

Perception of Investors Regarding Safety in Various Investment Avenues Among Domiciles of Himachal Pradesh: Gender- Wise Distribution

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ABSTRACT:-

The various parameters which investors consider while making investment decisions. These parameters include safety, rate of return, liquidity and marketability, capital appreciation and tax benefits. These factors are generally associated with investment schemes of different financial institutions. On the basis of these factors, investors decide to invest in a particular scheme. In the present study, an attempt has been made to understand the safety parameter is considered by the investors of deposits, fixed deposit, provident fund, PPF, company's securities, mutual funds, different post office schemes, unit trust of India's different schemes, different life insurance schemes and physical assets etc.

Key words:- safety, rate of return, liquidity and marketability, capital appreciation, parameters etc

INTRODUCTION:-

Safety is one of the important component which investor considers in making investment decisions. Safety in investments made by households in different schemes of commercial banks, mutual funds, industry securities has been dealt with. The various schemes of investment studied from the safety point of view are bank deposits, pension fund, mutual funds including UTI, various life insurance schemes, post office saving & life insurance schemes, industrial securities and investment in physical assets e.g. land building, gold stock etc.

The commercial banks have four popular deposit schemes namely fixed deposit, recurring deposit, saving account and public provident fund. Mutual funds of different institutions have four popular deposit schemes namely income schemes, growth scheme, income-cum-growth and tax saving schemes. Further, mutual funds also include different schemes of UTI, life insurance has three popular schemes namely money back policy, endowment policy and pension schemes. Post office has different saving and investment schemes, but they can broadly be categorized in three types namely post office saving schemes, post office tax saving schemes and post life insurance. Industrial securities has three popular categories namely shares, debentures and public deposit.

Perception of investor towards various physical assets like land, building, gold/jewellery, and live stock from safety has also been studied.

RESEARCH METHODOLOGY:-

In the present paper, multi stage sampling has been used. At the first stage, the study area has been divided into different districts namely lower parts of districts Kangra, Sirmour, Solan, Mandi and entire districts Una, Hamirpur and Bilaspur. Out of these districts, three districts namely Kangra, Hamirpur and Una have been selected keeping in view their representation to Himachal Pradesh on the basis of demographic features and industrial zones of the state. At the second stage, from each selected district, three tehsils i.e. one most developed, one moderately developed and one less developed have been selected. Thus, the total number of tehsils are $3 \times 3 = 9$.

Primary data have mainly been collected with the help of questionnaire/ schedule. It has been prepared to get information from the people living in the study area.

Keeping in view the nature of study, the data collected have been analyzed and interpreted with the help of the following methods:

- ❖ Mathematical Methods
- ❖ Statistical Methods

ANALYSIS:-

Gender-wise perception of investors of Shivalik Hills of Himachal Pradesh regarding safety has been analysed in table 1. The calculated value of mean score for fixed deposit in commercial banks has been found 4.3396 for male and 4.61 for female respondents, which clearly shows that mean score regarding safety in fixed deposits in commercial banks has been found much higher than the responses "very good" at five point likert scale for both genders. Further, the calculated value of standard deviation and negative skewness clearly indicate that the majority of the respondents have perceived safety in the fixed deposit towards higher side of mean score. In order to study the difference in the mean scores of male and female investors, t-test has been applied. The calculated value of t'-test is significant at one percent level of significance, which show that the opinion of male and female investors regarding safety in fixed deposit differ significantly. Hence, it can be concluded that male investors consider more safety in fixed deposit as compared to female investors.

Table 1: Perception of Investors Regarding Safety in Various Investment Avenues: Gender- Wise Distribution

Sr. No.	Safety in Various investment avenues	Male			Female			t-value	p-value
		\bar{X}	σ	S_k	\bar{X}	σ	S_k		
1.	FD in Bank	4.34	0.77	-1.041	4.61	0.78	-2.809	-3.350	.001
2.	RD in Bank	4.30	0.81	-1.462	4.58	0.71	-2.558	-3.584	.000
3.	Saving Account in Bank	4.32	0.85	-1.692	4.59	0.79	-2.786	-3.255	.001
4.	PPF in Bank	3.87	1.28	-1.103	4.45	0.94	-2.050	-5.394	.000
5.	Pension Fund	2.64	1.36	.210	2.80	1.61	.099	-.968	.334
6.	Units of UTI	2.25	1.25	.554	2.00	1.43	1.079	1.749	.082
7.	Income scheme of mutual fund	2.38	1.24	.366	2.93	1.51	-.019	-3.591	.000
8.	Growth scheme of M.F.	2.44	1.27	.294	2.95	1.52	-.047	-3.292	.001
9.	Income-cum growth scheme of M.F.	2.41	1.22	.155	2.91	1.50	-0.025	-3.336	.001
10.	Tax Saving M.F. Scheme	2.48	1.33	.335	3.05	1.60	-0.086	-3.547	.001
11.	Money Back Insurance Schemes	3.35	1.5	-.539	3.58	1.68	-.686	-1.339	.182
12.	Endowment Insurance scheme	3.23	1.50	-.475	3.47	1.70	-.587	-1.347	.180
13.	Pension Scheme of Insurance Company	3.29	1.48	-.534	3.52	1.70	-.633	-1.322	.188
14.	National Saving Certificate	3.15	1.50	-.348	3.35	1.76	-.438	-1.158	.249
15.	National Saving Scheme	3.24	1.44	-.442	3.41	1.69	-.499	-1.036	.302
16.	Recurring Deposit	3.35	1.42	-.544	3.46	1.75	-.569	-.625	.533
17.	Kisan Vikas Patra	3.16	1.43	-.467	3.43	1.70	-.564	-1.582	.116
18.	Indira Vikas Patra	3.08	1.47	-.363	3.37	1.74	-.447	-1.630	.105
19.	Postal Insurance	3.24	1.44	-.495	3.47	1.70	-.598	-1.333	.184
20.	Equity Shares	3.32	1.30	.664	2.72	1.67	.220	-2.437	.016
21.	Debentures	2.18	1.21	.724	2.72	1.66	.221	-3.232	.002
22.	Company Public Deposit	2.43	1.23	.247	2.87	1.53	-0.090	-2.783	.005
23.	Land	3.63	1.37	-.843	3.89	1.46	1.111	-1.699	.091
24.	Building	3.46	1.45	-.664	3.81	1.55	-.950	-2.199	.029
25.	Gold/Jewellery	3.26	1.46	-.449	3.75	1.54	-.901	-3.071	.002
26.	Live Stock	2.96	1.41	-.119	3.21	1.53	-.267	-1.536	.126

Source: Data Collected through Questionnaire.

Perception of investors regarding safety in recurring deposit have been analysed for both the genders and it has been found that the mean scores 4.3019 for male and 4.58 for female respondents.. It is crystal clear from the table that the mean scores both sexes have been far above the response 'very good' at five point likert scale. The standard deviation and negative

skewness are 0.81, -1.462 for male and 0.71 and -2.558 for female respondents respectively, which reveals that the respondents of both sex consider safety in recurring deposit towards the higher side of mean score i.e. the investors of both genders have been found absolutely satisfied with the safety in recurring deposit of commercial banks. The mean score of both the genders has tested by applying t-test and it is found that the 't' value is significant at one percent level of significance and thus, it is concluded that female investors consider recurring deposit of banks as more safe investment avenue as compared to male investors.

As is evident from the table that the mean scores of male and female respondents have been 4.32 and 4.59 respectively for their perceptions regarding safety in saving bank account. It is concluded that the responses of the investors of both genders have been far above the response 'very good' at five point likert scale. Both the genders are highly satisfied with the safety in saving account of commercial banks. The standard deviation and negative skewness for both genders show that majority of the respondents have perceived safety towards higher side of mean score. The t-test has been applied to test the significance of difference in the mean score. The calculated t-value is significant at one percent level of significance and hence it is concluded that the female investors consider more safety in saving account as compared to male investors.

Gender- wise perception of investors regarding safety in Public Provident Fund has been analysed in table and it is found that the mean score of male and female investors have been 3.87 and 4.45 respectively, which shows that the mean score regarding safety in public provident fund has been found higher than the response 'average' for male investors and higher than the response 'very good' for female investors at five point likert scale. The standard deviation and negative skewness for the responses reveal that majority of the respondents of both genders have perceived safety in public provident fund in bank towards higher side of mean score. t-test was employed to test the significance of difference in the mean score of safety in public provident fund for both sexes. The calculated t-value is significant at one percent level of significance. Hence, it is concluded that the both the gender differ significant as far as safety in public provident fund is concerned. Finally, it is concluded that the female investors consider more safety in public provident funds as compared to the male investors.

Perception of investors regarding safety in pension fund have analysed for both the gender and it has been found that the mean score for male and female investors are 2.64 and 2.80 respectively for their perception regarding safety in pension fund. It is clear from these scores that the mean scores regarding safety in pension funds have been found higher than the response 'below average' at five point likert scale for both the genders. Further, the calculated value of

standard deviation and positive skewness shows that the majority of the respondents have perceived safety in pension funds toward lower side of mean score. i.e. investors of both genders have not been satisfied with the safety in pension fund. In order to test the difference in mean scores of male and female investors, t-value has been calculated and the calculated t-value is not significant at one percent level of significance. Hence, it is concluded that both male and female respondents consider equal safety in pension fund.

Perception of investors regarding safety in units of UTI has been analysed for both the gender and it has been found that the mean scores for male respondents have been 2.25 and 2.00 for female investors. It is clear from these averages that the mean scores regarding safety in units of UTI have been found higher than the response 'below average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and positive skewness show that the majority of the respondents have perceived safety in units of UTI towards lower side of mean score. i.e. investors of both genders have not been satisfied with the safety in units of UTI. In order to test the difference in mean scores of male and female investors, t-value has been calculated. The calculated t-value is not significant at one percent level of significance. Hence, it is concluded that both male and female investors consider equal safety in units of UTI.

Perception of investors regarding safety in income scheme of mutual fund has been analysed for both the genders and it has been found that the mean scores for male and female investors are 2.38 and 2.93 respectively. It is clear from these averages that the mean scores regarding safety in income scheme of mutual fund have been found higher than the response 'below average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and positive skewness show that the majority of the respondents have perceived safety in income scheme of mutual fund toward lower side of mean score. i.e. investors of both genders have not been satisfied with the safety in income scheme of mutual fund. The t-test has been used to study the difference in mean scores of male and female investors. t-value has been calculated and is significant at one percent level of significance. Hence, it is concluded that female consider more safety in income scheme of mutual fund than male investors.

Perception of investors regarding safety in growth scheme of mutual fund and income-cum-growth scheme of mutual fund has been analysed for both the gender and it has been found that the mean score for male & female respondents for their perception regarding safety in growth scheme of mutual fund and income-cum-growth scheme of mutual fund have been found higher than the response 'below average' at five point likert scale for both the genders. Further, the

calculated value of standard deviation and positive skewness shows that the majority of the respondents have perceived safety in growth scheme of mutual fund and income-cum-growth scheme of mutual fund towards lower side of mean score. i.e. investors of both genders have not been satisfied with the safety in these mutual fund schemes. Difference in mean scores of male and female investors have been tested by using t-test, it is found that the calculated t-value is significant at one percent level of significance. Hence, it is concluded that female consider more safety in these mutual fund than male investors.

Perception of investors regarding safety in tax saving mutual fund has been analysed for both the genders and it is found that the mean scores are 2.48 for male and 3.05 for female investors. It is crystal clear from the table that the mean scores of male investors has been far above the response below average and found to be far above the response average for female investors at five point likert scale. The high value of standard deviation and negative skewness for female respondents show that there is a large variation in the distribution and female investors consider safety in tax saving mutual funds towards the higher side of mean score and the male investors consider otherwise. The mean score of both the genders has tested by applying t-test and calculated 't' value is significant at one percent level of significance and thus, it is concluded that female investors consider tax saving mutual more safe investment avenue as compared to male investors.

Perception of investors regarding safety in money back life insurance scheme, endowment insurance scheme and pension scheme of life insurance has been analysed for both the gender and it has been found that the mean scores for male and female respondents for their perception regarding safety in money back insurance scheme, endowment insurance scheme and pension scheme of insurance have been found higher than the response 'average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and positive skewness show that the majority of the respondents have perceived safety in these life insurance schemes towards higher side of mean score. Difference in mean scores of male and female investors has been tested by using t-test, it is found that the calculated t-value is significant at one percent level of significance. Hence, it is concluded that female investors consider consider more safety in these insurance schemes than male investors.

Perception of investors regarding safety in National Saving Certificate, National Saving Scheme and recurring deposit of post office has been analysed for both the gender and it has been found that the mean scores for male and female investors about their perception regarding safety

in National Saving Certificate, National Saving Scheme and recurring deposit have been found higher than the response 'average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and positive skewness shows that the majority of the respondents have perceived safety in these schemes toward lower side of mean score i.e. investors of both genders have satisfied to the moderate extent with the safety of these postal schemes. In order to test the difference in mean scores of male and female investors, t-value has been calculated and it is significant at one percent level of significance for all these postal schemes. Hence, it is concluded that female investors consider more safety in National Saving Certificate, National Saving Scheme and recurring deposit of post office as compared to the male investors.

Gender- wise perception of investors of regarding safety in Kisan Vikas Patra, Indira Vikas Patra and postal Insurance of post office has been depicted in table. The calculated value of mean scores for these postal schemes have been found for both the genders, which clearly show that mean score regarding safety in these schemes have been found much higher than the responses average at five point likert scale for both genders. Further, the calculated value of standard deviation and negative skewness clearly indicate that the majority of the respondents have perceived safety in the these schemes towards higher side of mean score. In order to study the difference in the mean score of male and female investors, t-test has been applied. The calculated value of 't' is significant at one percent level of significance, which shows that the opinion of male and female respondents regarding safety in these postal schemes differ significantly. Hence, it can be concluded that female investors consider more safety in Kisan Vikas Patra, Indira Vikas Patra and postal life Insurance of post office as compared to male investors.

Perception of investors regarding safety in equity shares, debenture and company deposits has been analysed for both the gender. It is clear from table that the mean scores regarding safety in company securities and company deposits have been found higher than the response 'below average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and positive skewness show that the majority of the respondents have perceived safety in equity shares and debentures toward lower side of mean score. i.e. investors of both genders have not been satisfied with the safety in company securities. The calculated value of standard deviation and negative skewness shows that the majority of the respondents have perceived safety in company deposits toward higher side of mean score. In order to study difference in mean scores of male and female investors, t-test have been used, the calculated t-value is significant at five

percent level of significance. Hence, it is concluded that female consider more safety in shares, debentures and company deposits than male investors.

Perception of investors regarding safety in land, building and gold/jewellery has been analysed for both the gender and it has been found that the mean scores for male and female investors for their perception regarding safety in these physical assets have been found higher than the response 'average' at five point likert scale for both the genders. Further, the calculated value of standard deviation and negative skewness show that the majority of the respondents have perceived safety in building and gold/jewellery towards lower side of mean score for both the genders. However, negative skewness shows that the majority of the male respondents have perceived safety in land towards higher side and positive skewness for female respondents indicate otherwise. Difference in mean scores of male and female respondents have been tested by using t-test, it is found that the calculated t-value is significant at five percent level of significance for building and jewellery. Hence, it is concluded that female consider more safety in physical assets like building and jewellery than male investors. However, the calculated t-value is not significant at one percent level of significance for land, which shows that both the genders consider equal safety in land.

Gender-wise perception of investors of regarding safety in live stock has been analysed in table. The calculated value of mean scores for live stock have been found 2.96 for male and 1.53 for female respondents, which clearly shows that mean score regarding safety in live stock has been found much higher than the response below average for male and above response poor for female respondents at five point likert scale. Further, the calculated value of standard deviation and negative skewness clearly indicate that the majority of the respondents have perceived safety in live stock towards higher side of mean score. In order to study the difference in the mean score of male and female respondents, t-test has been applied. The calculated value of 't' is not significant at one percent level of significance. Hence, it can be concluded that both male and female investors consider below average safety in live stock.

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