crucial role in the choice of investment opportunities. High-money investors always conduct an investigation before investing in a portfolio. Presently, women have vast knowledge about the various investment activities and they prefer various investment avenues according to their choice or objectives and financial position. Women make a huge contribution to their economy worldwide. Women are very conservative in terms of investment. In today's scenario women play a pivotal role in progress of a country, they have the potential to change their own economic status, as well as that of the communities and countries in which they live. The status of women in India has been growing over the past few decades. Today, they have more earning potential and more influence over financial decisions than ever before. They are now making a bigger share of the decision over whether to invest in stocks, bonds or real estate. Over the past few decade women have undergone a huge change regarding the investment pattern. Many working women save funds which are invested in various investment portfolio's which in turn leads to capital formation in the economy and growth of the nation. It is confined to various demographic factors influencing the investment behavior, their level of awareness their preference towards a particular mode of investment and difficulties faced by them. Employed women have a greater propensity to save and invest because of their independent earning power. They are also motivated by the investment behavior of their colleagues in their work place. They are supposed to be risk adverse, safety oriented and guided by certainty of returns. With increasing level of knowledge and awareness, Women are slowly participating in the risk investment portfolios and they are becoming analytic in their investment behavior. The main investment opportunities are bank deposits and the main aim of investment is the education, marriage and safety of children after retirement. There are various investment avenues show in fig. 1. But savings and investment have many differences which they can elaborate it.

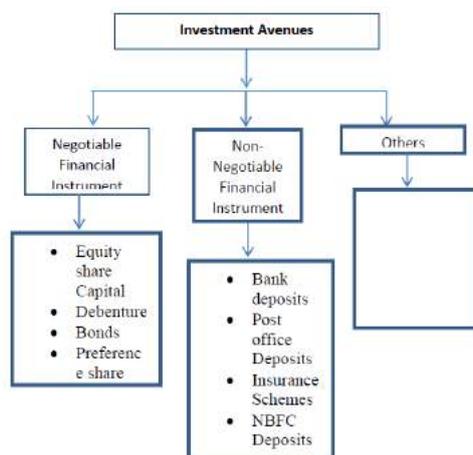


Fig 1: Types of Investment avenues

(Source: A research paper)

Table 1: Difference between Savings and Investment

Basis for comparison	Savings	Investment
Meaning	Savings is the ratio of the income which the person cannot use for consumption.	Investment refers to the mechanism of investing money in capital assets to promote good returns.
Objective	Savings are built to meet short-term or urgent necessity.	Investments are built to contribute income and help with capital formation.
Risk	Low or negligible	Very high
Returns	No or less	Comparatively high
Liquidity	Highly liquid	Less liquid

2. REVIEW OF LITERATURE

i) Parimalakanthi and Ashok Kumar (2015) is concluded from their study that education of investors is immensely important for the present day investors he has told. Investors, before making investments, need to collect investment related information from the internet and consult with friends, peers and investment experts before making investments. The majority of the investors prefer to invest in savings account followed by Gold and Silver, Fixed deposit account and the like. The outcome of the research has shown that most of the investors prefer bank deposits followed by investment in gold & silver investment.

ii) Subramanya and Manasa (2015) have found from their study that Women investors always give more importance for their principle irrespective of Investment Avenue. Only salary class people think about investment habit amount. Therefore awareness program is essential for women investors.

iii) Neha S Shukla (2016) has observed that working women invest in various investment avenues. It was found that there is no relationship between education with investment while there is significant relationship between Age and Income.

iv) Shilpa Sampath Kumar and Jawahar Rani (2016) has concluded in their study that women investors of unorganized sector need an environment of trust to be able to invest their money in a financial product, especially life insurance, which provides a social security net. It is found that nearly three-fourth of the existing women policy holders of unorganized sector are of the view that they may take another policy in future if their economic conditions improve and their existing expectations are satisfied.

v) Veerta Tantia and Gautam N et al. (2017) They concluded in their study women have become independent and are in better position to invest on their own and to know how to invest based on their risk class, how much to invest, where to invest and when to invest. Buyer's investment behavior changes depending up on their age, gender, income, occupation and their expectation level on return. The study indicates that women tend to invest more on Gold ornaments rather than Gold bonds due to many reasons and most of the women are unaware of Gold bonds. Women tend to buy more gold in order to maintain status and for future safety. Gold plays a major role as a part of investment portfolio for an individual in order to diversify risk class.

vi) M.Nallakannu and V.M.Selvaraj (2018) Investors are sensitive about their safety of their investments made. They need safety and reliability for their investments. Current trend had not affected investment. College teachers invest their money in safer environment, need regular income from their investment made with lower risk. It is evident from the study that most of the teachers are considered safety for selecting the mode of saving and Bank deposits was considered as the main option of the investment followed by Insurance.

3. OBJECTIVES OF THE STUDY

- To study about the various types of investors.
- To know the impact of demographic factors in the investment inclination of women while despoil the collaterals to invest.
- To examine the investment avenues which women investors prefer in Rudrapur area.

4. RESEARCH METHODOLOGY

4.1 Need of the Study: The need of this study to understand absolutely whatwomen investor judges earlier, invest her cash and how much risk is she ready to take.

4.2 Study Design: Exploratory study design was used to fulfill the objectives.

4.3 Study Area: The area of the study for the research purpose was Rudrapur Uttarakhand. The study was conducted on Rudrapur Uttarakhand.

4.4 Sources of Data: The primary data were collected using the survey method with the help of structured questionnaire. The secondary data was collected from various research papers, internet, marketing journal, books, magazines and past thesis etc.

4.5 Tools and techniques: Data collected with the help of questionnaire is coded in the form of numbers such as 1, 2, and 3 and so on. The coded data is processed and analyzed using SPSS version 21.0 statistical software. In order to achieve the objectives of the study, following statistical tools are used such as Chi square test, Garrett's ranking techniques and Percentage.

4.6 Sample Size: The sample size for research purpose is 100 respondents.

4.6 Validity and Reliability: Various research paper and Expert's opinion was also corporate in every aspect of the study.

5. ANALYSIS AND DISCUSSION

5.1 Types of Investors

According to Rich Dad Poor Dad author, Robert Kiyosaki, there are two main types of investors: Average Investors and Professional Investors.

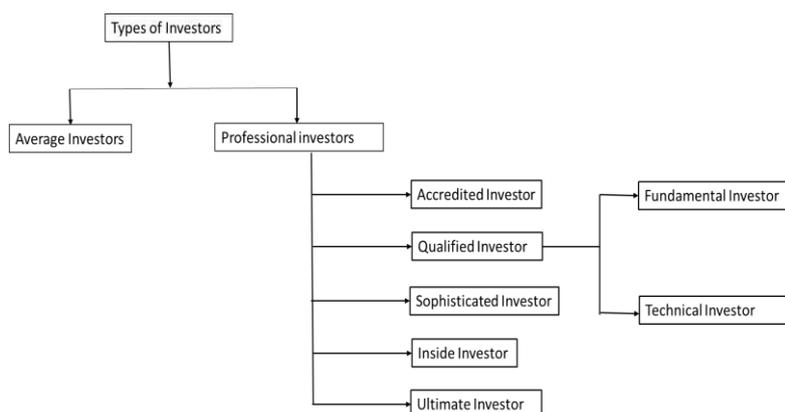


Fig 2: Types of Investors

(Source: Internet)

1. Average investors buy packaged securities such as mutual funds, treasury bills or real estate funds.

2. Professional investors are additional aggressive—they generate investment options or get in on the ground floor of new offerings, construct businesses and spread markets, cluster groups of treasurer to fund negotiate too large for them to undertake alone, and pull the companies with the most promise for Initial Public Offerings(IPOs) of stock. There are various types of professional investors such as:

i) Accredited Investor: An accredited investor is a natural or legal person who can handle securities. Accredited investors associate natural persons, banks, insurance companies, brokers and trusts. They are not registered with the tax authorities by meeting any of the requirements of income, wealth, assets, government status or professional experience. In other words, the accredited investor earns a lot of money and / or has a high fortune.

ii) Qualified Investor: A Qualified Investor, also known as an Accredited Investor, is a natural or other legal entity that is authorized by the Securities and Exchange Commission (SEC) to invest in hedge funds, venture capital funds, private equity offerings and different private placements. Qualified investors must reveal sufficient income or assets before they can acquire unregistered securities. In other words, these investor have more knowledge about fundamental and technical investments.

a) Fundamental Investor: It requires the ability to evaluate a company's ability by inspecting the financial statements, following the industry in which the company is represented, and calculating how changes in interest rates and the economy as a whole affect profitability. The base investor acts financially to measure the strength of a company.

b) Technical Investor: It is divergent, in particular, based on knowledge of the sales background of a company's stock, market sentiment in general and techniques such as short selling and options.

iii) Sophisticated/ seasoned/ experienced Investor: A seasoned investor is a type of investor who has enough investment experience and knowledge to balance the risks and benefits of an investment opportunity. Demanding investors exercise control over the timing of taxes and the nature of their income. In other words, these investors understands investing and the law.

d) Inside Investor: A profitable business is the main goal of this investor. Whether as a senior employee of a company or owner of a majority of its shares, the internal investor strives for a degree of management control. In other words, they generates the investment.

e) Ultimate Investor: These are the owner of a company. They make an Initial Public Offer (IPO), which is very expensive and full of risks. The main aim of the investor is to make a company so individual that shares are sold to people.

5.2 Respondents Demographic Profile

Demographics communicate to the essential and assessable statistics of a population. These factors are mostly used as a backbone for market distribution.

Table 2: Socio – Demographic profile of Respondent

Demographic Profile			
Factors	Categories	Frequency	Percentage
Age (Years)	Up to 30	21	21.0
	31 - 40	41	41.0
	41 - 50	31	31.0
	Above 50	7	7.0
	Total	100	100.0
Marital Status	Married	57	57.0
	Divorced	4	4.0
	Unmarried	27	27.0
	Widow	12	12.0
	Total	100	100.0

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Children	Yes	62	62.0
	No	38	38.0
	Total	100	100.0
No. of Children	0	38	38.0
	1	11	11.0
	2	24	24.0
	3	22	22.0
	4	5	5.0
	Total	100	100.0
Occupation	Self - employee	31	31.0
	Government employee	24	24.0
	Salaried	32	32.0
	Others	13	13.0
	Total	100	100.0
Profession	Businesswomen	12	12.0
	Industrialist	3	3.0
	Lawyer	11	11.0
	Housewife	9	9.0
	Doctor	13	13.0
	Pensioner	11	11.0
	C.A.	2	2.0
	Engineer	4	4.0
	Farmer	-	-
	Trader	7	7.0
	Academician	25	25.0
	Others	3	3.0
	Total	100	100.0
Academic Qualifications	Basic Education	-	-
	Higher Secondary	6	6.0
	Graduate	48	48.0
	Post Graduate	46	46.0
	Total	100	100.0
Earning Member	0-2 Members	11	11.0
	2-4 Members	58	58.0
	4-6 Members	28	28.0
	Above 6	3	3.0
	Total	100	100.0
Family Type	Joint family	45	45.0
	Nuclear family	55	55.0
	Total	100	100.0
Income (Rs.)	Up to 25000	28	28.0
	25001-50000	31	31.0
	50001-75000	28	28.0
	Above 75000	13	13.0
	Total	100	100.0
Saving (Rs.)	Up to 10000	2	2.0
	10001-25000	21	21.0
	25001-50000	28	28.0
	50001-100000	29	29.0
	Above 100000	20	20.0
	Total	100	100.0
Domicile	Rural	32	32.0
	Urban	50	50.0
	Semi-urban	18	18.0
	Total	100	100.0

Residence	Own	93	93.0
	Rented	7	7.0
	Total	100	100.0

Source: Data collected through questionnaire by the researcher

Inference:

Table 1 shows that 57% of respondents are married, 41% of investors in the age group 31-40 years, 62% have children in which 38% have no children, 32% salaried/employees, 25% graduates, 48% graduates, 58% belong to 2 to 4 earning members, 55% belongs to nuclear family, 31% belongs to Rs. 25001-Rs. 50000, 29% prefer savings Rs. 50001-100000, 50% of Urban and 93% have their own residence, it can be inferred that married women prefer investments in which they are between the ages of 31-40 and they have children and belong to the nuclear family, mostly salaried/employee belonging to the graduate category and have 2 to 4 earning members in their family and their salary in Rs. 25001 to Rs. 50000, and most of them have their own house, their savings are Rs. 50001-Rs. 100000, especially women have their own residence and most of them live in the urban area.

5.2.1: Relationship between Annual Income and Annual Saving

The investors saving depends upon their desire to save their money.

H₀: There is no significant relationship between the annual income and annual saving of the respondents.

H₁: There is significant relationship between the annual income and annual saving of the respondents.

Table 3: Relationships between Annual Income and Annual Saving

Sr.No.	Annual Income (Rs.)	Annual Saving					Total
		Up to 10000	10001 - 25000	25001 - 50000	50001 - 100000	Above 100000	
1.	Up to 300000	1	20	7	0	0	28
2.	300001 - 600000	0	0	14	17	0	31
3.	600001 - 900000	1	1	4	9	13	28
4.	Above 900000	0	0	3	3	7	13
Total		2	21	28	29	20	100

Source: Data collected through questionnaire by the researcher

Table 4: Chi - Square Test

Degree of freedom	12
Table value at 5 percent level of significance	21.0
Calculated value	98.647

Table 4 reveals about the calculated chi square value (98.647) which is greater than the table value (21.0) at 5% significance level. The test is significant. This means there is a significant relationship annual income and annual saving of the respondents. Therefore, the null hypothesis is rejected.

5.2.2: Relationship between Annual Income and Proportion of Respondent's Income

H₀: There is no significance relationship between annual income and invest proportion of income of the respondents.

H₁: There is a significance relationship between annual income and invest proportion of income.

Table 5: Relationship between Annual Income and Proportion of Respondent's Income

Sr. No.	Annual Income	Proportion of Income of Respondent's Income				Total
		Less than 10%	10 - 25 %	25 - 50%	Above 50%	
1.	Up to 300000	18	9	1	0	28
2.	300001 - 600000	0	19	12	0	31
3.	600001 - 900000	2	4	20	2	28
4.	Above 900000	0	3	4	6	8
Total		20	35	37	8	100

Source: Data collected through questionnaire by the researcher

Table 6: Chi – Square Test

Degree of freedom	9
Table value at 5 percent level of significance	16.9
Calculate value	94.708

Table 6 reveals about the calculated chi square value (94.708) which is greater than the table value (16.9) at 5% significance level. The test is significant. This means there is a significant relationship annual income and invest proportion of income of the respondents. Therefore, the null hypothesis is rejected.

5.3: Association of investment Avenues prefer by Investor’s for investment

There are so many investment avenues are available in the market, so the investors have to take investment decision very carefully. The following table displays the investment avenues.

Table 7: Association of investment avenues prefer by investor’s for investment

Sr. No.	Investment Avenues	Rank														Total score	Mean score	Rank
		1	2	3	4	5	6	7	8	9	10	11	12	13	14			
1.	Share Market	5	10	5	4	7	2	3	9	13	20	13	5	2	2	4996	49.96	IX
2.	Debenture/ Bonds	3	1	6	6	2	2	4	1	1	10	21	27	13	3	4078	40.78	XI
3.	Medical Policy	1	3	3	5	9	22	12	8	11	8	8	6	3	1	4979	49.79	X
4.	Mutual Funds	1	2	1	2	3	2	4	4	4	4	9	21	30	13	3438	34.38	XIII
5.	National Saving Cert.	5	2	4	5	14	14	7	17	4	6	10	0	9	3	5011	50.11	VIII
6.	Fixed Deposits	11	13	17	24	11	7	8	2	0	3	0	3	0	1	6345	63.45	II
7.	Life Insurance Policies	3	0	10	16	18	8	12	7	9	5	5	4	2	1	5395	53.95	VI
8.	Real Estate	5	3	4	4	0	1	1	5	11	11	10	10	18	17	3877	38.77	XII
9.	Gold/Silver	9	16	8	6	6	7	10	16	7	5	6	3	1	0	5762	57.62	IV
10.	PPF	3	3	4	5	6	11	21	12	14	8	5	2	5	1	5043	50.43	VII
11.	Post Office	15	11	8	7	9	9	7	4	7	6	5	3	8	1	5721	57.21	V
12.	Bank Deposits	33	26	6	4	7	2	0	5	4	4	3	2	3	1	6764	67.64	I
13.	Govt. Securities	5	10	24	12	8	12	6	6	5	3	1	2	4	2	5868	58.68	III
14.	Others	1	0	0	1	0	1	5	4	9	6	4	13	2	54	2732	27.32	XIV

Source: Data collected through questionnaire by the researcher



Fig 3: Investment Avenues

Table 7 and Figure 3 shows that female investors invest their money in different ways. In which bank deposit is the main investment mile in which women prefer to invest their money and reach the first rank with the mean (67.64), while the fixed deposit takes the second place with the mean (63.45), government securities rank with the mean (58.68), gold / silver ranked fourth with the mean (57.62) and post office ranked fifth with the mean (57.21). Other investment opportunities were least with the mean (27.32), in which they do not want to invest their money. From this it can be deduced that especially women prefer preferring state systems that are reliable and risk-free, i.e. bank deposits, fixed deposits and government securities instead of gold / silver, because they want to take a minimum risk and only want security for their investment amounts.

Findings:

- Women prefer savings to secure the future. They participate in such activities and also bear the financial responsibility and make the investment decisions in order to fulfill the financial responsibility.
- This study helps to understand the decisions or preferences of investors, based on the fact that many knew about a particular system and achieved a high return, but had not yet bought it because it was riskier.
- Women investors in particular prefer government schemes because they are more reliable and risk-free.
- Women investors do not want to put their money in risky ways because they have no knowledge.

6. CONCLUSION

This study was conducted in the various investment opportunities with the rational to understand the investment behavior of women and their risk-bearing capacity. Selection of perfect investment avenue is difficult task to any women investor. Women have become independent and are in better position to invest on their own and to know how to invest based on their risk class, how much to invest, where to invest and when to invest. This report is also highlight that certain factors like age of women investor, qualification level, and income level etc. This study also examines and analyzes that most of the women investor prefer bank deposits to invest their money and the risk taking capacity of women investors is medium capacity especially in Rudrapur, Uttarakhand. The present study also reveals that the significance relationship between income and saving of women investor and significance relationship between experience and age of the women investor. The main purpose of women investor for investment is for high return, future security and earning profit. This research supports and offers all women a platform, who are curious about savings and investment. It also favors and examining the demographic profile while making an investment plan.

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