

Saving and Investment Pattern among Rural Women in Punjab: A Case Study of Patiala Region

Gurwinder Kaur¹
Assistant professor of Commerce
Punjabi University Patiala

Dr. Jagdeep Singh²
Assistant Professor
University College Miranpur
Talwandi Sabo Campus

Abstract:- People in India have been attracted to savings for a long time. However, in olden times, this savings were not made with banks or other institutions, but in the form of valuable metals in homes. Gold has been one such metal in the country which was kept as money in the form of jewellery. With the change of time, the form of savings also changed. Metals were replaced by currency. It took a long time for the currency to come out of the houses and reach the banks. However, now the situation is different. Now people keep their savings not only in banks but also in institutions from where their money increases. In India, the tendency to save has been found more among women. This trend was there even when women did not earn money directly. Now with time, women have started earning, in that sense the tendency of saving among women has also increased.

Saving habits are always helpful for the women to become financially secure and provide them security in any financial crisis. With the passage of time women literacy rate is increasing and women are not only getting good jobs but also becoming job creators. Their increasing income sources are not only help them but also provide help to the family. Saving habits are not only found in educated and working women but also in non-working women in rural and urban areas. Rural women prefer to invest in pigmy, Banks or at home. This article is an attempt to evaluate the saving pattern of women in rural areas. It is also an attempt to understand the factors that influence their saving and investment pattern.

Punjab is an agrarian state. Women in rural areas are playing an important role in agriculture and allied activities. In Punjab, wheat and rice are two main cereal crops. Dairy farming is also the main occupation of rural areas for landless and small land holders. Women play an important role in these occupations.

Keywords:- Rural, Investment, Saving.

I. INTRODUCTION

In a third world country like India saving is a very traditional trend. With the passage of time the saving patterns have been changed. There are a number of options available today for saving purposes. Saving habits among women helps them within the family and to survive in society.

Savings protect women against financial uncertainties in the future. If we go back to Mughal India period, the condition of women was very pathetic at this time. They were not allowed to go out of the houses. The biggest reason for this was that at that time only men had the right to earn. Women were limited to working only at home. Women's participation in finance was negligible. Women's financial weakness was their social weakness. Therefore, they did not have the freedom to take any kind of decision at home and outside. Times changed and the status of women also changed. As women started contributing to financial activities, their condition started improving. Women first started working from their homes such as dairy and its ancillary business. After this, women not only started working outside the home but also tried their hand in business. With the improvement in the financial condition of women, their social status also started to rise and the participation in every activity of the society increased.

Punjab is an agriculture dominant state. There is full and part time work available for women in rural areas. In the harvesting season uneducated women become able to find work and on the other side there is a lot of job scope for educated and professional working women in the private and government sector. In Punjab, around 47 per cent women constitute in rural areas as per Census 2011. The literacy rate among rural women is lower than urban areas. It is 65.8 per cent as compared to 79.2 per cent of the urban. According to the periodic labour force survey 2018-19, the female worker participation rate of Punjab is 17.3 against the national average of 23.3. As per data released by Reserve bank of India, the share of women depositors in incremental bank deposits during financial year 2022 increased to 35 per cent from 15 per cent in previous year. This data also indicates that rural areas are the major source of women depositors. The savings of rural women are estimated to increase by 66 per cent in the year 2022. Which was 37 percent in the year 2020.

However, the savings trend of women in metro cities did not change much between 2020 and 2022.

II. LITERATURE REVIEW

Amu Manasseh Edison Komla indicates that how investment behaviour is influenced by demographic characteristics in "Demographic influences on Rural Households". Saving and Investment: A study of Rural Households in the Municipality of Ghana. The main objective of the study was to explore the demographic features of household heads in rural areas to find out how demographic features affect the saving and investment pattern among women. She pointed out that the women prefer short-range investment as compared to long term. Although there has been an increase in the number of educated working women, they are, however, mostly women depend on their relatives and friends for investment-related advice. (Lourrine et al., 2017) points out that some certain circumstances influence the investment preference of women. Sources like internet, online information and social media also influence the investment behaviour of women. The study also points out those more risk-averse women seem to be conservative and choose low risk investments like bank term deposit, recurring deposits and provident fund. Study of Rao, 2017 indicates that women became independent to make decisions on investment. (Kumari, 2018) points out that there are many considerations required before investment planning like tax planning, investment protection and for retirement earning, etc

➤ *Research Objectives*

- To understand the awareness level among rural women about investment avenues
- To understand the saving pattern in rural women
- To find out the co-relation between age group and saving

III. RESEARCH METHODOLOGY

The study is to evaluate the different age group saving pattern among rural women in Patiala district. For this study secondary and primary data was collected from the women living in rural areas in Patiala District by using random sampling. The primary data was accumulated from the rural women through questionnaires. Collected data analysis is done systematically using Ms Office. For the purpose of testing hypotheses, the chi-square test was used. Total sample size of the study is 150.

➤ *Need for the Study*

Everyone wants to survive during financial crisis period but only few people able to achieve it by systematic saving and investment. Saving habits are innate by nature. Like Men, women also save money. But when they plan to invest it, they lack confidence due to low awareness especially in rural areas. So this study may helpful to understand their weakness and may be suggestive for the policy makers to aware them with proper campaign.

Table 1 Age of Respondents

Age (Years)	Frequency	Percentages
20-30	80	53
30-40	30	20
Above 40	40	27

As shown in Table-1, that 53 per cent of the respondents were age group 20-30 and 20 percent were between 30-40 and 27 per cent were of the age group above 40.

Table 2 Qualification of Respondents

	Frequency	Percentages
Uneducated	20	13
Elementary education	26	17
Secondary education	16	11
Graduate	20	13
Post graduate	68	46

As shown in Table-2, 150 respondents were covered under survey, 13 Per cent were totally uneducated, 17 Per cent primary educated and 11 per cent got secondary education whereas 13 per cent were Graduate and 46 per cent of sample was post graduates.

Table 3 Awareness about investment opportunity

Investment	Awareness (%)	Unawareness (%)
L.I.C	80%	20%
Self-help group	90%	10%
Bank Deposit	90%	10%
Post Office	60%	40%
Cooperative society	45%	55%
Real Estate	90%	10%

Source: Primary Data

It is clear in this table that the majority of respondents are aware of Bank deposit, LIC and Real Estate as compared to cooperative society and Post office.

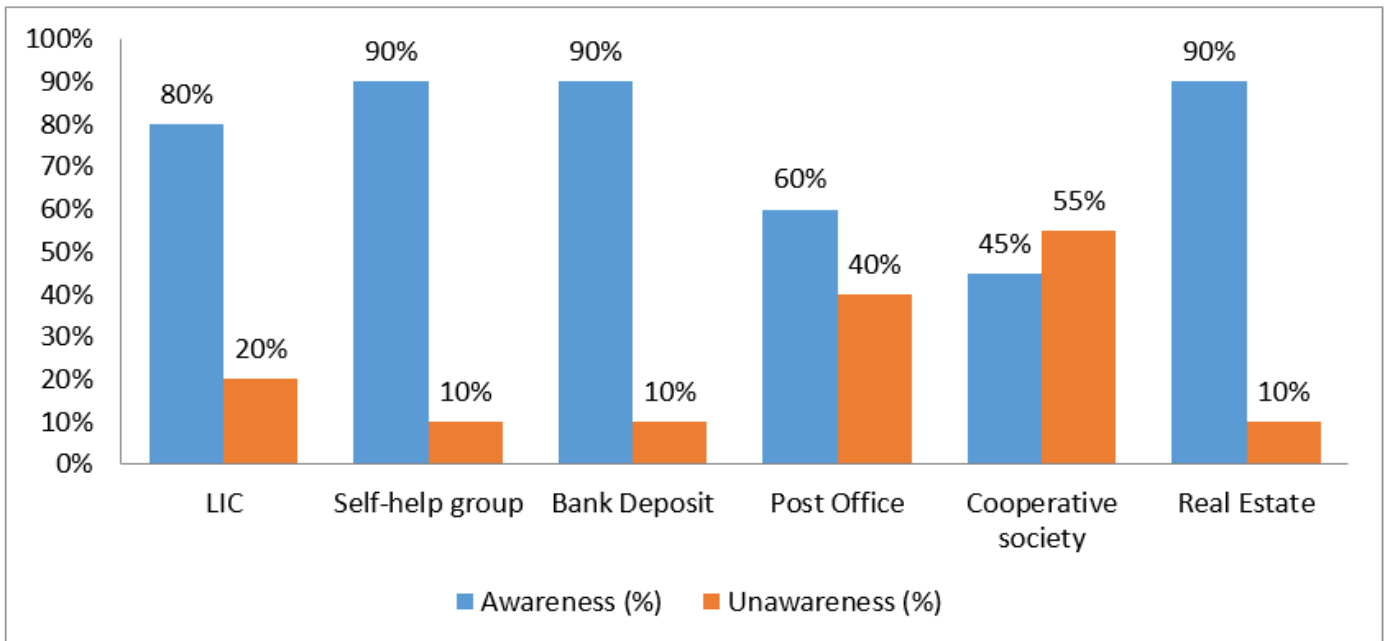


Chart 1 Awareness about Investment Opportunity
Source: Primary Data

80 per cent respondent aware about LIC, 90 per cent respondent aware about self help groups, bank deposits and real estate investment and 60 per cent respondent aware about post office saving and 45 per cent respondent aware about co,operative society.

Table 4 Investment behaviour Annual

Investment (In Rs.)	No. of Respondent	Percentage (%)
Up to 5000	86	57
5000 - 10,000	40	27
10,000-15000	14	9
15000-20.000	10	7

Source: Primary Data

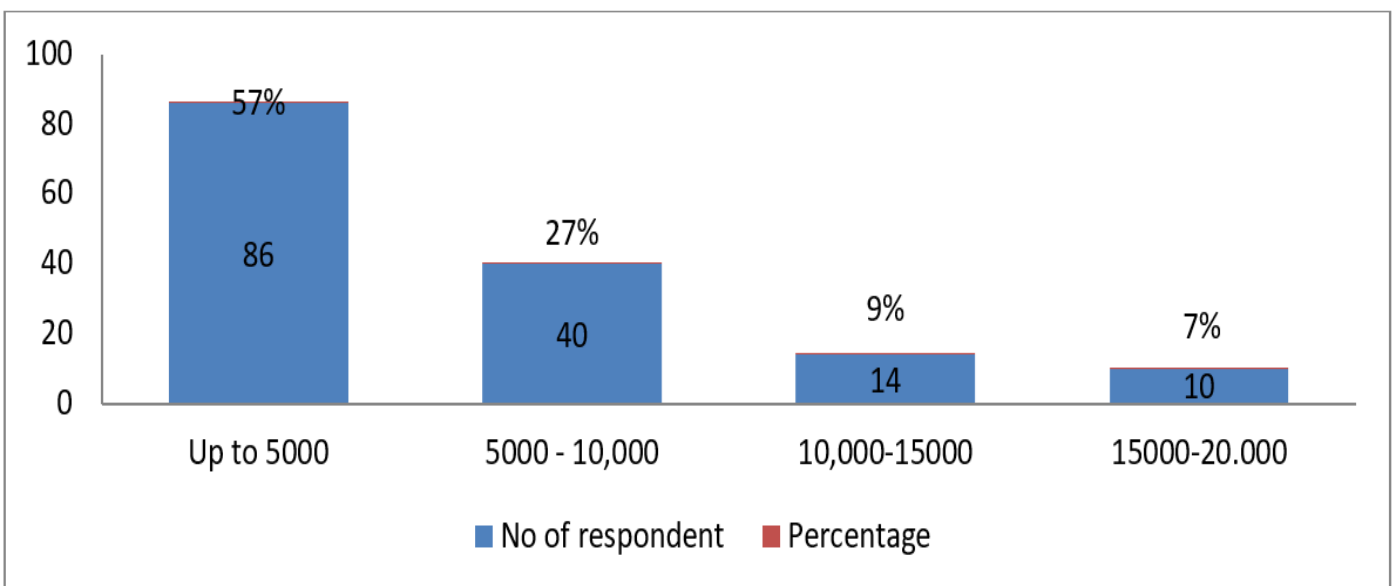


Chart 2 Investment Behaviour Annual
Source: Primary Data

As shown in Table-4 and chart-2 that 86 out of 150 respondent save uptoRs. 5000 annual (57%) and 40 respondent (27%) save annually between 5000 to 10,000. Out of 150 only 14 respondent (9%) Save between 10,000 to 15000 and 10 respondent (7%) save 15000 to 20,000 annually.

Table 5 Factors Influence Investment Decision

Factors effect Investment	No. of respondent	Percentage %
Rate of return on Investment	44	29
Safety of return	56	37
Risk	10	7
Liquidity	12	8
Convenience	22	15
Tax saving	6	4
Total	150	100

Source: Primary Data

- As Shown in Table-5 and Chart-3 Safety of Return is a Major Factor that Influences Investment Decision.

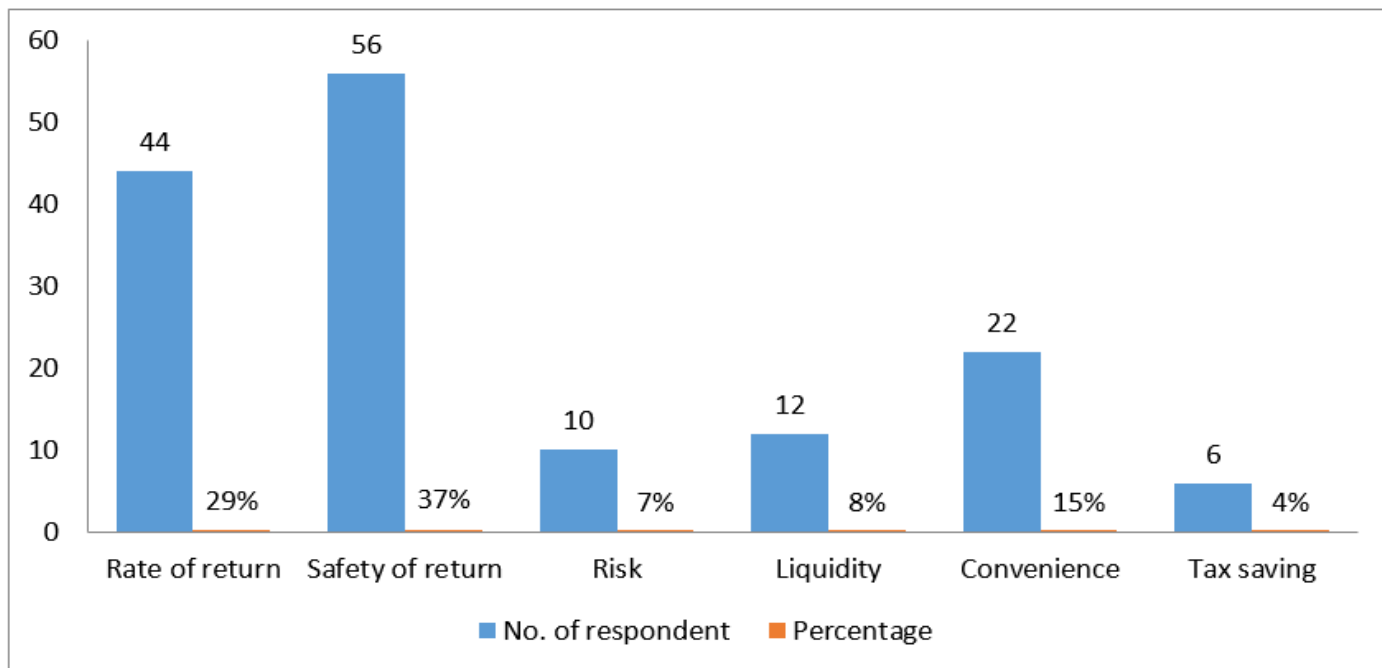


Chart 3 Factors Influence Investment Decision

44 Respondent (29%) influenced by rate of return before investment and safety of return is influenced the 56 respondent (37%) decision on investment and 7% influenced by risk matters before investment, 8% liquidity, 15% convenience and 4% influenced by tax saving factor before investment decision.

➤ Testing of Saving Hypothesis

Table 6 Saving Behaviour among Respondents

Saving Pattern	20-30	30-40	Above 40	Total
Saving	60	20	30	110
Non Saving	18	12	10	40
Total	78	32	40	150

Source: Primary Data

➤ Hypothesis

- H0*: There is no significant relationship between age group and saving habits.
- H1*: There is a significant relationship between age group and saving habits.

Chi-square analysis indicates that the null hypothesis, there is no significant relationship between age group and saving habits of rural women. Hence the alternative hypothesis that there is a relationship between age group and saving habits of rural women has been rejected.

Table 7 Chi-Square Test

Chi Square Value	Table Value	Significance
1.827	5.99	Not Significance

Source: Primary Data

IV. CONCLUSION

Saving and investment both are the backbone of every country for development. In developing countries like India the rural population size is big. Major occupation of people in these countries is agriculture and allied. Women in rural areas must be aware about saving and investment with the help of self-help groups and other government agencies. Governments need to improve their financial status with long term work opportunities. Low risk investment options need to promote saving and investment among rural women..

REFERENCES

- [1]. Rao B. R. B. R. (2017). A study on investment pattern and behaviour of women employed in private companies in bangalore. (2016), 414–417.
- [2]. Kumari, V. K. (2018). Impact of Savings and Investment Behaviour of Working Women in Chennai City. 13, 158–161.
- [3]. Ramaratnam, M.S. &Jayaraman, R. (2016). A study on savings pattern of rural households in the select clusters of Kanchipuram districts. International Journal of Engineering and Management Research, 6(2), 608-615.
- [4]. Girija, P. &Kalaivani, R. (2018). The study on saving habits of rural womenwith special reference to Pollachi. International Journal of Academic Research and Development, 3(1), 50-52.
- [5]. Phillips, Katherine. (2014). Saving patterns and habits of women- A behavioural study. Scholedge International Journal of Business policy and Governance, 1(2), 13-17.

➤ *Website-*

- [6]. <https://www.globalgiving.org/projects/fueling-micro-finance-opportunities-in-rural-india/reports>
<https://www.npr.org/2014/03/31/294853959/when-planning-for-the-future-women-have-been-hands-off>