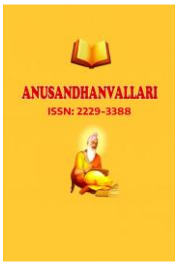

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Assessing Awareness Levels of Post Office Small Savings Schemes Amoung Investors

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Abstract

Everyone saves money, even if there are many different ways to achieve it. While there are a variety of reasons why individuals decide to save money, the three primary ones are caution, peer pressure, and the desire to purchase in the future. The financing of public debt is significantly influenced by postal savings funds. In various nations, the fund is administered by a number of policy-oriented financial organizations with the objectives of community development and return on investments. This study investigates investor perceptions of the Postal Savings Scheme. Post offices have been crucial in tying the entire nation together and have also offered banking services. Its function has evolved through time, nevertheless, and it is now among the best possibilities for investors. Hence the study is descriptive in nature. The primary data are collected through questionnaire from the 120 sample investors in Virudhunagar district using convenient sampling method. Finally this study conclude that most of the people are not much aware about post office savings schemes, if government takes any initiative to aware the people about postal schemes, then saving habit of people can be increase through post office savings schemes.

Key words: Investment, Savings, Awareness, Income, preference, post-office savings.

Introduction

Savings and investment are important factors for growth and development of an economy. Savings are increasingly beings acknowledged as a powerful tool for poverty reductions. Saving attitude in essential of every Indian whether they reside in village or town. Savings in the excess of income over consumption expenditure. Savings are meant to meet contingencies and raise standard of living of individual savers. Lots of investment. Opportunities are provided by many financial institutions like Commercial banks, Co-operative banks, post office savings scheme and Life Insurance corporation public limited company. Post office savings schemes are one of the modes for them to save their valuable earning. The Indian postal system facilitates the people to deposit their money in postal for those who do not have access to a bank in their area. The investment in postal generally associated with the attitudes, perceptions and willingness of individuals and institutions. 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 office. India is a country of villages; hence the people are unable to be aware Post Office Saving Schemes. Post office provides enormous

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benefits to the investors and it is the largest savings institution in the country. Postal savings funds play a significant role in financing public debt. In several countries, the funds are intermediated through a variety of policy based financial institutions with developmental objectives, returning the funds to the direct benefits of the community of savers. There are several types of post office savings schemes.

Post office Savings Account: The savings account offered by the post office is similar to any other savings account offered by banks. The account can be opened with a minimum deposit of Rs. 500, and the account holder vans an interest rate of 4% per annum on the balance. The account can be opened jointly, and withdrawals can be made through cheques or withdrawal forms

Recurring Deposit Account: This is a savings scheme where investors can save a fixed amount in every month for a period of 5 years. The minimum deposit is Rs. 100 per month, and the account can be opened with a minimum deposit of Rs. 10. The interest rate on recurring deposits is currently 5.8% per annum, and the maturity value is calculated based on the deposit amount and the interest rate,

Time Deposit Account: The post office time deposit account is similar to a fixed deposit offered by banks. Investors can choose the deposit period, which can range from 1 year to 5 years, and the interest rate varies based on the deposit period. The minimum deposit amount is Rs. 1,000, and the interest rate currently ranges from 5.5% to 6.7% per annum.

Public Provident Fund (PPF): The PPF is a long-term savings scheme that offers tax

benefits under Section 80C of the Income Tax Act. Investors can open a PPF account with a minimum deposit of Rs. 500, and the maximum deposit limit is Rs. 1.5 lakh per annum. The interest rate on PPF is currently 7.1% per annum, and the maturity period is 15 years. The investment in PPF is also eligible for a tax deduction under Section 80C of the Income Tax Act

National Savings Certificate (NSC): The NSC is a fixed-income investment option that offers a tax benefit under Section 80C of the Income Tax Act. The investment in NSC is available in two denominations - Rs. 100 and Rs. 1,000. The interest rate on NSC is currently 6.8% per annum, and the maturity period is 5 years. The interest earned on NSC is taxable, but the investment amount is eligible for tax deduction under Section 80C of the Income Tax Act.

Mahila Samman Savings Certificate: An account can be opened under this scheme on or before March 31,for tenure of two years. The deposit made under MSSC will bear interest at the rate of 7.5% per annum which will be compounded quarterly. Minimum of Rs.1,000/- and the maximum limit of Rs.2,00,000/- The maturity of the investment under this scheme is two years from the date of opening of the account under the scheme. It envisions flexibility not only in investment but also in partial withdrawal during the scheme tenor. The account holder is eligible to withdraw a maximum of up to 40% of the eligible balance in the scheme account

Sukanya Samriddhi Account: The Sukanya Samriddhi Yojana account holder must be a girl child under the age of 10.The minimum deposit Rs.250 and maximum deposited amount Rs.1,50,000 in a year.8.2% interest rate per annum. The amounts withdraw after the maturity period of 21 years. The funds deposited into this account are eligible for tax deduction as per Section 80CC of the Income Tax Act.

Senior Citizens Savings Scheme (SCSS): SCSS is primarily for the senior citizens of India. Minimum investment Rs.1, 000 and Maximum investment Rs.30, 00,000, interest rate 8.2% per annum. This scheme offers a regular stream of income with the highest safety and tax saving benefits available under Section 80C upto Rs.1.5 lakh. It is an apt choice of investment for those over 60 years of age. Jose, J. (2024)

Review Of Literature:

According to **Mrs. Keerthana and Dr. D. Vijayakumar (2023)** from this study, the India Post is set to expand and become stronger, bringing delight to all. It will surely overcome any obstacle posed by the brand-new, technologically advanced environment. Investors can profit from tax benefits and a risk-free investment.

Dr. A. Benazir (2020) Study aimed to examine the effects of some socio economic factors such as Income, age, level of education, Sure of family on one's saving patterns. The study found level of savings is still poor due to low income. Large family size or move number of dependents, joint family system and young working population.

Bhatia and Tyagi (2018) from the study is understood that parents are highly interested and satisfied in post savings schemes. This is risk free investment and tax benefits. Should be introduced many new schemes for children.

B.Saranya, G.B. Karthikeyan (2015) studied the attitude of savings is different from one to another. To satisfy the varying needs of investors, India offers a variety of investment opportunities. The current study examines investor's awareness, attitudes, preferences, and behaviour regarding the several investment options that are available to them in the market.

Statement Of The Problem

Post Office Savings programs are one of the most important and it play a most significant role in the development of country's economy. It offers inventors a wide range of advantages. The largest savings in the nation is Post Office Savings. The central government has worked to popularize the National Savings Movement by offering higher yields than those provided by scheduled banks in an effort to mobilize the savings of individuals with relatively low incomes and foster a spirit of thrift and saving in them. This study intends to examine depositor's attitudes about Post Office Savings Schemes and identify any issues and potential solutions. In light of this, an exploratory study has been chosen, and the research question has been defined as " Assessing Awareness Levels of Post Office Small Savings Schemes Amoung Investors.

Objective Of The Study

- To identify the perception of investors in the post office savings scheme.
- To ascertain Depositors satisfaction with postal program.

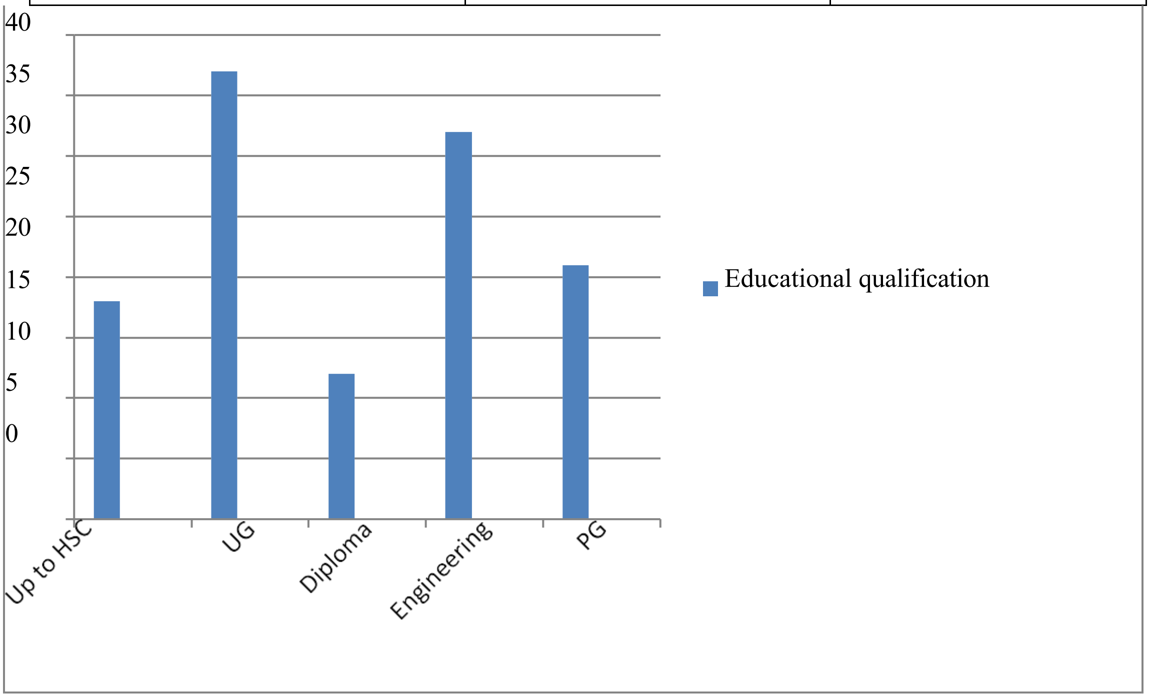
Methodology

The survey is based on the both primary and secondary data which are collected from various sources. The primary data are collected through questionnaire from the 120 sample investors in Virudhunagar district using convenient sampling method. The secondary data have been collected from standard text books and from various published articles in magazines, journals, encyclopedia and websites.

Data Analysis And Interpretation

Table 1: Investors Educational Qualification

Qualifications	No. Of Investor	Percent
Up to HSC	18	15
UG	37	30.8
Diploma	12	10
Engineering	32	26.7
PG	21	17.5
Total	120	100.0

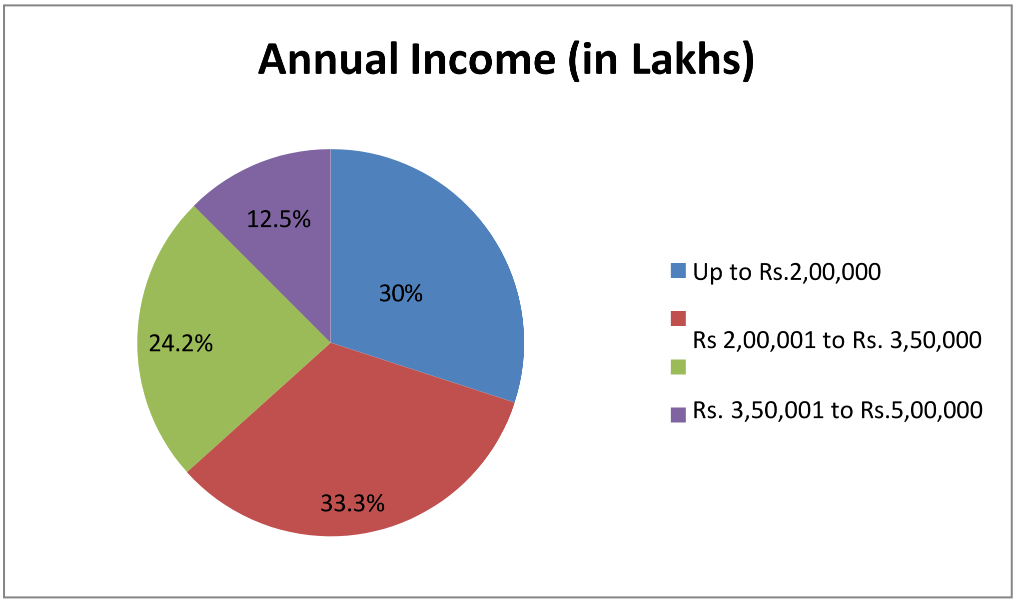


Regarding qualification, 30.8% of investors are under-graduates, followed by 26.7% are post-graduates, 17.5% of the investors are professionals, 15% of the investors are studied up to HSC, and 10% of the investors are diploma holders.

Table 2: classification of the respondents on the basis of Annual Income

Annual Income	No. Of Investors	Percent
Up to Rs.2,00,000	36	30
Rs 2,00,001 to Rs. 3,50,000	40	33.3
Rs. 3,50,001 to Rs.5,00,000	29	24.2

Above Rs.5,00,000	15	12.5
Total	120	100.0



Regarding Annual income of investors, majority 33.3% of the investors annual income is between Rs.2,00,001 – 3,50,000, followed by 30% of the investors annual income is up to Rs.2,00,000, 24.2% of the investors annual income is between Rs.3,50,001 - 5,00,000 and 12.5% of the investors annual income is above Rs.5,00,000.

Table 3: classification of the respondents on the basis of Yearly Investment amount

Investment Amount	**No. Of .Investor**	**Percent**
Up to Rs.50,000	47	39
Rs,50,001 to Rs. 75,000	38	32
Rs. 75,001 to Rs.1,00,000	20	17
Above Rs.1,00,000	15	12
Total	120	100.0

The yearly investments of Investor, majority 39% of the respondents yearly investments up to Rs.50, 000, followed by 32% of the respondents yearly investments between Rs.50,001 - 75,000, 17% of the respondents yearly investments is between Rs.75,001 - Rs.1,00,000, and 12% of the respondents yearly investments above Rs.1,00,000.

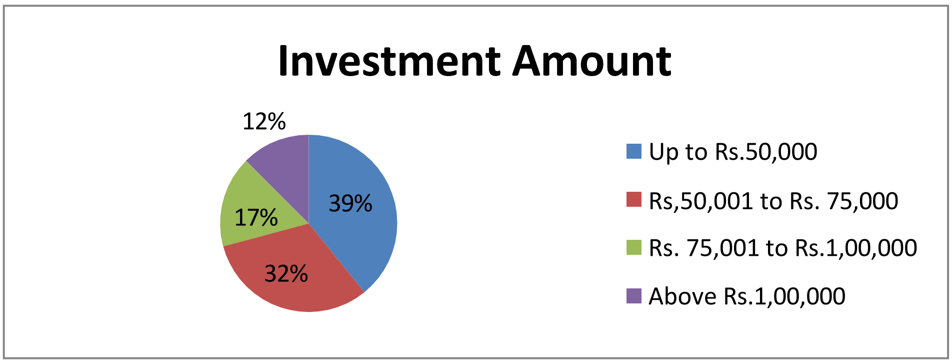
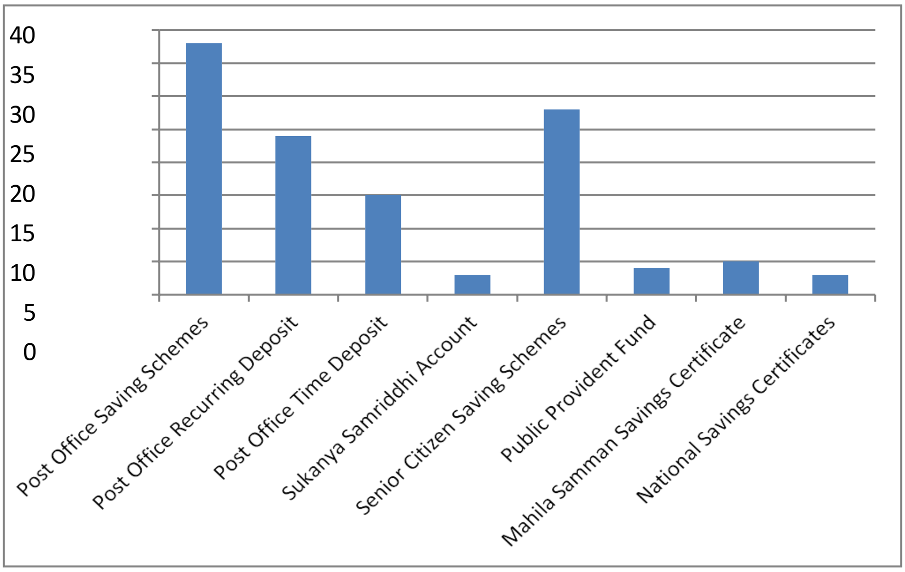


Table 4: classification of respondents under Investments in various Portfolios

Investment Portfolios	No. of Investors	Percent
Post Office Saving Schemes	38	31.7
Post Office Recurring Deposit	24	20
Post Office Time Deposit	15	12.5
Sukanya Samriddhi Account	3	2.5
Senior Citizen Saving Schemes	28	23.3
Public Provident Fund	4	3.3
Mahila Samman Savings Certificate	5	4.2
National Savings Certificates	3	2.5
Total	120	100.0



This Chart shows that 31.7% of investors have made their investment in Post Office Saving Schemes, followed by 23.3% of investors have invest in Senior Citizen Saving Schemes and 20% of investors have invested their money for Post Office Recurring Deposit.

Opinion of the respondents about benefits of Savings:

Factors	1(5)	2(4)	3(3)	4(2)	5(1)	Total	Rank
Tax benefits	61 (305)	26 (104)	21 (63)	9 (18)	3 (3)	120 (493)	**I**
Additional income	25 (125)	60 (240)	25 (75)	7 (14)	3 (3)	120 (457)	**II**
Statutory requirements	22 (110)	38 (152)	32 (96)	23 (46)	5 (5)	120 (409)	**V**
Future needs	30 (150)	32 (128)	41 (123)	13 (26)	4 (4)	120 (431)	**III**
Increase in Salary	31 (155)	25 (100)	42 (126)	12 (24)	10 (10)	120 (415)	**IV**

The above table shows the opinion of the respondents about benefits derived from the savings and that are ranked based on the return of the respondents. The tax benefits are given as I rank, additional income increments are ranked as II, Future needs has ranked as III, Increase in salary is ranked as IV, Statutory requirements are ranked as V.

Conclusions

The researcher felt that the post office is the most important government entity for interpersonal ties. It is well known as a communication facilitator. Despite the fact that there are various ways to save money, the post office should try conduct awareness programmes to provide the general public. The study concludes that, In India related to post office schemes, with cutting-edge savings plan. Postal department has the potential to expand and thrive, bringing joy to everyone. This approach will overcome the obstacles of the digital age. The post office in modern times provides numerous kid-friendly programs.

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