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A Study on Investors Perception towards Post Office Savings Schemes with Special Reference to Muthuthala Grama Panchayath

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Abstract

Investments and savings are crucial components of an economy's expansion. Regardless of whether they live in a town or a village, every Indian must have a saving mentality. Although the reasons for saving vary, the main forces motivating these savings facilities are caution, social pressure, and aspirations for future consumption. One must choose the best investment option from the several available. The person in charge of the planning must be aware of all the different investment options and how to select them in order to achieve the overall goals. The investment's specifics must be kept up to date and controlled. Finding enough money to support their development is a huge challenge for emerging nations like India. Investment is thought to be the most important factor in determining production, and capital formation needs to be backed by a certain amount of saving.

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Introduction

It is anticipated that technological advancements in the postal industry will make it a vital conduit for upcoming social, cultural, and economic advancement. Postal vehicles frequently serve as mobile libraries, post offices can serve as birth and death registration offices, postal infrastructure in distant locations can be used for alternative uses like schools and pharmacies, and postal services can be used for successful public campaigns.

The establishment of post office savings plans was intended to give lower and middle-class individuals easy and safe ways to invest. The Indian government offers a number of programs through post offices all around the nation. These programs include the Post Office Savings Account, Post Office Time Deposit Account, Post Office Monthly Income, and Post Office Recurring Deposit Account. The purpose of this study is to ascertain how investors see post office savings plans.

Statement of the Problem

The postal service has long been the mainstay of modest deposits and communication. For more than 150 years, the Department of Posts has been essential to the country's socioeconomic development by promoting communication across the country. Although the post office's financial

services were initially developed as a supplemental revenue-generating enterprise, they now constitute a viable industry. In addition to its core duties, the Post Office offers a variety of agency services, such as savings banks, money orders, postal orders, and postal life insurance, among others. These are safe, secure, and risk-free investment options that give investors capital gains without having taxes withheld at the source. Therefore, research on investors' attitudes on post office savings is necessary. An investor can choose from a variety of investing options. It's also critical to gauge how knowledgeable rural investors are about postal investing. The attitude of investors regarding postal investment decisions is covered in this study.

Significance of the Study

Although there are many investment possibilities available and the postal sector plays a more crucial role now, postal investment schemes have not gained much traction. Because the interest rates offered by the postal schemes are higher than those of other schemes, the evolving postal environment poses a significant challenge to established postal firms while also opening up a wide range of new business prospects. The purpose of the survey was to determine whether or not postal savings plans have become more popular. In light of this, an

effort has been made to ascertain the rural respondents' investing patterns. Timing to achieve this, the current study has attempted to gauge the awareness, perceived opinion, and attitude of rural investors and postal investment schemes in addition to asking them about their perceptions of the various schemes' features and the methods used by the relevant officials and agents.

Scope of the Study

The study's scope was restricted to investors' perceptions of post office saving programs in Muthuthala Gramapanchayath. Its objective is to examine the elements that influence postal investment decisions and the degree of customer satisfaction.

Objectives of the Study

1. To understand the perception of investors on post office saving schemes.
2. To identify various post office saving schemes and factors influencing postal investment decisions.
3. To measure the respondents level of awareness towards various post office savings schemes and its procedures.
4. To analyze the customers satisfaction level and challenges faced by post office saving schemes.

Research Methodology

A crucial component of any research project is methodology. It makes it possible for the inquiry to approach the issue in a methodical, significant, and organized manner. The study was conducted using a research methodology that was mostly based on descriptive work using primary and secondary data. Convenience was the deciding factor when choosing the investors. Data was gathered using a standardized questionnaire.

Sources of Data

Data were collected from both primary and secondary sources. Primary data were collected from post office investors of Muthuthala Panchayath through a structured questionnaire. Secondary data were collected from different journals, books and internet.

Research Design

The empirical study followed a valid research design, which is a plan according to which research participants will be obtained and information collected from them. The research design assists the researcher to define the study of population, selection of a suitable measuring instrument and suitable statistical techniques for data analysis. The study undertook an exploratory quantitative research approach as influenced by the nature of research problem.

Sample Design

A sampling design is a definite plan for obtaining a sample from a given population

Method of Sampling

Convenient sampling method will be adopted for the purpose of carrying out the project.

Sampling Frame

Muthuthala Gramapanchayath is taken as sampling frame.

Sample Size

100 samples have been undertaken for the purpose of the study.

Tools Used

Questionnaire was used for collecting data from respondents.

1. One way ANOVA

One-way ANOVA (Analysis of Variance) is a statistical technique used to compare the means of three or more independent groups to determine if there are any statistically significant differences between them. It is called "one-way" because it examines the effect of a single factor (or independent variable) on a continuous dependent variable.

2. Pie Chart
3. Column Chart
4. Line Chart
5. Bar chart
6. Likert scale analysis
7. Tables

Hypothesis of the Study

H0: There is no significant relationship between educational qualification and level of awareness of various deposits schemes in post office.

H1: There is significant relationship between educational qualification and level of awareness of various deposits scheme in post office.

Limitations

1. Data is collected only from Muthuthala Grama Panchayath. So the area is limited.
2. People were hesitated to provide necessary information.

Review of Literature

1. Jothilakshmi, E., & Santhi, P. (2019). All human communities practice saving, despite the fact that their methods vary. What discourages people from investing and why do they save? Although there are many different reasons, caution, societal pressures, and future goals. One of the main factors motivating people to save is consumption. However, the early development experience of industrialized nations shown that lower-income individuals preferred to deposit their money in post offices. The necessity of mobilizing domestic financial resources is one of the most crucial factors for developing international economies. One important source of funding for public debt is postal savings funds. The monies are returned to the community Savers for direct benefits in several countries after being mediated through a range of policy-based financial entities with developmental goals.
2. Kumar, K. S., & Vijayabanu, C. (2012,). The goal of investing is to forgo some current rewards in exchange for a favorable return in the future. It implies that various decisions namely, nature of the financial product, proportion, allocated money, timing of investment, the class it has been, etc., are important aspects while investing or dis-investing. As a result, these choices will be consistent and rational. An investment choice can be understood as a balancing act between return and risk. The financial investment products are covered in the study.

Post office savings plans, bank deposits, mutual funds, shares, gold, and real estate are among the financial investment instruments that are part of the study. The findings of the literature review on the perceptions and choices of individual investment investors are compiled in this paper.

3. Krishna, U. G., Sultana, A., & Reddy, T. N. (2019). Investments are financial commitments made with the expectation of future benefits, using money saved from present spending. There will be numerous investment options for investors to park their idle assets, depending on criteria like lifestyle, socioeconomic background, and demographics. Understanding the goals of the investment and laying out the investment policy are often the first steps in the investment process. This can depend on how investors see it. This survey aims to determine how investors in Andhra Pradesh's Kurnool District view the main and most well-liked investment possibilities. All demographic information and investor goals have been gathered from the respondents, and the correlation between these factors and investment goals has been calculated. Additionally, the study identifies the ways in which investors make decisions about their investment routes.
4. Venkatachalam, V. (2016). Postal life insurance was expected to thrive thanks to a robust network of post offices in both urban and rural areas. Additionally, by using the current post office network, the anticipated operating costs were significantly reduced. The only insurance company in the nation offering the best return to clients at the lowest premium is Postal Life Insurance at the moment. The goal of the postal life insurance program is to insure people who work for any government-owned company, including local civic organizations, nationalized banks, military personnel, and school staff.

Data Analysis and Interpretation

Table 4.1: Gender of Respondents

Gender	No. of Respondents	Percentage
Male	41	41
Female	59	59
Others	0	0
Total	100	100

Source: primary data

Interpretation

The above table and chart shows that 59% of respondents are female and 41% are male. Other respondents are zero.

Table 4.2: Age of Respondents

Age	No. of Respondents	Percentage
Below 18	6	6
18-30	45	45
30-60	38	38
Above 60	11	11
Total	100	100

Source: primary data

Interpretation

The above table and chart (4.2) shows that majority 45% of the respondents in the age group of 18-30 years, whereas 38%

belongs to the age group of 30-60 years, 11% belongs to the age group of above 60% and remaining 6% is in the category of below 18 years.

Table 4.3: Educational Qualification of Respondents

Educational Qualification	Respondents	Percentage
Up to SSLC	22	22
HSC	28	28
Graduate	30	30
Post graduate	20	20
Illiterate	0	0
Total	100	100

Source: primary data

Interpretation

The above table and chart (4.3) discovers that majority 30% of the respondents is having a qualification of graduation, whereas 28% is higher secondary qualification, 22% is up to SSLC. Only 20% of respondents is having post-graduation.

Table 4.4: Occupation of Respondents

Occupation	Respondents	Percentage
Business	20	20
Agriculture	9	9
Self employed	33	33
Others	38	38
Total	100	100

Source: primary data

Interpretation

The above table and chart (4.5) reveals that the majority 38% of the investors are working in others sector, whereas 33% belongs to self-employed, 20% belongs to business, 9% belongs to Agriculture.

Table 4.5: Purpose of Savings of Respondents

Purpose of Savings	Respondents	Percentage
To lead a comfortable life	50	50
House construction	16	16
Children prosperity	22	22
Others	12	12
Total	100	100

Source: primary data

Interpretation

From the above table we can understand that 50% of respondents are invested for the purpose of leading a comfortable life. 16% of respondents are invested for their house construction. 22% of respondents are invested for children prosperity and 12% respondents are invested for other purpose.

Table 4.6: Amount of Savings per month of respondents

Amount of Savings Per Month	No of Respondents	Percentage
Below 1000	36	36
1000-2000	34	34
2000-3000	16	16
Above 3000	14	14
Total	100	100

Source: primary data

Interpretation

The above table shows that 36% of respondents are invested below 1000 per month. 34% of respondents are invested 1000-2000 per month. 16% of respondents are invested 2000 – 3000 per month. 14% of respondents are invested above 3000.

Table 4.7: Scheme of Deposit Preferred by Respondents

Post Office Scheme	No. of Respondents	Percentage
Post office savings account	26	26
Post office recurring deposit	20	20
Post office time deposit	7	7
Post office monthly income scheme	11	11
Public provident fund	3	3
Senior citizen savings scheme	4	4
Kisan vikas patra	2	2
Sukanya samriddhi yojana	6	6
National savings certificate	14	14
Mahila samman saving certificate	7	7
Total	100	100

Source: primary data

Interpretation

From the above table we can understand that 26% of respondents are invested in post office savings account, 20% of respondents are invested in post office recurring deposit account, 14% of respondents are invested in national savings certificate account, 11% of respondents are invested in post office monthly income schemes, 7% of respondents are invested in post office time deposit. 7% investors are invested in mahila samman saving certificate and 6% of respondents are insukanyasamriddhiyojana. 4% invested in senior citizen savings scheme. The 3% of respondents are invested public provident fund. The rest 2% are invested in kisan vikas patra.

Testing of Hypothesis

Relationship between Educational Qualification and Satisfaction of Post Office Schemes

One way Anova Test:

H0: There is no significant relationship between educational qualification and level of awareness of various deposits schemes in post office.

H1: There is significant relationship between educational qualification and level of awareness of various deposits schemes in post office.

ANOVA

One way satisfaction by education

	Sum of squares	df	Mean square	F	Sig.
Between groups	9.685	3	3.228	4.115	.009
Within groups	75.305	96	.784		
Total	84.990	99			

Interpretation

Since, P value is 0.009. P value is less than 0.05. So reject H0 and accept H1. That means there is a significant relationship between awareness and educational qualification.

Findings of the Study

1. From the study it is found that majority of respondents [59%] belongs to the gender group of female.
2. Most of the respondents belongs to the age group 18-30
3. Most of the respondents are graduated.
4. It is found that 51% of the respondents are married.
5. Most of the respondent's occupation is others.
6. From the study it is clear that majority of respondents belongs to an income group of 10000-25000

Suggestions

- Most of the respondents are not more aware about the various Schemes provided by the post office. So, post office department take necessary steps to give more awareness to public about the schemes through awareness campaigns and advertisement.
- Some of the respondents said that lack of information about the scheme and the rate of interest is low when compared to other investment, so postal department try to increase their interest rates and provide more information about schemes.
- Most of the respondents want to change schemes from post office because the respondents want new schemes with more financial benefit.
- Infrastructure and seating facilities are very low level in post office. So it should be develop.
- Long maturity period is not acceptable to many investors, so the postal department try to provide new schemes with shorter maturity period.

Conclusion

India's oldest and biggest banking system is the Post Office Savings Bank. Savings are essential to the expansion and development of the national economy. For small investors in India, the Post Office savings plan offers a safe, risk-free, and alluring investment choice. One way they can preserve their valued earnings is through post office savings plans. Post offices provide a number of savings plans, including recurrent deposits, savings bank accounts, national savings certificate accounts, post office monthly income plans, senior citizen plans, and more. These postal systems are available to investors who want a portfolio with minimal risk and significant return generating. Savings plans with attractive interest rates and no financial concerns include PPF and National Savings Certificates. Investors from lower economic classes can also look forward to investing in these programs because the minimum investment amount is cheap and accessible. The Post Office makes sure that its workers are proud to be its greatest asset and provide humane customer services.

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