

# A Study on investor's investment behavior and the satisfaction experienced while investing in various Post Office (PO) Savings Schemes.

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## ABSTRACT

*The customers as investors have become very conscious about making timely and relevant investment decisions since they influence their future immensely. This change in the account holder's investment attitude is mainly because of an increase in the awareness levels about different investment avenues available. The researcher feels the increase in depositors' consciousness on the different investment avenues is also influenced the lack of social security measures in the country. i.e. there are no policies evolved by the Government to take care of their citizens when they grow old. They have to survive either on their own life savings or their children. Most citizens prefer the first option as it gives them self-respect and does not make them dependent on their children who have their own life. In order to exploit the first option, they are required to make proper investments during their life time. When the investors explore the different investment avenues they often narrow down to the different schemes offered by the PO department. The most beneficial element in PO savings schemes is the vast PO network in our country. In fact, it is the largest postal network in the world. It helps in promoting savings especially amongst the rural population. This study is mainly focused on finding out the correlation between the satisfactions that investors experience keeping in mind the demographic aspects and the overall liquidity of the different PO savings schemes. The present study also analyzes the overall satisfaction level experienced by the investors with regards to the safety of their investment in various PO schemes. This is the most important element in evaluating the investor's decision while they make investments in different avenues. The analysis clearly shows a positive correlation between the variables evaluated by the study. It has been a very critical factor concluded by the present study. The study also shows the dependency of the satisfaction level of investors on the safety of the investment made by the investors in various PO savings schemes.*

**Key Words:** Investment decisions, Investment Avenues, Social security measures, PO Savings Scheme, Positive Correlation.

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## INTRODUCTION

The Culture of investment amongst people of a nation is a vital for good and healthy capital formation and faster growth of the economy of that country. It reflects the customers' behavior, attitude, perception and willingness for investing their savings in various financial assets. India has various investment schemes and this habit provides vast opportunities for individuals and institutions. Individuals save and choose the appropriate investment schemes which suit their needs and meet their earnings/returns expectations. There are various types of investment opportunities provided by many financial institutions like commercial banks, regional rural bank, co-operative bank, Indian postal service, LIC, public limited company. Among these opportunities, post office savings schemes, play a vital and important role and are very popular. The Indian postal department started its journey in 1727 from Kolkata. It provides secure, risk free and attractive investment alternatives for small investors and offers various savings products across the India. Currently, there are 1,55,531 post offices in India out of which 15,649 are serving urban area and 1,39,882 are serving rural areas. On an average a post office serves 8770 people in the country. In rural area 6,455 people and in urban area 29,458 people are served by a post office. It has provided employment to 4,18,818 people across the nation. The Indian postal department is the largest postal network in the world. The post office savings bank is also the oldest and the largest banking system of the nation. It serves the investment needs of both rural and urban people. In order to encourage the National Savings Movement, Indian Government has been offering higher returns than offered by other scheduled banks. Indian post offices try to mobilize the small savings of people with relatively small income and circulating them in the economy. India post has been offering numerous well designed, attractive schemes for different class of investors. All most all the post office savings schemes provide tax benefits as a result the high income group of investors are attracted along with small income group investors in post office savings schemes.

**Investment Schemes:** The investment opportunities provided by Post Offices in India include the ones mentioned in brief below:

**Savings Bank Account:** It serves the regular need of deposits and withdrawals long with cheque facility.

**Recurring Deposit Accounts:** It offers a monthly investment option with an attractive rate of return at the end of five years with an option to extend the accounting periods. Subject to certain conditions, the insurance coverage facility is also available with this account.

**Monthly Income Scheme:** It offers a fixed investment option for five years with monthly interest payment facility. Under this system, interest is automatically credited to the savings bank account.

**Public Provident Fund (PPF):** It offers discontinuous or irregular deposits subject to certain limits for a period of fifteen years, coupled with income tax exemptions subject to certain conditions, on investment. Loan and withdrawal facilities are also available under that said scheme.

**Time Deposit:** Time deposit option for periods ranging from one, two, three or five years with facility to draw yearly interest offered at compound rates. Interest will automatically be credited to the savings bank account.

**Deposit Schemes for Senior Citizen:** It offers fixed investment options for senior citizens for a period of five years that can be extended at a higher rate of return of interest.

**National Savings Certificates:** It is a fixed investment of Five years. Minimum investment of Rs. 100 and investments could be made in multiples of Rs. 100. Here pledging facility is available for availing loan from banks. Fixed investment period is 10 years. Post Office also offers insurance products through Postal Life Insurance and Rural Postal Life Insurance schemes with low premium and high bonus of the nation. Presently, VIII and IX issue of the NSC are available in the market.

**Kisan Vikas Patra:** Here, the amount invested becomes double in 100 months. It is one of the safest investment schemes.

**Sukanya Samriddhi Account:** This account was officially launched by honorable Prime Minister. PM Shri Narendra Modi on January 22, 2015 as a part of “**Beti Bachao- Beti Padhao (BBB)**” Initiative started the scheme Sukanya Samriddhi Account is a special one.

**Table 1: Interest rates on Different PO schemes**

<b>PO schemes</b>	<b>Rate of Interest</b>
Post Office Savings Account	4.0% per annum on individual / joint accounts
5-year Post Office Recurring Deposit Account	5.8 % per annum (quarterly compounded)
Post Office Time Deposit Account	1years.a/c @5.5; 2 years @ 5.5%; 3 years @ 5.5; 5years.@6.7
National Savings Monthly Income Account (MIS)	6.6 % per annum payable monthly
Post Office Monthly Income Scheme Account (MIS)	6.6 % per annum payable monthly
Senior Citizen Savings Scheme	7.4 % per annum
15 year Public Provident Fund Account	7.1 % per annum (compounded)
Sukanya Samriddhi Accounts	rate of interest 7.6% per annum
National Savings Certificates	6.8 % compounded annually but payable at maturity.
Kisan Vikas Patra	6.9 % compounded annually amount invested doubles in 124 months (10 years & 4 months)

**Source: Indian Post Departments and SBI website**

The table 1 clearly shows various schemes offered by PO in India and the possible returns the investors earn on these schemes. There is a brief note on different schemes offered. The period of investment varies with the schemes.

**Profile of Post Office Savings Schemes:** The below shown table shows the complete profile of post office savings schemes over the last five years from 2013-14 to 2017-18. Apparently, there is an increasing trend in all most all the schemes except Monthly Income Scheme and Kisan Vikas Patra. In Monthly Income Scheme, a zigzag trend can be seen, whereas, a decreasing trend could be found in Kisan Vikas Patra over the years. This could be because

of the falling interest rates due to which the amount gets doubled in a longer period. While the schemes keep undergoing a change one cannot question their relevance.

### Review of Literature

**(i) Sanket Charkha & Jagdeesh Lanjekar: Their research paper on A study of savings and investment pattern of salaried class people with special reference to Pune City(India):** Investment is a type of activity that is engaged in by the people who intend to do savings i.e., in other words it is the people invest their savings in different instruments. A variety of different investment options are available that are bank, Gold, Real estate, post services, mutual funds & so on. Investors are always investing their money with the different types of purpose and objectives such as profit, security, appreciation, Income stability. Researcher has here in this paper studied the different types and avenues of investments as well as the factors that are required while selecting the investment with the sample size of 60 salaried employees by conducting the survey through questionnaire in Pune city of, India. Actually, here the present study identifies about the preferred investment avenues among individual investors using their own self-assessment test. The researcher has analyzed and found that that salaried employees consider the safety as well as good return on investment that is invested on regular basis. Respondents are much more aware about the different investment avenues available in India except female investors.

**2(ii)Dr.A.Benazir: A Study on Parent's Perception towards Post Office Saving Schemes –With Special Reference to Palayamkottai Region.**The Post Office savings bank is the oldest and the largest banking system in India. Savings are vital factors for the growth and improvement of the economy of the country. In India, Post Office savings scheme provides a secure, risk free and attractive investment option for the small investors. Post office savings schemes are one of the modes for them to save their valuable earning. Post offices offer various saving schemes like Savings Bank Account, National Savings Certificate Account, Post Office Monthly Income Scheme, Senior Citizen Scheme, Recurring Deposit, Sukanya Samridhi Account, Ponmagan podhuVaippu nidhi and so on. In this study we mainly focus on the saving schemes for children. This study is conducted to analyze the perception of parents toward Post office saving schemes in Palayamkottai. This study is particularly conducted among the parents because they save major part of their salary for their children's education and marriage. The primary data is collected by developing a well-structured questionnaire mainly taking into consideration the objectives of the study. The questionnaire is circulated among 80 respondents and 78 were collected back and 8 were found incomplete. So the sample size is restricted to 70. Simple random sampling method was adopted. While analyzing the primary data, statistical tools such as percentage analysis, Garret ranking, weighted average method, chi square and t test techniques are used in this study. It is concluded that that parents are highly interested and satisfied in depositing their savings in Post Office Savings scheme.

**(iii) K. Baby Saranya and \*Dr. R. Hamsalakshmi. Savings shapes the important part of the economy of any nation.** With the savings, in various options available to the people, the money acts as the driver for growth of the country. Indian financial prospect too presents a plethora of avenues to the investors. Though certainly not the best or deepest of markets in the world, it has reasonable options for an average individual to invest his savings. Investors needs to invest and earn return on their idle resources and generate a specified sum of money for a specific goal in life and make a provision for an uncertain future. Investment culture among the people of a country is an essential prerequisite for capital formation and the faster growth of an economy. Investment culture refers to the attitudes, perceptions, and willingness of individuals, and institutions in placing their savings in various financial assets, more popularly known as investments or Postal Savings. A study on preferences and level of Satisfaction thus assumes a greater significance in the formulation of policies for the development and regulation of savings in General and protection and promotion of small and house-hold investors in particular. This is because of lack of awareness among the small and household investors, poor investment climate, and loss of confidence of existing investors in Postal Savings.

It is extremely important for the policymakers and regulatory authorities to understand the investors' perceptions, preferences, and their concerns on the market. Small savings of India Post are a popular investment option for risk-averse investors. Post office investments provide flexibility and even tax benefits. Post office has long served as the backbone of communication and small deposits. For than 150 years the department of posts has played a pivotal role in facilitating communication throughout the nation there by aiding in socio- economic development of the country. Post officer varied services; their work is not just restricted to delivering mails. They accept deposits, provide retail services like sale of forms, bill collection etc., provide saving schemes, life insurance cover etc., with a network of more than 1.5 lakh post offices across the country, India post offers various post office saving schemes. These are risk free investment options that are safe and secured and provide investors with capital gains without tax deduction at source (TDS). Various investment opportunities are available for an individual to his saving and he can choose the appropriate investment schemes, which suit his needs.

**04. Aswathy Prasad, Dr. A.S Ambily: A study on consumer perception towards post office saving schemes:**

Indian Post Office acts as a traditional saving mode for many section of society especially to rural households. It is one of safe and secured savings that is risk free and provide a regular return on savings made. This mode is mostly used nowadays by rural and semi-rural households. It offers different type of savings schemes especially for small savings. The paper titled "A study on consumer perception of post office savings scheme" focuses on the attitude and preference of people investing in post office savings schemes in Maveli kara taluk of Alappuzha district. The data collected for the study is from primary as well as secondary sources. Data is collected from 60 respondents.

**05. Manjula bai h: prospects and problems of Indian postal system- a study with special reference to shimoga town" a study:**

The present paper provides a platform to understand the prospects and problems of Indian postal system with special reference to Shimoga town. So in order to collect this information, a researcher has selected 100 respondents who have opened an account with the post office in Shimoga branch. It particularly focused on the problems or the benefits availed from the post office services provided by Post office. Most of the people are not fully aware about the various post office schemes and most of the people are investing their money in banks and LIC's instead of post offices. This cause reduction of deposit at the post office. So there is a need to give proper advertisement about the various services and schemes of the post office. So this study deals to overcome those problems and finding a suitable suggestion on that, to overcome them. All levels of customers were surveyed by using questionnaire and the level of satisfaction or dissatisfaction from the postal services was studied. Finally, the detail information about the benefits they had received were also considered. An attempt has been made to offer suggestions to post office to improve their services.

**06. Dr. S. Santhana Kamala:** A study on post office saving schemes in thoothukudi district Investment is common to all human societies, regardless of whether investment practices contrast from each another. Indian Post Office Savings Bank being the biggest reserve funds establishments in the nation assume an essential job in mobilizing investment funds particularly in the rustic piece of the nation and offer various advantages to the financial specialists. Postal Investment Funds frameworks to give contributors who don't approach banks a protected, helpful technique to set aside cash and to advance sparing among poor people. Investment culture alludes to attitudes, satisfaction, and preference of people, in setting their reserve funds in different money related resources, all the more famously known as investment or Postal Savings. Recurring Deposits, Post Office Saving Bank and Post Office Monthly Income Schemes are the fundamental instruments for investment. Companions and family members are the primary wellspring of data for speculation. In this study an attempt has been made to analyze the investor's savings pattern towards Post Office Saving Schemes.

**07. N. Karunakaran<sup>1</sup>\*, Athira Babu<sup>2</sup>:** Post office savings and attitude of rural investors in Kerala: A study from Kasaragod district Postal saving system provide depositors an access to bank, a safe and convenient method to save money and to promote saving. Investment culture refers to the attitude, awareness and institutions in placing their savings in various financial assets. Post office saving bank is the largest savings institutions in the country which provides numerous benefits to investors. There are a number of attractive schemes, well designed to meet the individual requirements of different investors. It is noted that the study is conducted focusing the attitude of investors on post office saving scheme, various schemes provided through post office, level of satisfaction of investors and amenities in post offices. The investors' attitudes in rural areas have greater significance in formulation of policies for the development and regulations of savings in general and protection and promotion of household investors in particular.

**08. Amritha Gopinath Amrutha G S Amrutha Udaya kumar, K.G Rajani: a study on awareness on post office investments among the public with special reference to kerala state** Human wants are endless. And thus earning money is not just enough for achieving dreams and desires. Therefore, investments are important. One of the major investments available to the public is the post office investment. The post office provides various schemes to public so as to enable and facilitate investment practices. This investment avenue is of great help to the people from areas lacking banking facilities. The post office investments provide various benefits to its investors such as tax benefits, safety and security, guaranteed returns etc. Most of the investors are not completely aware of these investment schemes. These schemes do not tend to be JAC:

A Journal Of Composition Theory Volume XIII, Issue VI, JUNE 2020 ISSN: 0731-6755 Page No: 90 attractive to many investors. Our study mainly focuses on the awareness on post office investment among the public. This research helps in knowing about the satisfactory level of the people about the post office investments. The study is confined to Kerala. The data is collected using both primary and secondary data. And the sample size is 75. This study helps to understand the level of awareness of the public on post office investments and brings in suggestions for the improvement of these investments.

**09. P. Amalorpava Mary Asst.professor, Dr. Santhuru sankara Velsamy: post office savings and its relevance in rural areas with reference to thanjavur district:** Various investment opportunities are available for

an individual to his savings and he can choose the appropriate investment schemes, which suit his needs. The different types of investments are provided by many financial institutions like commercial banks, co-operative banks, post office saving banks, life insurance corporations, public limited companies etc. Of all the above - mentioned institutions, Post Office Saving Bank play vital role. The present study has made to study the investment awareness, preferences, experiences, satisfaction, objectives and purpose of the investors on post office saving schemes in Thanjavur Districts. The primary data was collected purely on random basis from 200sample respondents. The study found that majority of the investors are aware of all the post office saving schemes, preferred post office saving account, the main objectives of the investors are regular return, Children education and marriage are the main purpose, and only a very few investors are dissatisfied with post office saving schemes.

#### **10.. PUMMY SINHAA study on the Small Saving Schemes in India and their impact on general masses:**

Saving is that part of income which is not spent either to secure the future or to spend those part of income in some precautionary situations. When income is not spent on consumer goods and services, it is usually saved or invested on some capital, such as factories, machineries etc. in the cases of rms; cars, improvement in the existing house etc.in the cases of households. Saving therefore increases the availability of capital, which ultimately leads to economic growth. Saving and the rate of interests are positively related. This paper is mainly concerned with the different kinds of small saving schemes and their rate of interests from 2014-2016 of India and their impact on the general masses. And it also showcases the main causes behind the fall in the interest rates of the small saving schemes.

#### **Methodology adopted for the study:**

The Research paper covers all the schemes of the Post Office Savings bank. The paper gives various requirements of the Schemes and how investors prefer investing in these schemes. It all covers a Survey based Research on the popularity and the preference of the Schemes amongst investors. In this research we have collected the samples from Rural area called Ayyampet located in Thanjavur. Ayyampet has a famous mosque at Chakkarappalli. People are speaking Urdu, Tamil, Saurashtra and Telegu. Their main occupation is weaving and agriculture. It is a very small village and 14,702 people are only living in this village. It is located 15km from Thanjavur. Ayyampet is a small panchayat town and pasupathikovil, Vadakumangudi, valoothur are the nearby villages. Mostly this area is occupied by paddy fields. Their main occupation is agriculture and weaving. Their income is less and their expenditure is also very less. This paper aims to focus on the behavior and perception of postal customers towards post office in Thanjavur district. Literacy rate of Ayyampet is very high.

In Ayyampet male literacy is 93.02% and female literacy is 85.02%. Because of high literacy rate we want to understand their investment and savings behavior in this research paper. In this area 13 banks and one post office is there. 10 national banks and 2 cooperative banks and 1 private bank is there. Most of the women are working in Schools as a teacher or in the school administration office as a clerk.

Men are working in banks and schools also. For the selection of the sample various parameters have taken particularly gender, age, income, education level and their profession etc. are considered for the study. For the collection of data, questionnaire was prepared in the local language(Tamil) and circulated. In addition to that we have done the informal discussions with some customers to understand their savings behavior and their life style. For the analysis the researcher has applied chi square test, factor analysis and some descriptive statistics for this study.

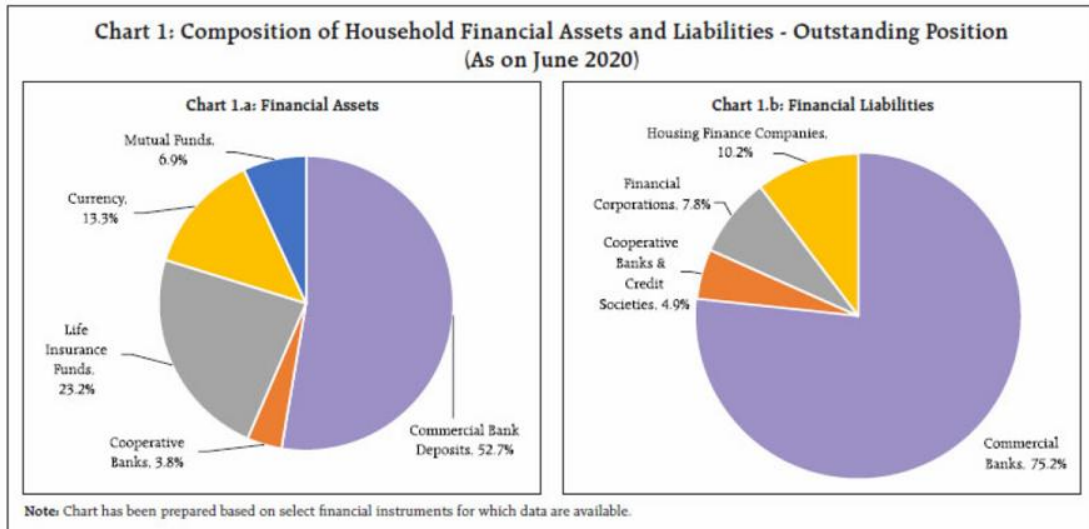
#### **Collection of data:**

The primary data is collected with the help of a questionnaire. To prepare a questionnaire we have consulted with the employees of post office and post office agents. After the discussion with the experts we have prepared a draft then pre tested with 20 depositors. The purpose of the study was to test the quality of questions and to confirm the feasibility of the study. After the pilot test we have modified the questions then collected 275 questionnaires for the study. Secondary data was collected from various sources like journals, web pages, published and unpublished documents. We have discussed with the postal department employees and knowledgeable persons in this field.

#### **Objective of the study:**

- To understand the attitude of depositors towards post office schemes.
- To know the depositor's satisfaction level towards the postal schemes.

Covid 19 pushed to household savings globally:



Source: [https://www.rbi.org.in/Scripts/BS\\_ViewBulletin.aspx?Id=19895#C1](https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx?Id=19895#C1)

The fig.1 above shows the outstanding position of the composition of households Financial Assets and Liabilities. It is divided into Financial Assets and Financial Liabilities. It shows that both in Assets and Liabilities the share of commercial banks is greater. These charts have been prepared on the basis of select financial instruments for which required data was available

**Table 2 Post office Interest rates revised:**

Post Office Small Savings Schemes - Interest Rates - 4th Quarter of FY 2020-21 (Jan to Mar - 2021)								
Small Savings Scheme Name	FY 2019-20 Rate of Interest (Jan to Mar 2020)	FY 2020-21 Rate of Interest (Apr to Jun 2020)	FY 2020-21 Rate of Interest (Jul to Sep 2020)	FY 2020-21 Rate of Interest (Oct to Dec 2020)	Interest Rate for 4th Quarter of FY 2020-2021 (w.e.f. 01-Jan-2021 to 31-Mar-2021)	Frequency of Compounding	Max Deposit (in Rs)	Tenure (years)
Sukanya Samriddhi Account - Girl Child Scheme	8.4%	7.6%	7.6%	7.6%	7.6%	Yearly	1.5 Lakh	21
5 Year Sr.CSS	8.6%	7.4%	7.4%	7.4%	7.4%	Quarterly & Paid	15 Lakh	5
PPF	7.9%	7.1%	7.1%	7.1%	7.1%	Yearly	1.5 Lakh	15
Savings Deposit	4.0%	4.0%	4.0%	4.0%	4.0%	Annually	No limit	NA
1 Year Term Deposit	6.9%	5.5%	5.5%	5.5%	5.5%	Quarterly	No limit	1
2 Year Term Deposit	6.9%	5.5%	5.5%	5.5%	5.5%	Quarterly	No limit	2
3 Year Term Deposit	6.9%	5.5%	5.5%	5.5%	5.5%	Quarterly	No limit	3
5 Year Term Deposit	7.7%	6.7%	6.7%	6.7%	6.7%	Quarterly	No limit	5
5 Year Recurring Deposit	7.2%	5.8%	5.8%	5.8%	5.8%	Quarterly	No limit	5
5 Year MIS	7.6%	6.6%	6.6%	6.6%	6.6%	Monthly & Paid	4.5 Lakh Single A/c 9 Lakh Joint A/c	5
5 Year NSC	7.9%	6.8%	6.8%	6.8%	6.8%	Yearly	No limit	5
Kisan Vikas Patra (KVP)	7.6%	6.9%	6.9%	6.9%	6.9%	Yearly	No limit	10 yrs 4 mths

Source: [relakhs.com/latest-post-office-small-saving-schemes-interest-rates-jan-mar-2021/](https://www.relakhs.com/latest-post-office-small-saving-schemes-interest-rates-jan-mar-2021/)

The table 3 deals with revision in the rates of PO small savings schemes in the fourth quarter of 2020-21. This has been a quarterly affair while the world was battling with covid.

Demographic of the respondents;

Particulars		Frequency	Percentage
Age	21-30	79	28.73
	31-40	76	55.47
	41-50	120	86.96
Total		275	100.00
Gender	Male	137	49.82
	Female	138	50.18
Total		275	100.00
Occupation	Agriculture	71	25.82
	Private Employee	73	26.55
	Govt Employee	39	14.18

	Weavers	92	33.45
Total		275	100.00
Education	SSC/HSC	144	52.36
	Diploma	56	20.36
	Under graduate	45	16.36
	Post Graduate	30	10.91
Total		275	100.00
Income	less than 5000	71	25.82
	5001-10,000	75	27.27
	10,001-15,000	84	30.55
	15,001-20,000	45	16.36
Total		275	100.00

Source: Primary data (author's calculation)

From the above table we can understand that 86.96% of the respondents belong to the age group of 41-50 years. In this study male and female respondents ratio is 50:50. Majority of the respondents said that they are living in a nuclear family and they are having at least 2 kids. 33.45% of the respondents are weaving silk sarees and 26.55% of the respondents are working in the private firms. In Ayyampet their basic occupation is weaving and agriculture. Their basic qualification is also up to SSC or HSC. In our study 52.36% of the respondents education is SSC. Their monthly income is from 5000 to 20,000/Rs. 30% of them are weavers and they are getting 10,000 to 15,000 Rs. 27.27% of them are getting 5,000 to 10,000/- Rs from private firms. In this village mostly all women are working in private schools as primary school teacher or clerk in small firms.

**Hypothesis of the study:**

H<sub>0</sub>: Is there any significant association between Age and Education on postal saving schemes.

H<sub>00</sub>: Is there any significant association between Age and Gender on postal saving schemes.

H<sub>000</sub>: Is there any significant association between Income and Education on postal saving schemes.

**Analysis and interpretation:**

	Calculated value	Significant at 5%	Accepted/Rejected
Association between Age & Education	8.7128E-08	0.05	Null hypothesis rejected
Association between Income & Education	2.36899E-10	0.05	Null Hypothesis rejected
Association between Age & Gender	0.333244078	0.05	Null Hypothesis accepted

The small value of Pearson 's chi square test clearly states that there exists a significant interrelationship between the dependent and independent variables. Chi squared test is at 95% confidence level. The contingency coefficient gives us the measure of strength of the output. If the value close to 0 there is no strong correlation between the two variables. However if the value ranges between 0.5 and 1, there exists a strong correlation.

**Under which scheme people are investing in the post office?**

Particulars	Frequency	Percentage
Schemes		
Post office savings scheme	27	10%
Recurring deposit	45	16%
Term deposit	60	22%
Monthly income scheme	4	1%
Public provident fund	79	29%
Sukanya Sam Riddhi account	34	12%
No accounts in the post office	26	9%
Total	275	100%

Source: Primary data

From the above table we can understand that 29% of the respondents are having PPF account in the post office and 22% of them are having term deposits. 1% of the respondent said they are having monthly income scheme. Because of their expenses they may not be investing in the monthly income scheme. 9% of the respondents said they don't have any account in the post office.

**Factor analysis:**

KMO measures the sampling adequacy which should be close to 0.5 for satisfactory factor analysis to proceed further. Kaiser (1974) recommend 0.5 means just accepted and the values lies between .7 to .8 it is adequate and the values above 0.9 are highly recommended. From the table we can see that KMO value is .567 which is very low, so it can be adequate for factor analysis. Fiedel (2005) suggested that in general we can take more than 300 samples for analysis. From the table Bartlett's test of sphericity is less than 0.05 significant (0.012)ie the significance level is 0.05. So we can reject the null hypothesis. For analysis and interpretation purpose we have considered only 4 factors. The 4 factors are related with the initial Eigen values and extracted sums of squared loadings. To identify the number of factors by selecting the variables is the presence of Eigen values more than 1 for the study.

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.567
Approx. Chi-Square		98.664
Bartlett's Test of Sphericity	df	66
	Sig.	.012

**Communalities**

	Initial	Extraction
Necessity	1.000	.774
Income	1.000	.910
Status	1.000	.793
Income	1.000	.867
Medical	1.000	.970
Future	1.000	.940
Child-Marriage	1.000	.926
Social consideration	1.000	.848
Child-Education	1.000	.915
Tax benefit	1.000	.744

Extraction Method: Principal Component Analysis.

**Majority of the findings from the study:**

Husband is more likely to provide material support in traditional families among societies throughout India. Wife is more likely to provide affection and expressive needs of the family members. Highly educated investors are more likely to go in search of information because they are more familiar with sources and profits of such a search in difference being greater for the presumable higher internal savings.

From the study we can understand that 32% of the sample investors want to have up to 5 years maturity on their investments. They do not want to invest for a long period. 21-30 age group investors are ready to invest for a long period. Because their investment purpose is different.

We can see from the study that 45% of the investors are informed through agents and they do the follow-up with them. 23% of the investors who get information from friends and relatives about post office investment schemes and savings related knowledge.

Majority of the investors irrespective of their age group, education, income and opinion of savings agree that savings are overbearing house hold investment will help for economic development of the country. According to the hypothesis there is no relationship between investor's attitude towards savings and age, education and income of the respondents.



## CONCLUSION

Post office is a national organization and the postal system plays pivotal role in uniting the nation through its service to the population of the country. Post office offers variety of services to people including the Post office saving schemes. To be successful in rendering quality service to the public and be a pioneer in providing best services, more awareness about the schemes and facilities should be created so that all sections of people can avail the service offered by Post office.

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