



# A Study of Investment Pattern Working Women in Indore, Madhya Pradesh

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## Abstract

Investment today is a necessary tool to have an alternative investment with changes in society and living costs also changing rapidly. With increase in the number of working women the socio economic status is also changing hence we have seen a rise in women investors in different avenues and with responsibilities and expenditures rising women have become more independent and have inclusions in financial decisions as opposed to earlier. A Study of determinants of investment patterns of women to help understand their financial needs is a must. Since the investment preferences of women are different from that of men, therefore, the financial institutions need to target women as a separate market segment. This study aims at understanding the investment pattern of women of Indore, Madhya Pradesh.

**Keywords-** Investment, Mutual Funds, Gold, Women, Tax Benefit.

## Introduction-

Women these days are active in every field and at some market places they are earning more than men. Women as professionals, entrepreneurs have savings/earnings which they want to invest for wealth creation and regular returns through applying funds in different avenues. Investments as an activity is engaged by people who have savings and are willing to earn regular returns and future growth from the same. In order to understand needs of women we must understand their pattern of investing and how are they distributing their surplus and whether or not they are willing to learn and go for a better investment option

## Scope-

This study focuses on working women, as they form a core group of professionals who have knowledge of different avenues and take part in investment activities on a regular basis. However, to understand their investment pattern is necessary as making a financial product for them becomes easy through the data available.

## Objectives

To identify problems and prospect of investment patterns of working women.

## Methodology

The study consists of both primary and secondary data. The primary data have been collected from women who invest in different avenues by administering a well-structured questionnaire. And the secondary data has been taken from various books, journals and internet. The sample size is 106 and technique used is convenience sampling.

## Tools

In order to process and analyse the data we will use standard statistical methods like measures of central tendency, statistical testing and data representation tables

## Limitations of the study

- This study is limited to, a district in Madhya Pradesh, hence the generalisation is limited.
- The method of study adopted for this thesis is sample survey, therefore the study is faced with the disadvantages of the sampling and it is one of the important limitation of sample survey that it may not possible to ensure the representativeness of the sample.

## Data Analysis and Findings-

- There is a close connection between age and investment pattern of women
- There is a connection between education and investment pattern of women
- 61 out of the 106 respondents have income below 10 lakhs while 30 earn between 10-20 lakhs and 15 above 20 lakhs
- 49 out of 106 respondents are doing business
- For maximum respondent wealth creation is a priority while some gave priority to regular returns.
- 65 out of 106 respondents prefer gold as their first preference for investing, which indicates a huge trust still persist in Gold.
- 31 respondents out of 106 prefer low risk, which indicates majority of working women are ready to take risk in investing.
- 61 out of 106 respondents are satisfied with their investments.
- 70 respondents either invest themselves or have their portfolio managed by experts, while 36 are dependent on family and friends, which suggest working women are investing independently.
- 81 respondents make a different corpus for unexpected events.
- 85 respondents are willing to learn better financial planning.

Table no 1. This table shows age classification of the respondents

S.no	Age	Number
1	Below 25	49
2	25-35	35
3	35 and above	22

Table no 2. This table shows educational qualification of the respondents

S.no	Qualification	Number
1	Undergraduate	48
2	Post Graduate	37
3	Professional Degree	21
	Total	106

Table no 3. This table shows percentage of income invested of the respondents

S.no	Percentage	Number
1	10%	43
2	10-25%	44
3	25% and above	19
	Total	106

The data shows almost 40% of the respondents are saving only 10% of their income

Table no 5. This table ranks investment preference of the respondents

S.no	Avenue	Number
1	Gold	65
2	Mutual funds and equity market	57
3	Post office and bank saving scheme	39
4	Insurance	33

This data is taken from ranks of preference given to different avenues by the sample size, which indicates gold still holds highest trust among women

### Suggestions

Women are willing to try different investment avenues with the dynamic financial environment and to cope up with inflation and modern standard of living. Yet the trust towards gold looks unhinged. They want better understanding of the products to help them make better investment decisions. Their preferred investment avenue is Gold but they are looking towards investing in SIPs and other fund schemes. Regular returns and wealth creation are their main aims hence products that can fulfil those need in long term are suggested. They are inclined towards saving for unforeseen events but insurance being least preferred avenue suggests their inclination towards gold for safety. This problem can be solved through better investment products. Most respondents are satisfied with their current investment decisions and they are willing to take professional help for the same

### Conclusion

Women require adequate information for making the right investment decision. Family decisions impact their investments most and they prefer to invest as per their personal choices and industry experts. Most women like to invest for any unforeseen event and future endeavours. The investment decision of women is most likely to be built on a balance study of future aspects and past performance of an asset with regular returns and low risk being the key. They are willing to learn financial planning to make better investments. And a heavy inclination towards gold suggest that women are still preferring the traditional method of investments

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