

A Study on Investors Investment Pattern before and after Pandemic with reference to Small Savings Schemes(SSS)

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ABSTRACT

The outbreak of a highly infectious COVID-19 significantly by disrupted human life. Measures to fight with the pandemic includes social distancing, self-isolation, shutting down of institutions and establishments, restricting modes of transport, job seeking, effected on children education and nation-wide lockdowns. These steps seemed to be necessary when we came to know the fact that only prevention was the only solution and there was no medicine to cure this infection which resulted more impact on economic activity around the globe. So, due to lack of financial growth in pandemic the people were suffered in their income and it claims their future. So, it develops to encourage their income in pandemic by savings schemes. This problem tries to identify in the investor's perception and it makes risk taking ability while investing in their different products during pandemic.

Key Words: Covid 19, Investment patterns, small savings, Interest rates, crises

INTRODUCTION:

The first COVID-19 positive case in quite a while enrolled on the 30th January 2020 (India Today). Cases have been expanded routinely and generously from that point forward. With impact from 25th March 2020, the Government of India proclaimed a three weeklong country-wide lockdown to limit the quantity of cases because of the quick spread of the infection. During this time, every instructive foundation, workplaces, public and traveller places, public utilities, strict spots, and insignificant organizations and administrations (counting retail foundations) were closure. Methods of each transport were likewise limited. The lock-down was additionally reached out from fifteenth April 2020 to third May 2020, and afterward from fourth May 2020 to seventeenth May 2020. Without a doubt, the lock-down proceeded till 31st May after which administrations were re-established in a staged way. Within the extended lockdown and confined financial movement, the economy is of seen a drawn out time of lull; a great many positions were lost, and organizations seriously occurred. The effect of the

COVID-19 episode has been more than once contrasted and the monetary emergency of 2008, which has been broadly examined in interrelation and excess impact writing.

REVIEW OF LITERATURE:

Mailing station administration is the foundation of our nation's correspondence and it's assumes a significant part for the financial development. Venture is one of the significant issues of rustic working ladies as their little reserve funds of today are to meet the costs of tomorrow. Provincial working ladies have a more noteworthy propensity to be save and contribute as a result of their free acquiring power. They are likewise persuaded by the speculation conduct of their associates in the work place. The current review has been embraced to dissect the whether a postal saving plans have acquired significance among the country working ladies' financial backers or not and it targets bringing the provincial working ladies mentality towards Post Office Saving Schemes with exceptional reference to Pollachi taluk in Coimbatore area.

Financial backer's mentality & savings design towards mailing station reserve funds plot: Dr.N. Rameshkumar (International diary of the executives) vol :8, 10 October 2018.

Indian Post Office Savings Bank being the biggest reserve funds establishments in the nation assume a crucial part in mobilising investment funds particularly in the provincial piece of the nation and deal various advantages to the financial backers. Mail centre little saving plans once hailed as individuals' development are losing sheen for the rustic family. In this paper an endeavour has been made to break down the financial backer's conduct towards mail centre saving plans. Based on reactions of 140 respondents from three areas in Himachal Pradesh concentrate on saw that for the most part salaried class of society is leaned towards mailing station conspires because of free from any and all harm return ensured by the public authority and duty motivators. Repeating Deposits, Post Office Saving Bank and Post Office Monthly Income Schemes are the primary instruments for speculation. Companions and family members are the primary wellspring of data for speculation. Declining loan costs, insufficient advancement, absence of significant worth added offices, helpless neighbourliness, slow speed of computerization and so forth are the really the purposes behind the decrease in net assortments of mail center little saving plan.

Financial backer's insight towards mail center little saving plans: Mohindersingh (focal college of Himachal Pradesh) June 2018.

Investment funds is normal to all human social orders, regardless of whether saving practices vary from each other. In India there are different venture roads accessible to address contrasting

issues of financial backers. The financial backers about saving plans will altogether affect the saving conduct of individuals. Individuals who have positive insight about the plan in which they have put will keep on putting resources into a similar plan. All the time, they will begin contributing on different plans from similar organizations. The idea of discernment that exists among financial backers about saving plans and organizations offering such instruments were contemplated. From the examination introduced here, plainly impression of financial backers affects their risk bearing limit and scope of speculation, it is likewise expressed that discernment is impacted by age, insight and expense instalment and it has a relationship with saving intentions and conduct of people, it is additionally to be recollected that if individuals get great assistance and great return during their venture residency, they will have positive insight, in any case contrary discernment will continue. It has turned into even more imperative to examine and break down the investors' mindfulness, insights, and inclinations, conduct of different speculation roads accessible to them on the lookout

A review on the postal investment funds plot with uncommon reference to sub – mail centermeensuruty: v. sasikala, Dr.R. selvaraj (International diary of business) vol 1 July 2017.

Postal organization is the extremely incredible asset for boosting monetary incorporation. About 1.5 billion individuals on the planet profit monetary administrations through mail centre. Indian mailing station additionally offers the effective monetary types of assistance. The review expects to analyse the financial backer conduct towards mail centre saving plans. The essential information is gathered through poll from 80 financial backers of Kandili sub mail centre and the optional information are gathered from the different exploration papers and sites. The investigation discovered that undeniable degree of mindfulness and fulfilment on mail centre reserve funds plans and low degree of fulfilment on advance offices, brief instalment and worker support. The review revealed that mail centre saving plan is best when contrasting with other monetary administrations accessible on the lookout.

A Study on financial backers' conduct towards mailing station saving plans: Dakshayinirasadurai Dr.m. raguraman (International diary of psychosocial restoration) vol 24 may 2020.

OBJECTIVES OF THE STUDY:

- To analyse the impact of COVID-19 on the saving patterns of investors.

- To compare investors investment pattern before and after the pandemic.
- To identify the investment pattern of investors.
- To analyse the changes in returns given by investment avenues due to the pandemic.

SCOPE OF THE STUDY:

The study based upon the investors' pattern for investment in different financial products in small savings and analyse the investors preference, awareness, during pandemic. The is confined to investment pattern of investors for the years 2018-2019, 2019-2020 and 2020-2021.

CONCEPTUAL FRAME WORK:

Post office service is one of the backbone of our country's communication and its plays an important role for the economic growth. Investment is one of the major issues of rural working women as their in small savings of present are to meet the expenses of tomorrow and future. Rural working women have a greater tendency to be saving and invest because of their independent earning power. They are also motivated by the investors to investment behaviour of their colleagues in the work place. The present study focus on three years' interest rates on post office saving schemes and effect on amount of investment due to pandemic. As we know that, the Government of India issues the order for a revised interest rates on the post office scheme in each and every quarter of every financial year. Three years' data was considered for analysis.

RESEARCH METHODOLOGY:

Primary Data: Information is collected by conducting a survey by distributing a questionnaire to 50 investors in small savings. These investors are of different age group, different occupation, different income levels, and different status (Married or not).

Secondary Data: This data is collected by using the following means Investment Magazines, Business Magazines, Financial chronicles, Expert's opinion published in various print media, Data available on internet through various websites,

Sample size:

Total size :100 respondents

Sample size:50 respondents

Research tools: Pie Diagram, chi-square, sign test

Hypothesis:

H0: There is no significant impact of covid-19 on the saving pattern of investors

H1: There is significant impact of covid-19 on the saving pattern of investors

H0: There is no change in investors opinion on investment.

H1: There is change. in investors opinion on investment.

H0: There is no significant change in investors investment preference

H1: There is significant change in investors investment preference

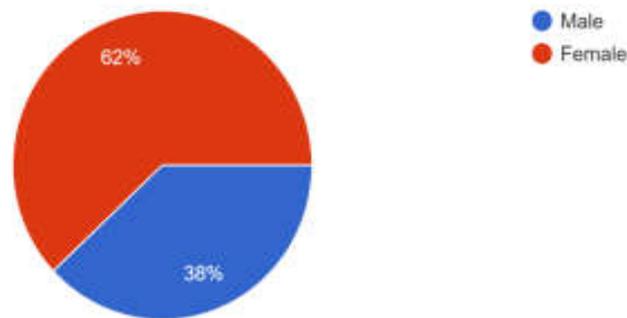
H0: There is no significant change on investment returns before & after pandemic

H1: There is significant change on investment returns before & after pandemic

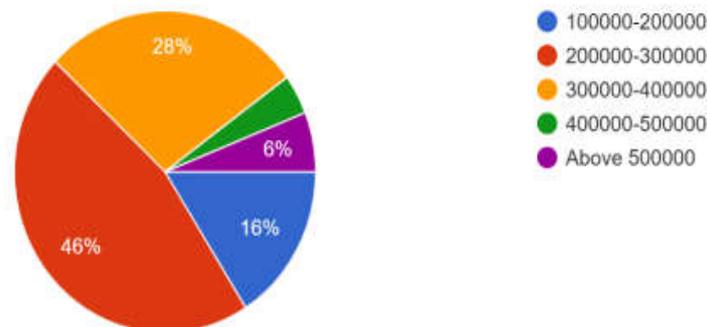
DATA ANALYSIS:

The Schemes for data Analysis are same before and after Covid19.The rate of interest before and after Covid 19 were compared.

Gender
50 responses

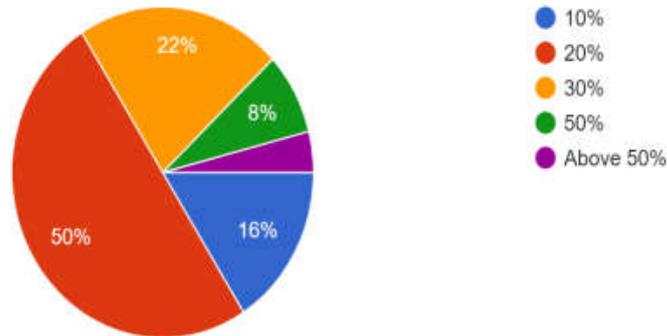


What is your annual income before pandemic?
50 responses



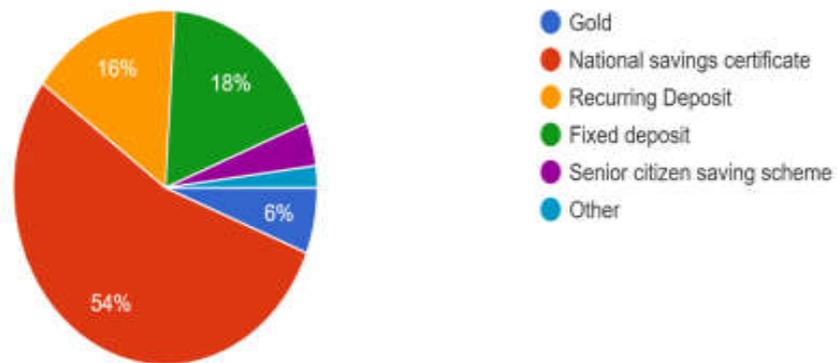
What is the percentage of savings before covid 19?

50 responses



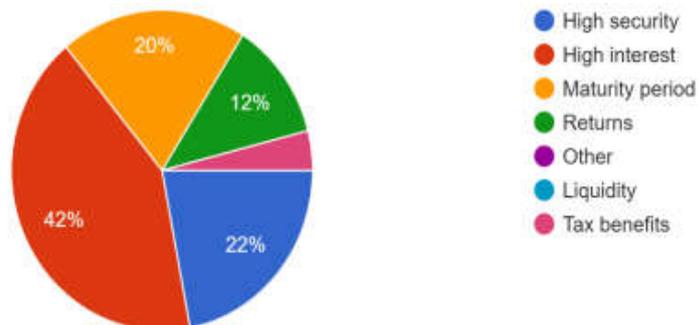
Which is the best source of investment before pandemic?

50 responses



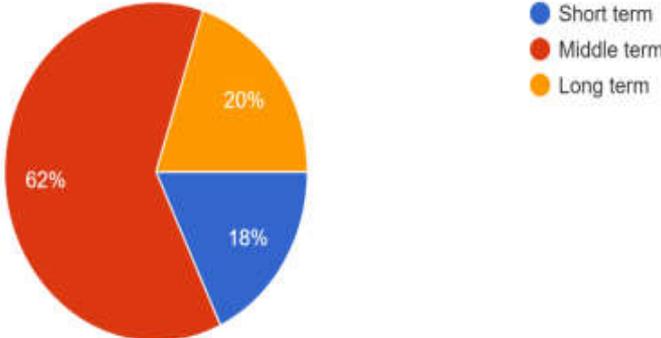
What is the objective of your investment?

50 responses



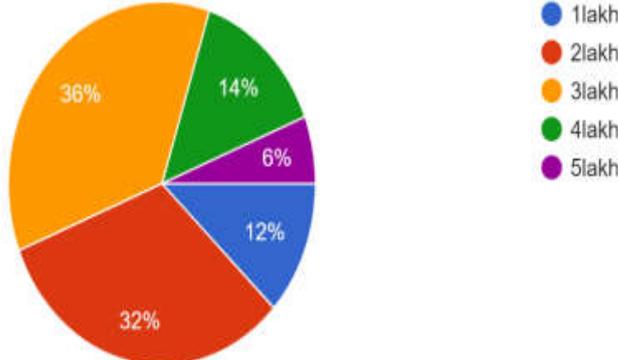
How long would you like to hold investment?

50 responses



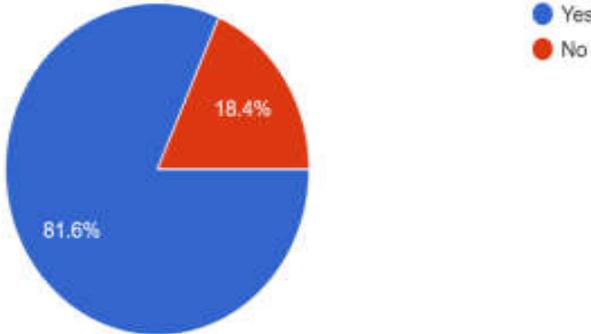
What is the present annual income after pandemic?

50 responses



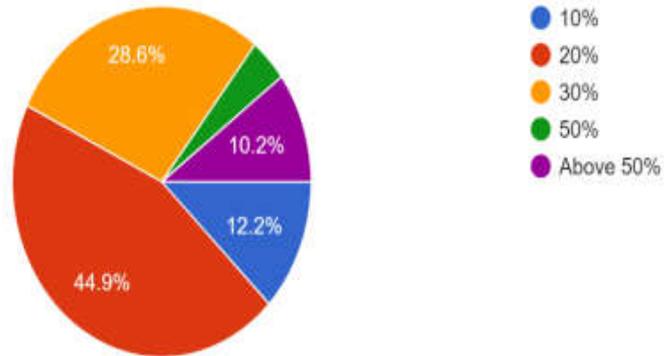
Is there any change in income?

49 responses



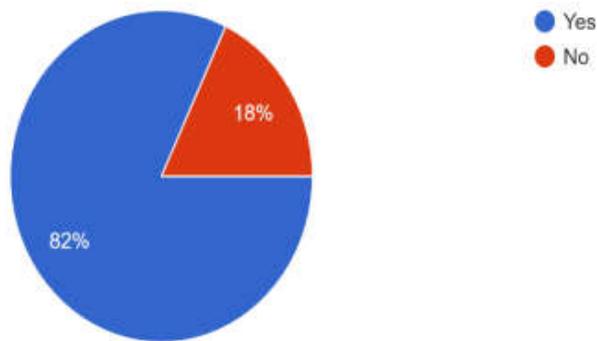
What is the percentage change in annual income?

49 responses



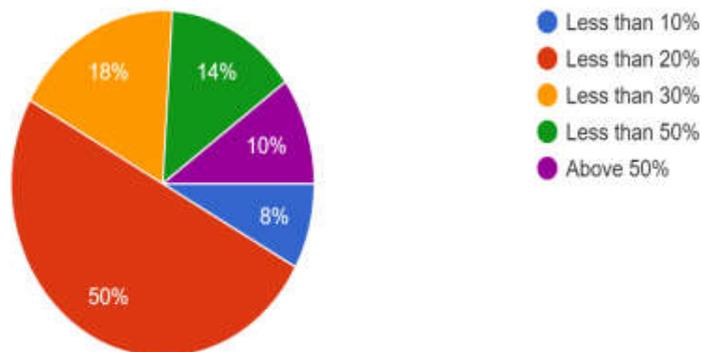
Would you like to invest after post covid 19?

50 responses



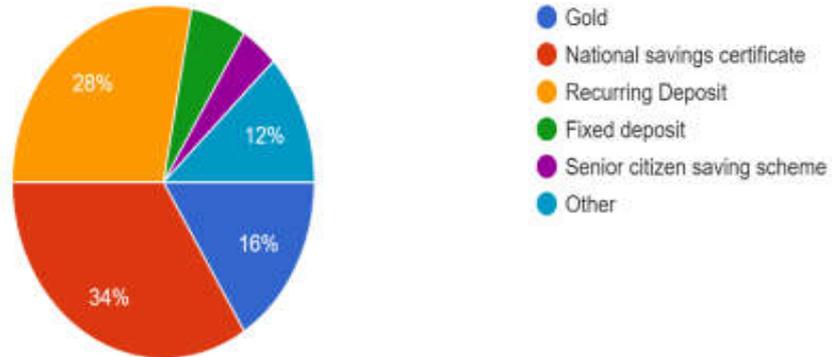
What is the percentage of change in savings after pandemic?

50 responses



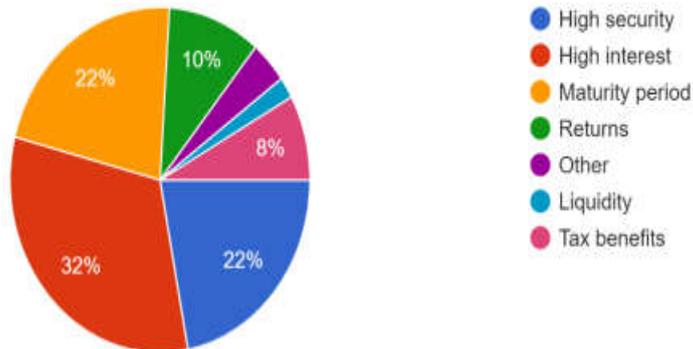
Which is the best source for investing after pandemic?

50 responses



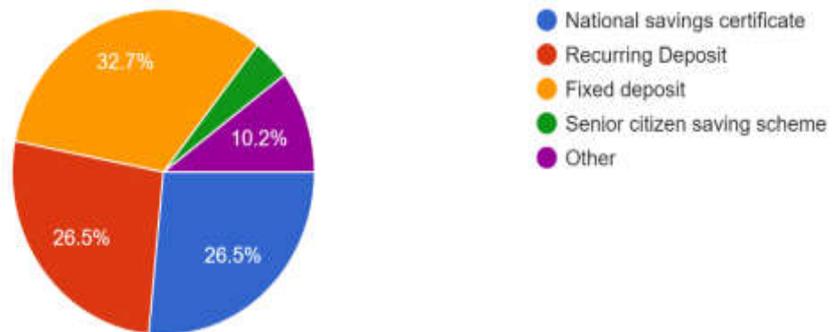
What is the main objective to invest in savings after covid?

50 responses



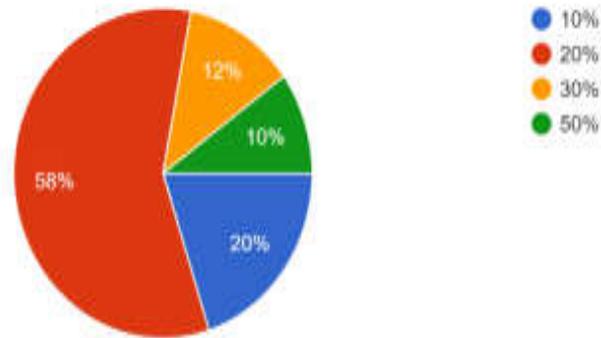
What is the rate of returns investment during year 2019?

49 responses



What is percentage change in rate of returns on investment?

50 responses



CHI-SQUARE TEST:

H0: There is no significant impact of covid-19 on the saving pattern of investors

H1: There is significant impact of covid-19 on the saving pattern of investors

Minor savings	5	15	20
Small savings	10	5	15
Major savings	10	5	15
Total	25	25	50

O	E	(O-E)	(O-E) ²	(O-E) ² /E
5	10	-5	25	2.5
10	7.5	-2.5	6.25	0.83
10	7.5	-2.5	6.25	0.83
15	10	5	25	2.5
5	7.5	2.5	6.25	0.83
5	7.5	2.5	6.25	0.83
				8.32

$$X^2_{cal}=8.32 \text{ L.O. } S=5\%$$

$$D.F=(r-1) (c-1)$$

$$= (3-1) (2-1)$$

$$=2*1=2$$

$$X^2_{0.05}=0.103 \text{ to } 5.999$$

H0 rejected. So there is impact of Covid 19 on saving patterns of investors

H0: There is no significant change in investor's investment preference

H1: There is significant change in investor's investment preference

	Before covid	After covid	
Short term	5	20	25
M&L Term	20	5	25
	25	25	50

O	E	(O-E)	(O-E) ²	(O-E) ² /E
5	12.5	-7.5	56.25	4.5
20	12.5	7.5	56.25	4.5
20	12.5	7.5	56.25	4.5
5	12.5	--7.5	56.25	4.5
				18

L.O. S=5%

D.F=(r-1) (c-1)

= (2-1) (2-1) =1

$X^2_{0.05} = 0.020100 - 9.210351$

H0 rejected. So There is significant change in investors investment preference.

SIGN TEST:

H0: There is no change in investor's opinion on investment.

H1: There is change in investor's opinion on investment.

	Before pandemic	After pandemic
Gold	7	17 +
NSC	7	3 -
RD	8	4 -
Fixed deposit	15	15 0
SCSS	10	10 0
Others	3	1 -
Total	50	50

3 -	tab value sign test at
1 +	5%l.o. s = 0
L.O.	calval>tab val
S=5%	1 >0
n=6	Ho: rejected. There is
cal	change in investors
value=1	opinion on investment

H0: There is no change in investor's opinion on investment.

H1: There is change in investor's opinion on investment.

1		Before pandemic	After pandemic
2	High interest	10	8 -
3	High security	10	10 0
4	Maturity period	15	10 -
5	Returns	3	2 -
5	Others	4	4 0
6	Liquidity	4	12 +
7	Tax benefits	4	4 0
		50	50

+ =1, - = 3, n=7, L.O. S=5%. Tabulated Value is 2	Cal val<tab val H0 rejected There is change in investor's opinion on investment.
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H0: There is no significant change on investment returns before & after pandemic

H1: There is significant change on investment returns before & after pandemic

SAVING SCHEMES RATE OF INTEREST	1.4.2018	1.4.2019	INCREASE + DECREASE -	SAVING SCHEMES RATE OF INTEREST	1.4.2019	1.4.2020	INCREASE + DECREASE -
PPF	7.6%	8.0%	+	PPF	8.0%	7.9%	-
NSC	7.6%	8.0%	+	NSC	8.0%	7.9%	-
POMIS	7.3%	7.7%	+	POMIS	7.7%	7.6%	-
SSY	8.1%	8.5%	+	SSY	8.5%	8.4%	-
SCSS	8.3%	8.7%	+	SCSS	8.7%	8.6%	-
P O SA	4.0%	4.0%	0	P O SA	4.0%	4.0%	0
RD	6.9%	7.3%	+	RD	7.3%	7.2%	-
KVP	7.3%	7.7%	+	KVP	7.7%	7.6%	-
Term Deposits	4 times	4 times		Time posits	4 times	4 times	
1	6.6%	7.0%	+	1	7.0%	6.9%	-
2	6.7%	7.0%	+	2	7.0%	6.9%	-
3	6.9%	7.0%	+	3	7.0%	6.9%	-
5	7.4%	7.8%	+	5	7.8%	7.7%	-

No of + signs=8 No of – signs =0 N=8 Tabulated value is 6 .since calculated value is more than tabulated value .Reject H0	No of –signs=8 No of +signs=0 N = 8 Tabulated value is 6. since calculated value is more than tabulated value. Reject H0
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SAVING SCHEMES	1.4.2020	1.4.2021	INCREASE + DECREASE -
RATE OF INTEREST			
PPF	7.9%	7.1%	-
NSC	7.9%	6.8%	-
POMIS	7.6%	6.6%	-
SUKANYA SAMRIDDI YOJANA	8.4%	7.6%	-
SCSS	8.6%	7.4%	-
P O SAVINGS ACCOUNT	4.0%	4.0%	0
RD	7.2%	5.8%	-
KVP	7.6%	6.9%	-
TIME DEPOSITS	4 times	4 times	
1	6.9%	5.5%	-
2	6.9%	5.5%	-
3	6.9%	5.5%	-
5	7.7%	6.7%	-

No of –signs =8 No of + signs=0 N=8	Tabulated value is 6. Since calculated value is more than the tabulated value. Reject H0.
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RESEARCH FINDINGS:

- As per the responses the people agree that savings has to be maintaining definitely.
- As per analysis mostly private employees were working in this post covid times. (teachers, lecturers, workers in private companies) through online.
- The female was more in the working sector in this post covid 19. Nearly 62%of female's and 38%of male were working.
- Before pandemic the annual income of citizen is nearly on an average 3 lakhs per annum.
- But in the present situation of pandemic it decreased to 2 lakhs per annum
- Even the percentage of savings were differentiated before & after covid 19:
- That is above 20% savings before Covid and after Covid it declaimed to 20% savings
- Usually, before pandemic the people used to invest their source in the national savings certificate (NSC) and other long term investments but after pandemic they are planning for short term.
- Before Covid the main objective was for higher returns and High interest but after Covid investors are more concern about maturity.
- There are major changes in income after the covid 19.
- The rate of returns in post office saving schemes were increased in the year 2018-2019 but from 2019-2020 ,2020-2021 it Decreased
- The overall change in interest rate before and after Covid 19 are around 20%
- Most of the people showed interest for long term deposits before pandemic and after post covid they choose for short term deposit.
- Mostly middle class families were highly affected.

SUGGESTIONS:

- The income was too decreased in all sources of income after pandemic and it arises problem in the society. After pandemic most people opted for tax savings.
- If the schemes were changed in the rate of returns, then the savings will also increase.
- The senior citizen saving schemes was mostly opted for risk aversion.
- The government of India has to take initiate on new schemes & benefits for the people to increase their savings.
- This small savings has to invest their income in the long term because it increases their income by the interest amount.
- In rural areas also advertising of post office savings campaign should be done. By that people aware the schemes.
- If the rate of returns were not decreased in past two years then the people will be investing more in the saving schemes.
- This covid 19 has made many changes in all sectors but the income has been declined in these crises of pandemic. If it not done, then the people will challenge in this pandemic period.

CONCLUSION:

The post office small savings were used mostly in the post Covid-19 as there were consider as best source to invest small amount and highly flexible during Covid19. Now day's people are more conscious about their savings and try to save as much as possible to overcome the crises. Mostly long term & medium term investments are affected above all people are willing to hold cash to face the crises.

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