A STUDY ON SAVINGS AND INVESTMENT PATTERN OF RURAL HOUSEHOLDS IN VIRUDHUNAGAR DISTRICT

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Abstract

The savings and investments design by individuals change from one individual to another and even with same individual during the periods because of compare in thought processes. The current paper makes common sense of Socio economic conditions and savings and investment pattern of rural households in Virudhunagar District of the study. Financial backers have given less significance for their advanced age necessities and surprising possibilities and bank stores actually hold higher need among institutional investments in provincial region are the major findings of the study.

*Key words***:** savings, rural households, Investment.

1.1. Introduction

Savings and investment are the critical prerequisites for the development and improvement of an economy. Savings by and large is one of the significant determinants of monetary turn of events. Savings isn't simple spending. It includes a cognizant decision among present and future fulfillment. There are numerous thought processes that force people to take part in savings particularly to fulfill unanticipated possibilities. Savings is the piece of pay not spent on current necessities yet rather put away to manage weaknesses later on since it is very difficult to sort out what will happen in the next second. Cash should be saved or placed into liquid asset to oversee unforeseen events or emergency, for instance, infirmities and devastating occasions like regular disasters. Savings expects a significant job in making capital for new pursuits at both limited scope and enormous scope levels. Savings has not solely been portrayed as a fundamental money related and monetary issue yet further more contrasted with a critical driving gadget of monetary turn of events and improvement. Regardless, savings is low in most non-industrial countries where need, joblessness, pace of interest and various parts influence the goal to save. Specialists and experts have thusly seen the requirement for good savings actuation in countries with low savings rate. It very well may be difficult to overcome issues of low saving rate except if there is a make progress with in saving propensities for families. Household saving alludes to the saving done by the families and individuals. The benefits of savings are that it helps individuals against unexpected emergency, asset obtainment, adventure, and plan for retirement, reimbursement of commitments, getting or change of homes and their prosperity and guidance. Conclusively, this is the good reason behind weight by positive feature of the impact of savings on money related development and the confirmation that countries experiencing monetary improvement have higher savings of their people.

1.2. Scope of the Study

The evaluation is restricted exclusively to rural areas of household savings and investment options in LIC, bank stores, post office savings, gold, chits and real estates. Thusly, the scientist felt that the choice of the point would be more helpful to evaluate the effect of the savings in country regions and what the propensities for the provincial individuals meant for the saving options for their requirements and the variables influencing the saving propensities and the issues looked in Virudhunagar District.

1.3. Statement of the Problem

The monetary development of our nation relies heavily on savings, particularly in rural areas. Be that as it may, there is a low rate of savings in rural areas in light of their saving perspectives. They don't get more savings information to choose another option. Working on the saving propensities for provincial people helps in the upliftment of their norm of life. Public authority starts savings-related programs, yet it is less compelling. It has not reached everyone in the countryside. Sometimes, they are not in that frame of mind to pick the best other option. They feel savings return and well-being are their chief goals. They prefer the greatest return with fewer risks while choosing to save other options. There are numerous provincial saving projects presented by the government, but they have not been able to reach out to every individual in rural regions. It is imperative that co-employable and agrarian banks need to invest more energy in teaching individuals in local regions in Virudhunagar District.

1.4. Objectives of the Study

The following are the objectives of the present study
1. To study the socio- economic rural households in Virudhunagar District
2. To study about savings and investment pattern of rural households in Virudhunagar District

1.5. Hypotheses of the Study

The present study tested the following hypotheses

1. There is no significant difference between Age Groups and Level of opinion on rural households.
2. There is a significant difference between Gender Groups and Level of opinion on rural households.
3. There is no significant difference between Education Qualification Groups and Level of opinion on rural households.
4. There is no association difference between the Marital Status Groups and Level of opinion Rural House Holds.
5. There is no association difference between the Family Income Groups and Level of opinion Rural households.

1.6. Research Methodology

The present study is based on both primary and secondary data. The primary data, as the term indicates, are first-hand collected by the researcher using survey method through questionnaire. Secondary data are data which have already have been gathered by somebody else and are available to other for use. Books, journals, reports and the like.

1.6.1. Collection of Data

The present study is based on both
1. Primary data
2. Secondary data

1.6.2. Sample Design

Purposive sampling method has been followed to choose the respondents from the Savings and Investment on Rural households in Virudhunagar District. The size of the sample is adopted to be 200, represents the different sections of Savings and Investment on Rural households. For the purpose of Savings and Investment on Rural households has been divided into five Taluk.

Table-1.1
Sampling Method

S. No	Virudhunagar District	No. of sample Frequency
1	Watrap	40
2	Srivilliputhur	40
3	Sivakasi	40
4	Rajapalyam	40
5	Sattur	40
	Total	**200**

Source: Primary Data

1.7. Limitations of the Study

1. The study area is restricted only in Virudhunagar District

2. The findings are drowning only on the basis of information supplied by the respondents and hence it may not be reliable.

3. The conclusion from this study cannot be common to all because the rural households will differ in different areas.

4. The duration of the study is six month only. So, the researcher focused only rural households in savings and investments perception.

1.8 An Analysis of Socio-Economic Factors Savings and Investment Patterns of Rural households in Virudhunagar District.

The researcher has been analyze the Socio-economic status of the respondents of the Savings and Investment Patterns of Rural Households in Virudhunagar District and analysis of interpretation Socio-economic family of the households in Virudhunagar District.

1.8.1 Age –wise Respondents

Table-1.2
Age -Wise

S.No	Age	Frequency	Percentage (%)
1	Below-30 Years old	20	10.0
2	31-35 Years old	28	14.0
3	36-40 Years old	52	26.0
4	41-45 Years old	42	21.0
5	Above-45 Years old	58	29.0
	Total	**200**	**100**

Source: Primary Data

Table 1.2 shows that out of 200 respondents, 58 (29.0) Per cent of the respondents belong to the Age group above 45 Years old, while 52 (26.0) belong to the Age group 36-40 Years old. Further 42 (21.0) percentage respondents are 41 to 45 years old, 28 (14.0) per cent of the respondents are Age group 31 to 35 years old, and the remaining 20 (10.0) respondents are below 30 years old of 31 old

1.8.2. Gender- wise Respondents

Table-1.3
Gender- wise

S.No	Gender	Frequency	Percentage (%)
1	Male	90	45.0
2	Female	110	55.0
	Total	**200**	**100**

Source: Primary Data

The above Table 1.3 shows that out of 200 respondents, 90 (45.0) per cent are in the Male category. Similarly, 110 (55.0) per cent of them fall into the Female category.

1.8.3 Educational Qualification

Table-1.3
Educational Qualification

S. No	Education	Frequency	Percentage (%)
1	Illiterate	6	3.0
2	SSLC&HSC	70	35.0
3	UG &PG	96	48.0
4	Diploma	14	7.0
5	ITI	14	7.0
	Total	**200**	**100**

Source: Primary Data

From the above Table1.3 explains that out of 200 respondents, 96 (48.0) percent of the respondents while a UG & PG, Followed by 70 (35.0) percent of the respondents while an SSLC & HSC passed, and 14 (7.0) percent of the respondents to education qualified with Diploma, and remaining 14 (7.0) percent of the people education qualified with ITI, further 6 (3.0) percent of the respondents to illiterate people.

1.8.4. Marital Status of the Respondents

Table-1.4
Marital status

S.No	Marital Status	Frequency	Percentage (%)
1	Married	162	81.0
2	Unmarried	20	10.0
3	Widow	18	9.0
	Total	**200**	**100**

Source: Primary Data

From the above Table 1.4 shows 200 respondents to the survey, out of which 162 (81.0) percent were married. Further, 20 (10.0) percent of the respondents were unmarried, while 18 (9.0) percent were widows

1.8.5 Size of family of the Respondents

Table-1.5
Size of family

S.No	Size	Frequency	Percentage (%)
1	2 Members	14	7.0
2	3 Members	58	29.0
3	4 Members	114	57.0
4	Above 5 Members	14	7.0
	Total	**200**	**100**

Source: Primary Data

From the above Table1.5 reveals that out of 200 respondents, 114 (57.0) percent of the respondents were 4 members, similarly, 58 (29.0) percent of the respondents have 3 members, Further 14 (7.0) percent of the respondents are 2 members and 14 (7.0) percent of the respondents are 5 members, which are classified in the family size.

1.8.6. Nature of Residence of the respondents

Table-1.6
Nature of Residence

S.No	Residence	Frequency	Percentage (%)
1	Rural	188	94.0
2	Semi- Rural	12	6.0
	Total	**200**	**100.0**

Source: Primary Data

From the above Table1.6 reveals that out of 200 respondents, 188 (94.0) percent of the respondents stayed in Rural areas, and 12 (6.0) percent of the respondents stayed in Semi-Rural areas.

1.8.7. Family Income of the Sample Respondents

Table1.7
Family Income

S.No	Income	Frequency	Percentage (%)
1	Rs.16000	18	9.0
2	Rs.16001 to 20000	60	30.0
3	Rs.20001 to 25000	28	14.0
4	Rs. 25001 to 30000	38	19.0
5	Rs. 30001 to 45000	32	16.0
6	Above Rs. 45000	24	12.0
	Total	**120**	**100.00**

Source: Primary Data

From the above Table1.7 reveals that out of the 200 respondents, 60 (30.0) percent of the respondent's family earnings per month Rs.16001 to 20000, Followed by 38 (19.0) percent of the people features living life earning with income per month Rs.25001 to 30000, Similarly 32 (16.0) percent of the participant's daily income and expenditure earning with total monthly per income Rs.30001 to 45000, 28 (14.0) percentage of the people's monthly income earning with Rs 20001 to 25000, 24 (12.0) the percentage of the people's monthly income earning with above 45000 and remaining 18 (9.0)percentage of the people's monthly income earning with Rs .16000 only.

1.9. Garret's Ranking Technique Mean value

Table1.8
Garret's Ranking

S. No	Problems	Garret Score	Mean	Rank
1	Safety	15168/200	75.84	1
2	Time perspective of decision	9462/200	47.31	7
3	Risk bearing	9967/200	49.84	6
4	Sources of information	11793/200	58.97	2
5	Regular return	11359/200	56.80	4
6	Avenues of selection	11683/200	58.42	3
7	Size of investment	9407/200	47.04	8
8	Premature withdrawal	10361/200	51.81	5

Source: Primary Data

From the above Table1.8 shows that about of 200 respondents, Rank 1 (75.84) percent of the respondent's opinion is safety, Similarly, Rank 2 (58.97) the percentage of the respondent's opinion is Sources of information, Followed by Rank 3 (58.42) a percentage of the respondent's opinion is Avenues of selection, Rank 4 (56.80) a percentage of the respondent's opinion is Regular return, Rank 5 (51.81) the percentage of the respondents' opinion is Premature withdrawal, and Rank 6 (49.84) the percentage of the respondent's opinion is Risk bearing, Rank 7 (47.31) the percentage of the respondent's opinion is Time perspective of decision, and Rank 8 (47.04) the percentage of the respondents' opinion is Size of investment.

1.10 Summary of findings

The Summary of the Findings is analyzed with regard to Socio-Economic Status, savings and investment on rural household's level of opinion.

1. 58 (29.0) Per cent of the respondents belong to the Age group above 45 Years old,

2. 110 (55.0) per cent of them fall into the Female category.

3. 96 (48.0) percent of the respondents while a Under Graduate and post Graduate.

4. 162 (81.0) percent were married

5. 114 (57.0) percent of the respondents were 4 members,

6. 188 (94.0) percent of the respondents stayed in Rural areas

7. 60 (30.0) percent of the respondent's family earnings per month INR.16001 to 20000,

8. To rank, the Garratt rank factor considers the (75.84) percent of the respondent's opinion is safety,

1.11. Suggestions

1. Savings and investment are important for economic growth because it helps people to build wealth for the future.

2. Savings and Investments are important for individuals and businesses for the accumulation of wealth. When individuals and businesses put money into savings and investments, they are able to reap the rewards of compound interest, which can help them grow their wealth over time. Additionally, savings and investments can provide a sense of security in case of an emergency.

3. Investments in rural households can help to improve living standards and generate income opportunities. Savings can provide a cushion in times of financial hardship, as well as help to provide access to credit and other financial services.

1.12. Conclusion

Rural households often face financial constraints and limited access to investment opportunities. Savings and investments can help to improve the financial security of rural households and provide them with greater access to resources. Investing in rural households can also have a positive impact on the broader rural economy. Rural households in developing countries often lack access to formal banking services, which limits their ability to save and invest. This can lead to lower incomes and a lack of economic opportunity. By providing access to formal banking services, rural households are able to save and invest, leading to increased economic opportunities and improved living standards of the people.

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