



A study on utilisation of post office saving schemes (With Special Reference to Coimbatore City)

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Abstract

Post office service is the backbone of our country's communication and it plays an important role for the economic growth. Investment is one of the major issues of rural working person as their small savings of today are to meet the expenses of tomorrow. Rural working person have a greater tendency to save and invest because of their independent earning power. They are also motivated by the investment behaviour of their colleagues in their work place. The present study has been undertaken to analyse the Postal saving schemes which .have gained importance among the rural working person investors or not. It aims at bringing the rural working person attitude towards Post Office Saving Schemes with special reference in Coimbatore city.

Keywords: substituted Li ferrite, magnetostatic and spin waves, microstrip array antenna, X-band frequency range

1. Introduction

Investors of Post office small savings can breathe a short sigh of relief as the government has extended the deadline to open a savings account. On January 12, the Postal Department had issued a notice to Post offices stating that the mandatory opening of a savings account while investing in small savings schemes has to be implemented only from April 1 instead of the earlier deadline of January 15, 2018. The super-rich tax will boost consumption. Since November, several Post office small savings investors are being denied their maturity cheques and instead being asked to open Post office savings accounts where the money could be credited. They are asked to open such an account to receive their maturity amount for receiving intermittent interest income, either quarterly, half-yearly or annually. Before this, investors in small savings schemes like Time deposits, Senior Citizens' Savings Scheme (SCSS) and National Savings Certificate (NSC) could deposit their maturity cheques in any bank account. Post Office Savings Accounts earn a fixed rate of interest through the year, subject to change from time to time, as declared.

Objective of the Study

- To understand the perception of investors in Post Office saving schemes
- To study investors expectation from the Post office schemes
- To find the level of awareness in various schemes of Post office among the public
- To offer suggestion for improvement of Post office savings schemes.

Statement of problem

Savings have become an important tool in poverty alleviation. People need savings to run their day to day life and depends on the life style of a person. Domestic savings play an important role in bringing about economic development of backward countries. In order to promote the

economy of our country, various Post office saving schemes have been introduced by the Post department. India is a country of villages hence the people are unable to be aware of Post Office Saving Schemes. The depositors face a lot of difficulties while depositing money and getting back their deposits. Even today main problems are illiterate peoples are not aware of the facilities extended by the government. Hence, research in this area will facilitate the person to know this savings patterns and real problem faced by them while investing.

Limitations of the study

- The investors of Post office savings scheme may be hesitant to provide the necessary information transparently.
- Only 100 respondents were selected for sampling
- Data is collected only from Coimbatore city.

Scope of the study

The study is concerned with an in-depth examination of the awareness level and investment pattern followed among investors. In postal savings schemes, their satisfaction level and the problems faced by them, attitude towards postal savings and the agents' role in investors' savings behaviour. This certainly will throw light on the strengths and weaknesses of the strategies adopted by the government of India and expectations of the investors. This will enable the government to promote more innovative schemes to mobilise the savings in today's competitive scenario. Further, the study also highlights this fact.

Research Methodology

Research methodology, systematically solve the research problems, why the research has been undertaken, how the research problem has been defined and what data define and what data has been adopted, why particular technique of analysis for data has been used.

Method of data Collection

The data collected for this study is

- Primary data
- Secondary data

Primary data

The primary data are those which are collected as fresh for the first time and they happen to be original in character. To analyze the study the research has adopted structured questionnaire, which contained choice to the possible.

Secondary Data

Secondary data means data are already available i.e. they refer data which have been already collected and analysed by someone either published data or unpublished data. Secondary data for this study are collected through newspaper, journals, magazine like apparel online and websites.

Sampling

The sample of 100 has been chosen randomly from different parts and different age range.

Sample Size

The sample size has been selected 100 randomly. The study is adopting to convenience sampling techniques. The sample has been undertaking with organic farm products

Tools

Data analyzing tools are simple percentages and chi-square test

Simple percentage:

Percentage means out of hundred. It is often referred by symbol “%”. It is used if there are not a hundred items. The number is then scaled so it can be compared to hundred.

$$\text{Simple Percentage} = \frac{\text{No of respondents}}{\text{Total no of respondents}} \times 100$$

Chi – square

A chi – square(X²) statistic which is used to test the measures of expectations compare to actual observes (or) model result. The data used in calculate chi- square must be random, raw, mutually exclusive, draw from independent variable and also large enough sample.

$$x^2 = \sum \frac{(O_i - E_i)^2}{E_i}$$

Review of literature

1. Mathumitha (2015) [1], pointed out that post office savings schemes give a secure, risk free and more investment option for small investors. She suggested

- that latest technology be incorporated in post office to serve the public in an effective and efficient manner, through by reducing the transaction time and rate of interest offered by the post offices should be increased.
2. Shashikant (2015) [7], pointed out that post office savings bank is the largest savings institutions in the country. There are number of attractive schemes designed to meet the individual requirement of different investors. Most of the customers are prefer post office investment because of strong support of union government, rare case of malpractices, frauds and satisfactory return.
 3. Mehta (2015) [5], examines that post office savings bank faces many challenges from financial institutions like bank and insurance companies. It faces the challenges from increasing competition and continuing advances in information and communication technology especially in mobile technology and advanced internet connections.
 4. Ravindran (2016) [2], revealed that post office is not only medium of sending letters to the public. It gives multiple financial services to the public like send money to foreign country, postal life insurance, mutual fund investment and small saving schemes. He also suggested that to attract women investors by providing right information and knowledge about the post office savings schemes through advertisement.
 5. BhagyashreeTeli (2017) [3], Conducted a study from 50 respondents in Rajsamand district, stated that most of the respondents were aware about post office deposit schemes through their friends and relatives. Level of awareness of various post office schemes is very low expect recurring deposit and post office savings bank account. He also pointed out that post office in small savings schemes for rural area is good enough but if they want to increase deposit officials increase awareness through advertising and agents.
 6. Vembu (2018) [4], revealed that more of rural women are interested in investing their savings in investing their savings in post office because of proximity of post office situated in their residing location. He also stated that the officials create awareness to rural people for investing their money in post office it creates a growth of postal sector. Most of the investors are invest in post office savings schemes only for tax relief.
 7. Holosagi (2018), said that investors motivational factor for investment in postal is to meet domestic purpose and to be secure at old age and their prefer regular and safety, local access ability and easy manageability. He suggest that government can create more awareness among rural people about the postal investment schemes and its benefits availed through it as it has not reached the people properly.

Socio- Economic Demographic

Table 1

s.no	Demographic	No.of Respondents	Percentage%
1	Gender	Male	40
		Female	60
2	Age	1-30 years	50
		31-55 years	32
		55 Above	18
3	Marital status	Married	66

		Un married	34	34
4	Occupation	Student	28	28
		Business man	12	12
		Employee	40	40
		Home maker	20	20
5	Education qualification	SSLC	26	26
		HSC	20	20
		Degree	32	32
		Others	22	22
6	Monthly income	Below 10,000	54	54
		10,000- 20,000	36	36
		20,000-30,000	10	10
		30,000 & Above	0	0
7	Working members in family	1	42	42
		2	46	46
		3	8	8
		Above 3	4	4

Source: primary data

Table 1 clearly states that demographic profile of the sample respondents. Majority of responds falls in the age group of 1-30 years most of them are belongs to female. Majority of their educational qualification is degree majority of them are employee. Majority of them monthly income belongs to below Rs 10,000. and majority working members is 2.

Table 2: What is your opinion about Post office saving schemes?

S.no	Particulars	Respondents	Percentage %
1	highly satisfied	26	26
2	satisfied	50	50
3	Normal	22	22
4	dissatisfied	2	2
	Total	100	100

Source: primary data

Majority of respondents are satisfied 50%

Chart =1

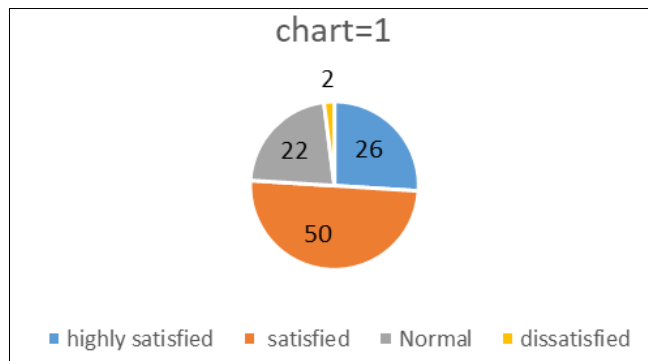


Fig 1

Chi-square

Null hypothesis 1

There is no significant relationship between gender and preference to use in Post office savings scheme.

Chi-square value = 1.9

Table value = 14.1

Significant level = 5%

Result: Thus, the X^2 value is less than table value we accept the hypothesis. Therefore, there is no significant relationship between satisfaction level and preference to use in post office savings scheme.

Table 3: What is satisfaction level in Post office saving schemes?

S.no	Particulars	Respondents	Percentage %
1	Highly satisfied	26	26
2	Satisfied	36	36
3	Normal	38	38
4	Dissatisfied	0	0
	Total	100	100

Majority of respondents are Normal 38%

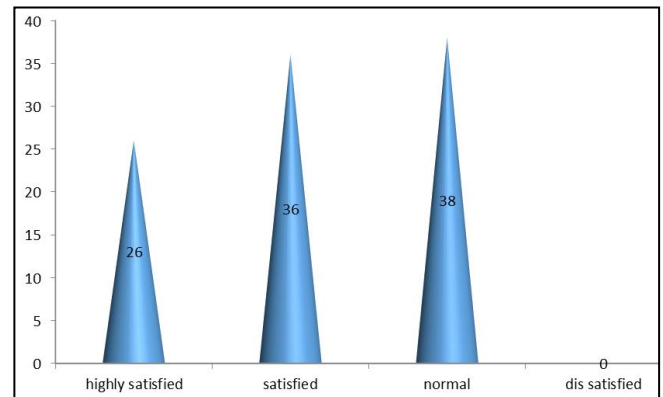


Fig 2

Chi-square

Null hypothesis 1

There is no significant relationship between gender and preference to use in post office savings scheme.

Chi-square value = 3.2

Table value = 14.1

Significant level = 5%

Result: Thus the X^2 value is less than table value we accept the hypothesis. Therefore there is no significant relationship between satisfaction level and preference to use in post office savings scheme.

Table 4: State your level of awareness about the following Post Office Savings Schemes.

S. No	Schemes	Fully aware	Partly aware	Just aware	Not aware	Not at all aware
1	Post Office Savings Account	40	48	10	2	0
2	Post Office Time Deposit	28	50	16	4	2
3	Post Office Monthly Income Scheme	26	28	30	12	4
4	Post Office Recurring Deposit Account	12	28	34	16	10
5	KisanVikasPatra	14	30	20	12	24
6	National Savings Certificate	8	22	38	18	14
7	Senior Citizens Savings Scheme	18	24	24	22	12
8	Public Provident Fund	18	24	36	14	8

Source: primary data

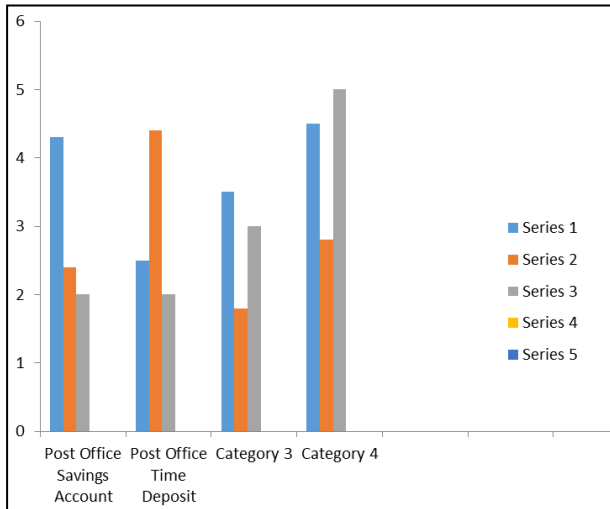


Fig 3

Majority of respondents are partly aware48%
 Majority of respondents are partly aware50%
 Majority of respondents are Just aware30%
 Majority of respondents are Just aware34%
 Majority of respondents are just aware30%
 Majority of respondents are Just aware38%
 Majority of respondents are partly aware24%
 Majority of respondents are Just aware36%

Suggestions

In the light of the conclusions drawn earlier, the following suggestions may go a long way in improving the investment culture and investors protection among the small and household investors. There is an explosion in the growth of middle-class families due to double income group families and increase in number of working women, hence this group will play a vital role in the investment market. Efforts should be taken to attract the women investors by providing right information and knowledge about the investment market, through advertisements. Print media and electronic media should play an active role in disseminating investment information for timely decisions. There is a direct need to initiate steps to inculcate a habit of savings among the growing middle class families. The savings are to be pooled and channelized into productive investment, there by returns to investors may enhance. It may further accelerate to in future on a large scale.

Conclusion

Today postal department has to equip itself by improving its service and saving schemes to satisfy the customers. In the light of changing environment, it has to constantly upgrade its knowledge of the internal and external environment, to

understand the customer relationship properly. Saving is important for human life as savings gives life and security. One of the main motives of the Department of Post is to uplift the savings of the people and also help for the economic development. The researcher strongly believes that the post offices are the only public organization 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 options available, the Department of Post should try to give innovative saving schemes to the public. The researcher concludes that India Post is all set to become stronger, spreading a joyful to people everywhere. It is bound to overcome all the hurdles presented by the new environment in the electronic age. Its doors are thrown wide open with customer delight in mind. It goes on with a noble mission of uniting humankind world over.

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