

A STUDY ON THE SAVING BEHAVIOUR AND CHOICE OF ASSETS OF HOUSEHOLDS

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

NATHIKA.S

Register No. 39410134



SCHOOL OF BUSINESS ADMINISTRATION

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
Jeppiaar Nagar, RAJIV GANDHI SALAI, CHENNAI - 600 119**

April - 2021



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SCHOOL OF BUSINESS ADMINISTRATION

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of NATHIKA S 39410134 who have done the project work entitled **A STUDY ON THE SAVING BEHAVIOURAND CHOICE OF ASSETS OF HOUSEHOLDS** under my supervision from January 2021 to March 2021.

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DECLARATION

I **NATHIKA.S 39410134** hereby declare that the Project Report entitled **A STUDY ON THE SAVING BEHAVIOUR AND CHOICE OF ASSETS OF HOUSEHOLDS** done by me under the guidance of Dr.TR. Kalai Lakshmi M.A., M.B.A, M.Phil., Ph.D., at saving behavior and choice of assets of households is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE:

NATHIKA S

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ABSTRACT

Savings can be known as the cash or physical products set aside for future use. An Investment is an asset acquired or invested in to build wealth and save money from the hard-earned income or appreciation. present study aims at investigating the determinants of the saving behavior of the rural households in the district of Trichy. The data of 136 sample households has been collected from rural households. This paper investigates the factors behind what determine household saving behaviour. An individual and a consumer is led by his culture, his subculture, his social class, his membership groups, his family, his personality, his psychological factors, etc.. and is influenced by cultural trends as well as his social and societal environment. Sample size of 136 was drawn from the population using the probability and non-probability sampling techniques. The results ultimately reveals that the age of the head of the household, sex, income and expenditure are significantly influencing the saving behavior in the entire study area.

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CHAPTER -1

INTRODUCTION

1.1. INTRODUCTION OF STUDY

India is a developing country where, there has been a consistent increase in the national saving Rate after the independence period, though with considerable fluctuations from year to year. In international standpoint of view, India has had a high saving rate compared to other developing countries, except those in East Asia. To study on rural savings in India need to look into four aspects namely the determinants of savings, the composition of savings, the methods of measuring savings, and the pattern of saving. The present study tries to analyze the determinants and pattern of saving behaviour in rural household in Tamilnadu. Saving is an important variable for every country to be studied for the economic growth and development o f any country. Saving is an important macroeconomic variable to be studied under the purview of the economic arena on an individual as well as household basis. Today's saving mainly in rural areas consists of the assets in form of animals, metals and Also Due to some awareness about the saving institutions available nearby encourages people to save as to opt the rate of interest from the amount saved from time to time. The sources of income of the households are accounting to be diversified. In most of the households, the only source of income has been resulting in originating from various other sources also. From due to these varied scopes of income generated, the saving portion is also generated to some extent.

The household saving and consumption behaviour play an important role in short-term Economic stability and long-term economic growth. The household savings rate is a component in what determines the ability for enterprises and states to take credit for finance investments, the other components of the ability to find credit is the savings rate of enterprises and states themselves.

Saving is one of the crucial factors to speed up the process of Economic Development; it plays a significant role in the development of the Indian Economy. There are several factors which will influence the economic development of a country like Natural Resources, Capital formation, Human resources, and technical factors etc. The key to a successful financial plan is to preserve apart a greater

amount of savings and invest it wisely, by using a longer period of time. For maintaining a high level of investment, savings are significant. Wealth is the collection of resources. Adam Smith defines wealth as “the yearly produce of land and labour of the society”. According to classical economists like **Adam Smith, David Ricardo, J.S. Mill**, “**saving is an important determinant of economic growth**”. Saving components can be based on an individual or on a household basis which proves to be the well-being. India is a developing country where, there has been a consistent increase in the domestic saving rate after the independence period, though with considerable fluctuations from year to year.

Types of Savings

The types of saving are mainly based on the income available to the household, firm and corporate bodies. The saving type can be classified on the basis of the sectors accounting for the saving distribution. It can be broadly classified under three headings namely, (a) household sector saving, (b) private sector saving and (c) public sector saving. The categories of savings are discussed below:

Household Sector Saving

The savings done or accrued by the individual members in a household consists of household sector saving. The household saving contributes to a larger share in the Indian economy which comprises of the individuals saving behavior at a larger scale including the financial as well as the financial assets. The individuals at the household level make a share to the national income computation of a country.

Private Corporate Sector saving

The savings made in the private owned corporations are called as the private sector corporations. The private corporate sector comprises of (i) non-government non-financial companies, (ii) commercial banks and insurance companies working in private sector, (iii) co-operative banks, credit societies and non-credit societies and (iv) non-banking financial companies in the private sector.

Public Sector Saving

The public sector's savings are constituted into (i) government savings, and (ii) savings generated by the public sector undertakings in the form of internal resources. One process of estimating public sector saving is to scrutinize the relationship between public savings and the consolidated returns shortage of government which is an alternative measure of government savings.

Nature of Saving

Savings can be known as the cash or physical products set aside for future use. People in rural and other low-income communities can save when they are guided and encouraged by the Government and financial institutions. The people in rural region, savings are made through traditional credit rotation groups, or purchase of domestic animals (goats, pigs, chickens or cows). Gradually, the traditional way of saving in rural region has been abolished; the people shifted their saving pattern to save in form of physical assets, like gold, land and durable goods and financial assets like shares, stocks, and bonds.

The Micro Finance Institutions (MFIs) and micro-enterprises are playing a major role in recent years in rural region by encouraging the people to save more. MFIs need to inject capital or funds which may be the owner's of money or loan. When a loan is used, it is someone else who has done the saving. Micro enterprises, like other businesses, convert savings (of the owners and of others) into investment, in the creation of wealth. Variations in the saving pattern is mostly found in different societies, as there exists, a difference in environmental, social, economic and cultural contexts. Human wants get transformed as the society grows and in turn cause substantial changes in the outlook of the people towards saving. In low-income communities, the ability to save is low and often is in cash or kind. Saving in cash is cheap and convenient. Variations in saving is visible in different communities as there exists difference in income levels, consumption pattern, awareness of the saving benefits, family size, investment opportunities, etc. Human attitude towards saving has been changed through decades as in the remarkable growth in the society.

Determinants of Savings Rate

The rural household's decision to consume present or in the future is influenced by the current or permanent income. The significance of 'incentives' as a determinant of savings is that although there has been a long footing fright about the effects of the level of per family income upon proportion of income that is saved, there has been no comparable concern about the effect of variation in the relative prices of new income streams upon savings and investment. There are number of factors which determine the saving rate in an economy.

1.2 NEED OF THE STUDY

The aim of savings by any household or corporate is to maximize the return from their savings with minimum risk. Savings are made with a lot of expectations. The saving activities of householders depend upon savings and disposable income one has. Which in chance is affected by several factors such as kind of occupation, size of family, marital status, level of education, level of awareness, objectives of investments etc. which influences the last strategy and preferences that the investor gives to one Investment avenue over another.

The study also makes an attempt to examine the perception of householders and analyse the relationship between occupation, size of family, marital status, level of education, level of awareness income, and savings demographic factors in Trichy. Is there any transformations in saving behaviour among the rural household? What are the patterns of saving among the rural household? What is their purpose of saving? To answer these questions, the present study has made an attempt to study the households' savings behaviour and its determinants of rural India with special reference to Mannachanalur block of Trichy District, Tamil Nadu.

1.3 SCOPE AND SIGNIFICANT OF STUDY

Saving behavior is the dependent variable in my research. Whereas, the income, wealth, rate of return and inflation is the independent variable of my research. Both the independent variable and moderating variable in my research will affect the saving behavior of people.

1.4 OBJECTIVES OF THE STUDY:

PRIMARY OBJECTIVES:

- To study the saving behavior and choice of assets of households in Trichy District.

SECONDARY OBJECTIVES:

- To study the percentage of salary saved by each individual household.
- To study factors affecting the saving behavior of household
- To study the types to saving preferred by Individual household
- To study the perception of individual household on the need to save.

1.5 LIMITATIONS OF THE STUDY:

- This study confines within the limited period.
- The study covers only the rural household.
- The study may be bias due to primary data

CHAPTER- 2

2.1. REVIEW OF LITERATURE:

Deepika and Sushil (2019) is perceived through this investigation that to achieve their objectives; individuals ought to be made all the more Financially educated so they can coordinate with hazardous with non-unsafe resources. Monetary literacy education workshops and classes can be directed at secondary school, school, and college levels to make understudies all the more monetarily capable. This should assist financial backers with investigating Investment Avenue from each point to legitimize their particular requirements. Alongside a moderate methodology; financial backers can attempt to offset it with hazardous resources for accomplish balance on the lookout while keeping up their retirement fund of reserve funds.

Sachin and Kavidayal (2019) From the investigation of accessible writing on reserve funds and speculation examples of little financial backers it tends to be inferred that there is a need to consider the relationship investment funds, Investments and venture objectives of little financial backers. Further it is to be dissected that, are the little financial backers happy with the reserve funds and venture designs? Is it accurate to say that they are accomplishing their Investment Expectations? The little financial backers are depending vigorously on their companions for the speculations as they need monetary proficiency.

Annamaria Lusardi (Feb 2018) The paper is coordinated as follows: Section 2 gives an outline of the challenges Inherent in saving choices; Section 3 inspects the proof on retirement arranging, laborers' Knowledge of annuity and Social Security, monetary proficiency, and dependence on the exhortation of Experts. Segment 4 audits the current activities to cultivate saving and monetary security, covering Financial schooling programs, programmed enlistment of laborers in annuity plans, and different Programs. Segment 5 gives a conversation of the significant discoveries and ideas for public Policy.

Joan and Paola Giuliano (2018) This investigation looks at the impact of culture and its diligence on reserve funds. We show proof of a Robust relationship between migrant saving conduct and the saving rates in their nation of root that perseveres up to the third era. Our outcomes are reliable across various proportions of

investment funds (two self-announced reserve funds measures and investment funds determined as abundance change after some time). These outcomes conflict with the overall proof proposing that culture doesn't assume a part in forming investment funds conduct, and rather show that culture can't be dismissed in the investigation of saving contrasts across nations.

Krishna Kumari (2018) The assessment of Investment behavior among working women in Chennai city ensure the quality of Knowledgeable work. There are lots of consideration required while investing, such as tax planning, Investment safety, retirement income etc., therefore the requirements of individual investor, should Consider the variables which is mentioned. The status of women in india has been growing over the past few decades. Savings is a habit specially embodied to women. Savings refers to the surplus of an individual from his/her earnings after meeting his/her necessities. The Surplus of the individual is kept in the form of various investments.

Venugopal and Sudhakar Reddy (2018) That family can save more instead of expenditure on their schooling. Foundations that are associated with advancement projects need to expand their help to improve the business climate of the country populaces. Such choices contain enhancement in the Transport and correspondence foundation. Additionally, of significance is expanded the association of the public authority in administrations that help monetary exercises in provincial regions, for example, power, water, expansion services and advertising channels.

Brindhha (2017) Saving is one of the significant factors in the hypothesis of monetary development, which, assists with keeping a more elevated level of interest in an economy. Saving has accomplished a more noteworthy significance in the Indian Economy, especially with the coming of preparation the state has become the principle instrument of government assistance. Reserve funds accommodates the future needs of people to meet the surprising occasions. The current investigation Households' Savings Behavior of Dindigul District, Tamil Nadu – A Comprehensive Analysis thoppampatti block with unique reference to which comprises of seven towns focuses on profile of the example families and reserve funds conduct of the example families.

Emmanuel and Daniel (2017) according to market men and women, the level of familiarity a person has with particular financial institutions has an effect on whether or not that person trusts the institution; thus, it can be concluded that financial education should be considered a viable method to increasing a population's trust, familiarity, and overall choice of financial services. The trend of the results may be due to the fact that majority of the respondents do not keep their monies at home to be misused or get stolen by thieves but rather have access to financial intermediaries to keep their monies safe according to the management and employees of the various banks, the trend of the results may be due to the fact that there has been a significant variation in the major macroeconomic indicators as the years go by. This means that an increase in income will lead to an increase in saving either at the individual or the family levels. So, this is why there has been an increment in clients' saving in the banks as the years go by.

Monami and Rakshith (2017) The study finds that rural households across income categories adopted the gold-based micro-savings product and remained committed towards their investments even during shocks like covid-19 lockdowns. In addition, the paper also shows a high demand for gold-based savings product during auspicious days like Akshaya Tithi, validating the significance of gold in the lives of rural households and the relevance of a DSG-like product that intertwines the cultural and financial preferences of Indian households into a suitable financial instruments. Results of this study highlight the scope for a well-designed savings product that matches with the cash flows of low-income households and encourages them to accumulate savings in a systematic manner.

Santhosa and Swaroop (2017) research in this paper has been directed from inside the hypothetical system of social money. The point of this paper is to inspect the determinants of households' reserve funds conduct in the country families in India. The investigation gives an examination of the determinants of family reserve funds and its various angles in Indian families. The information involves an arbitrary examining of 115 respondents drawn through a field study. Family investment funds work is assessed to test families' reactions to pay, reserve funds, utilizations and other family factors including segment factors. Diverse factual tests, for example, engaging measurements and different direct relapse strategy were performed for examination of the reactions of the overview. The outcomes show that Household

Income is the major determine the cross-sectional variety of family investment funds.

Ramya and Mohamed Ali (2016) A buy choice is the consequence of all of these elements. At first the buyer attempts to discover what products he might want to devour; at that point he chooses just those wares that guarantee more prominent utility. In the wake of choosing the wares, the customer makes a gauge of the accessible cash which he can spend. Ultimately, the purchaser investigates the common costs of wares and takes the choice about the items he ought to devour. In the mean time, there are different variables impacting the acquisition of buyer like social, social, financial, individual and mental.

Sam Jayachandran (2016) Investment funds are basic for supporting and creating country enterprises. They give a few advantages to families straightforwardly. Reserve funds could be utilized for speculations. In a roundabout way saving demonstrates reimbursement capacity, additionally expands FICO score and as a guarantee in a credit market. The well-spring of own capital unmistakably is family reserve funds. Anyway, this monetary source is restricted. Ofcourse that by and large, rustic business visionaries meet their monetary requirements through casual credit market, in spite of the fact that their rates is adequately high. Family investment funds is generally the biggest segments of homegrown reserve funds in non-industrial nations particularly the lower pay.

Subhashree Nayak (2016) The increment in mindfulness among individuals for their future security as through the unanticipated cases like abrupt demise of a relative, health related crisis and some other monetary emergency, schooling of their kids, marriage of a relative has made individuals slanted to save. The level of progress in reserve funds when contrasted with metropolitan networks of the provincial families are not much but rather still has gotten an upset the example of reserve funds of the rustic families. The current investigations tracked down that the vast majority of the rustic networks or the provincial families are exposed to no reserve funds by any means. The vast majority of the rustic families are occupied with agribusiness and they have their own territory which frames a resource for them during any crisis.

Deepak Sood (Feb 2015) Today, the living standard of the people increasing day by day so salaried class community has started realizing the importance of savings and proper investment of their savings. They avoid spending money on heavy luxurious life style and preferring the normal living standard. It is evident from the study undertaken that most of the people are saving their money for children's education, marriage and to fulfill the other goals of life. There are bright chances to increase the saving and investment habits of salaried class people.

Jae MinLee and Sherman (2015) study has the accompanying targets: (a) to investigate the rate of objectives at the various levels of Maslow's progressive system of necessities; (b) to inspect examples of first reaction versus any reaction of objectives; and (c) to recognize the overall significance of the saving objectives ordered into Maslow's chain of command on the probability of saving. The commitments of this examination incorporate analyzing the impacts of various hierarchal reserve funds objectives on the probability of saving, controlling for family attributes and mentalities. This investigation is remarkable in its correlation of the impact of the most notable objective (first reaction) to whether specific objectives were referenced by any means (any objective reaction) to acquire bits of knowledge into whether the request for reaction is significant.

Nathridee and Piyarat (march2015) This paper found that saving via financial instruments in capital market is low. If regulator and financial institutions eliminate the obstacle that makes people not to choose to invest in that particular instrument, there will be more opportunity for saver to get into financial markets as the following:

- 1) Some savers do not invest in some instrument because the minimum requirement for invest is too high so financial institutions can make the initial investment smaller and will promote more individual investor into the market e.g. government bond
- 2) Some savers do not buy insurance, corporate bond, and banker acceptance because they afraid that the issue will default or in the case of stock and government bond they afraid of losing the value of their investment.

Girish jain and Meenu (2014) it tries to classifications what constitutes saving conduct and Following were discovering during the examination Higher reserve funds and income. This is an endeavor to Find out that what the various ways for Saving and speculation and furthermore to know the Awareness about the various advantages Which accompany the decision of the item. This investigation will be

important to the approach Makers who will make new rules and guideline, to private corporate like monetary firms and to analysts of sociology. Saving is characterized by financial experts as that piece of after charge pay that isn't spent thus; it approaches extra cash less utilization.

Malar Mathi and Kungumapriya (2014) The accessibility of value monetary administrations in rustic territories is critical for the development of the economy as this will empower the huge number of provincial families to subsidize the development of their vocations. The development of the economy is subject to the development of the rustic market in the country. Absence of monetary assistance stunts the development of numerous country miniature endeavors and power individuals to move to metropolitan territories looking for occupations.

Viktoria Hnatkovska and Amartya Lahiri (2013) Our discoveries additionally show that adjustments in wage vulnerability instead of vulnerability associated with employer stability may have been behind the joining saving of the two groups. The focal point of this paper on saving conduct along the improvement way has an old beginning. In One of the most commended papers on the difficulties of improvement.

Surya Prakasa (2012) To lead the immature nations to the way of advancement, pace of reserve funds should be upgraded. For the people and families, reserve funds give a pad of protection from future possibilities, while for the country, reserve funds give the subsidizes required in the formative endeavors. To accomplish higher pace of development with relative value solidness, the negligible inclination to save ought to be raised by fitting motivations and approaches. Additionally, in a time of worldwide monetary incorporation, for full scale financial dependability, higher homegrown reserve funds are fundamental.

Hafeez and Rehman (2010) Financial hypothesis proposes that families' saving is the contrast between families' pay and utilization. Pay is family's income that is procured from every one of his sources during a year. Kinds of revenue can be compensation from Job, business benefit, corporate benefit, premium installments, procuring from ranch creation, yields' acquiring and so forth Utilization is the aggregate sum of products and ventures that is devoured by families during a year. Utilization remembers use for food, apparel, lodging, lease, instruction, service charges, voyaging, functions, wellbeing, diversion or noble cause and so forth.

Sadananda Prusty (2010) The family saving addresses investment funds of the family area out of the extra cash. In an economy where the monetary business sectors have created, reserve funds of family area are reflected in their interests in different monetary instruments gave by monetary middle people like banks and monetary organizations and government, net of their liabilities. In India, aside from such investment funds in monetary instruments, a segment of actual saving is likewise assessed fusing the family consumption on house development.

Veena K. Pailwar (2010) This investigation pointed toward learning the meaning of monetary organizations in activating rustic saving in India. Five towns and two semi-metropolitan zones from North India, situated in NCR of Delhi, were chosen for the cross-sectional study. Too explained in the current writing, pay and area had critical positive impact while reliance proportion had huge negative effect on the saving.

UPENDER and M. REDDY (2007) The investment funds conduct in the Indian Economy has been observationally analyzed as far as presence of speed increase/deceleration in the development paces of homegrown investment funds, responsiveness of the homegrown reserve funds to the adjustments in GDP and degree of disparity between real change and wanted change in homegrown investment funds at the total and Disaggregate levels during 1950 – 2002. a few clarifications when he contemplates what factors reserve funds and why it varies so remarkably between nations.

CHAPTER-3

RESEARCH METHODOLOGY

The researcher had to decide which methodology or combinations of methodology were going to be most practical and yield the best results from the primary research. There are two types of methodological approach that can be used. These two are qualitative and quantitative. Quantitative research can be utilized as a research strategy if the emphasize of the research is on quantification in the collection and analysis of the data. Quantitative analysis involves using a deductive approach to the relationship between theory and research, where the emphasis is placed on testing the theories. Quantitative analysis also incorporates common practices and norms of the natural science model and of positivism in particular. Quantitative analysis represents a view of social reality as an external objective reality. Qualitative analysis on the other hand is utilized as a research strategy, where the researcher is looking to emphasize words instead of trying to look for quantification in the collection and analysis of data.

3.1 RESEARCH DESIGN:

The objectives of the dissertation, a quantitative research was held. The main characteristic of quantitative research is that it is mostly appropriate for small samples, while its outcomes are not measurable and quantifiable. Its basic advantage, which also constitutes its basic difference with qualitative research, is that it offers a complete description and analysis of a research.

3.2 SAMPLINGTECHNIQUE:

To study the project a simple random sampling technique under descriptive method is used.

3.3 SOURCES OF DATA:

The data collected for this project work was from two sources

1. Primary Source
2. Secondary Source

PRIMARY DATA:

Primary data is collected from people by using structured questionnaire.

SECONDARY DATA:

The secondary data was collected by company website, books and internet, Wikipedia.

3.4 STRUCTURE OF QUESTIONNAIRE

A data collection technique where the respondents are asked to give answer to the series of questions, written about the saving behavior of respondents. The structure of the question was designed with the demographic factor questions, multiple choice question for calculating respondent saving behaviour. The questionnaire is designed to be simple and easy with the proper length. The terms used are explained clearly and arranged in proper logical manner.

3.5 SAMPLE SIZE:

The sample of 136 responded was taken into consideration for my study and the data was collected.

3.6 PERIOD OF STUDY:

This period of study is 3 months from January 2021-march 2021.

3.7 ANALYTICAL TOOLS:

Techniques are used to obtain findings and arrange information in logical sequence from the raw data collected. After the tabulation of data, the tools provide a scientific and mathematical solutions to complex problems. The present study uses the following statistical tools for analyzing the collected data.

1. Percentage
2. Anova analysis
3. Chi-square analysis

3.7.1 PERCENTAGE ANALYSIS:

Percentage analysis shows that entire population on terms of percentage. It reveals the number of belonging in the particular category of the number of people preferring a particular thing in terms of percentage. In this study, the number of people who responded in a particular manner is interpreted in forms of percentage.

Each table has been calculated on the basis of percentage

CHAPTER- 4

DATA ANALYSIS AND INTERPRETATION

4.1. PERCENTAGE ANALYSIS:

TABLE 4.1.1: GENDER WISE CLASSIFICATION

Gender	No. of respondents	Percent
Male	76	56
Female	60	44
Total	136	100.0

Sources: Primary data

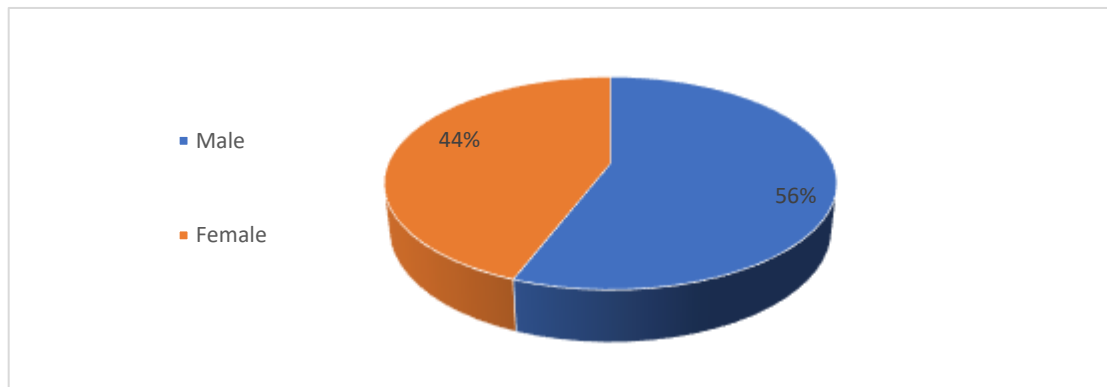


CHART 4.1.1. CHART SHOWING GENDER WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 44% of respondents are Male, 56% of respondents of female category.

INFERENCE:

The majority (56%) of respondents are Male.

TABLE 4.1.2: MARITAL STATUS WISE CLASSIFICATION

Marital status	No. of respondents	Percent
Married	79	58
Unmarried	54	40
Prefer not to say	3	2
Total	136	100.0

Sources: Primary data

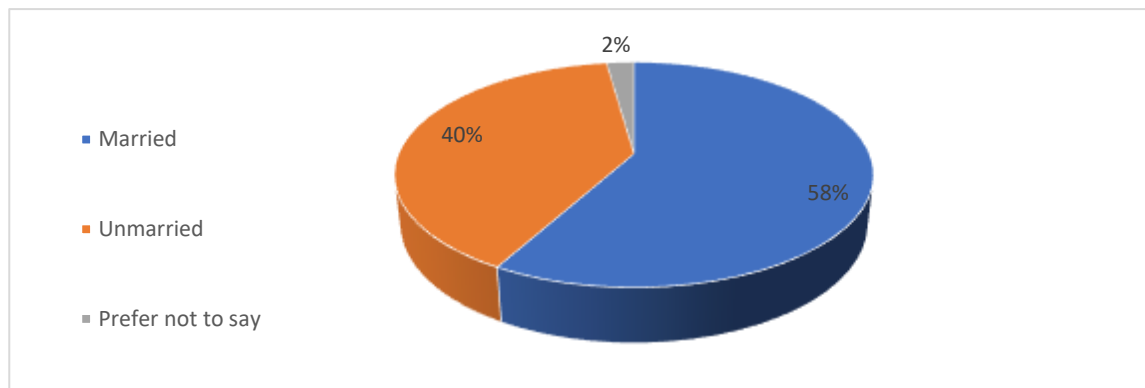


CHART 4.1.2. CHART SHOWING MARITAL STATUS WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 58% of respondents are Married, 40% of respondents are Unmarried category, 2% of respondents are prefer not to say.

INFERENCE

The majority (58%) of respondents are married.

TABLE 4.1.3: AGE WISE CLASSIFICATION

Age	No of respondents	Percent
18-30 years	43	32
31-40 years	35	26
41-50 years	44	32
51 and above	14	10
Total	136	100.0

Sources: Primary data

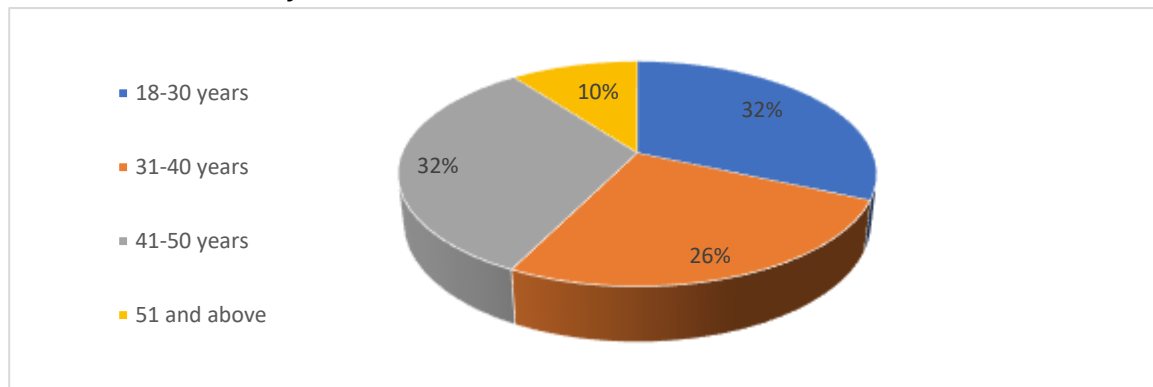


CHART 4.1.3. CHART SHOWING AGE WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 32% of respondents are 18-30 years old, 26% of respondents are 31-40 years old, 32% of respondents are 41-50 years old, 10% of respondents are 51 and above.

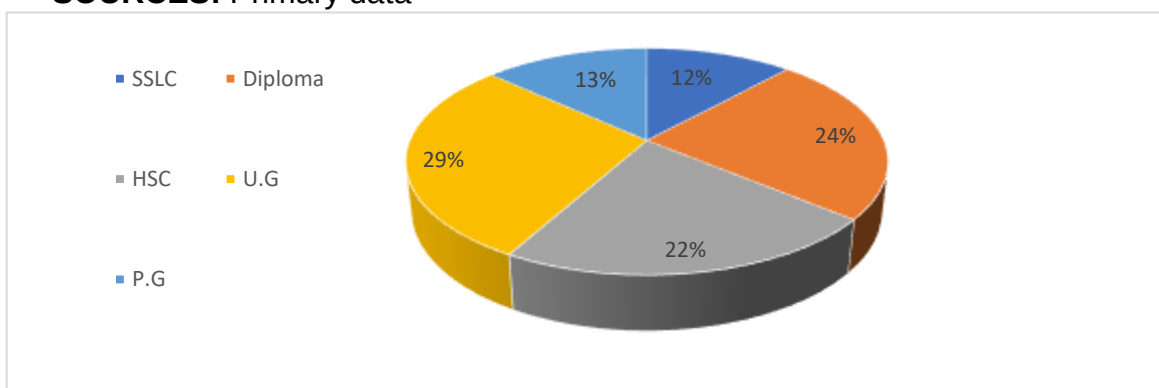
INFERENCE:

The majority (32%) of respondents are 18 -30 years and 41-50 years old.

TABLE 4.1 4: EDUCATION WISE CLASSIFICATION

Education	No. of respondents	Percent
SSLC	16	12
Diploma	33	24
HSC	30	22
U.G	39	29
P.G	18	13
Total	136	100.0

SOURCES: Primary data

**CHART 4.1.4 CHART SHOWING EDUCATION WISE CLASSIFICATION****INTERPRETATION:**

From the above table it is interpreted that 12% of respondents studied SSLC, 24% of respondents studied Diploma, 22% of respondents studied HSC, 29% of respondents studied UG, 13% of respondents studied PG.

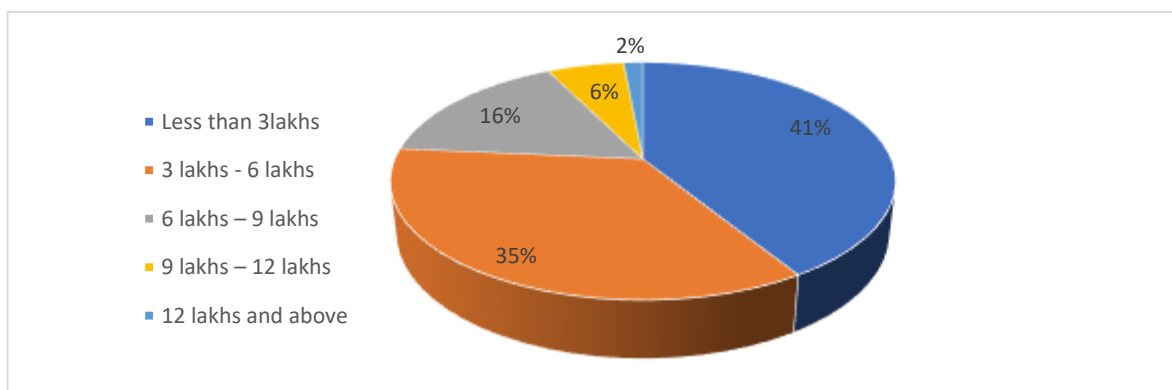
INFERENCE:

The majority (29%) of respondents are graduates.

TABLE 4.1.5: INCOME(ANNUAL) WISE CLASSIFICATION

Income	No. of respondents	Percent
Less than 3lakhs	56	41
3 lakhs - 6 lakhs	48	35
6 lakhs – 9 lakhs	22	16
9 lakhs – 12 lakhs	8	6
12 lakhs and above	2	2
Total	136	100.0

SOURCES: Primary data

**CHART 4.1.5 CHART SHOWING INCOME WISE CLASSIFICATION****INTERPRETATION:**

From the above table it is interpreted that 41% of respondents salary is Less than 3lakhs, 35% of respondents salary is 3lakh – 6lakh, 16% of respondents salary is 6lakh-9lakh, 6% of respondents salary is 9lakh-12lakh, 2% of respondents salary is 12lakh and above.

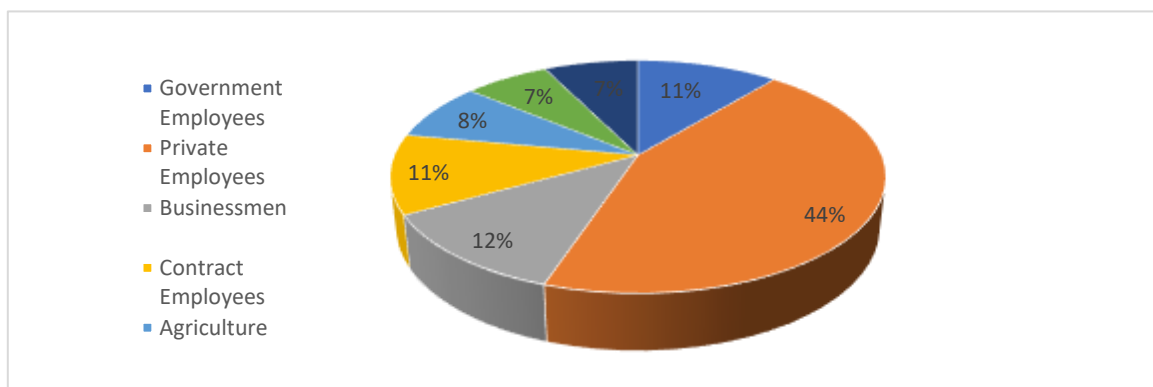
INFERENCE:

The majority (41%) of respondents income are less than 3lakh.

TABLE 4.1 6: RESPONDENTS OCCUPATIONS WISE CLASSIFICATION

Occupation	No. of respondents	Percent
Government Employees	15	11
Private Employees	60	44
Businessmen	16	12
Contract Employees	15	11
Agriculture	11	7
Home maker	9	8
Others	10	7
Total	136	100.0

SOURCES: Primary data

**CHART 4.1.6 CHART SHOWING OCCUPATION WISE CLASSIFICATION****INTERPRETATION:**

From the above table it is interpreted that 11% of respondents occupations are Government employees, 44% of respondents occupation are Private employees, 12% of respondents occupations are Businessmen, 11% of respondents occupations are Contract employees, 7% of respondents occupations are Agriculture, 8% of respondents occupations are Home maker, 7% of respondents occupations are Others category.

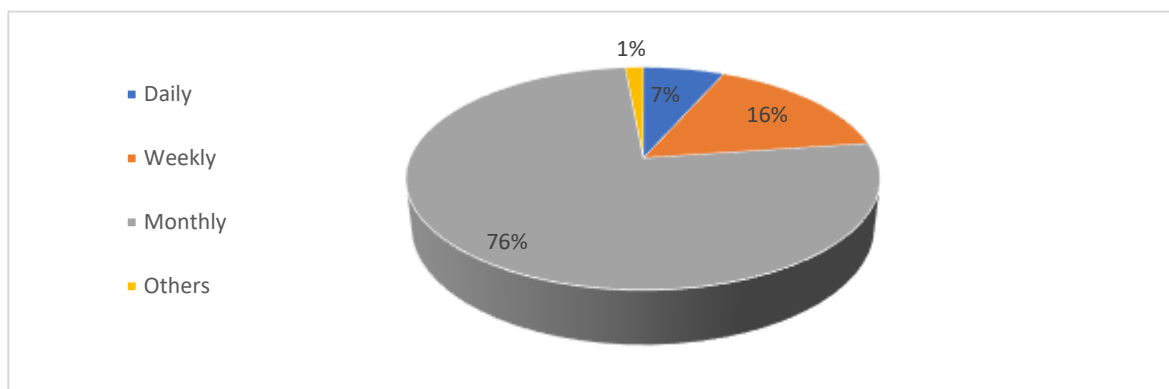
INFERENCE:

The majority (44%) of respondent's occupations are Private employees.

TABLE 4.1 7: SALARY BASES WISE CLASSIFICATION

Salary bases	No. of respondents	Percent
Daily	9	7
Weekly	22	16
Monthly	103	76
Others	2	1
Total	136	100.0

SOURCES: Primary data

**4.1.7 CHART SHOWING SALARY WISE CLASSIFICATION****INTERPRETATION:**

From the above table it is interpreted that 7% of respondents getting salary by Daily bases, 16% of respondents getting salary by Weekly bases, 76% of respondents getting salary by Monthly bases, 1% of respondents getting salary by Others.

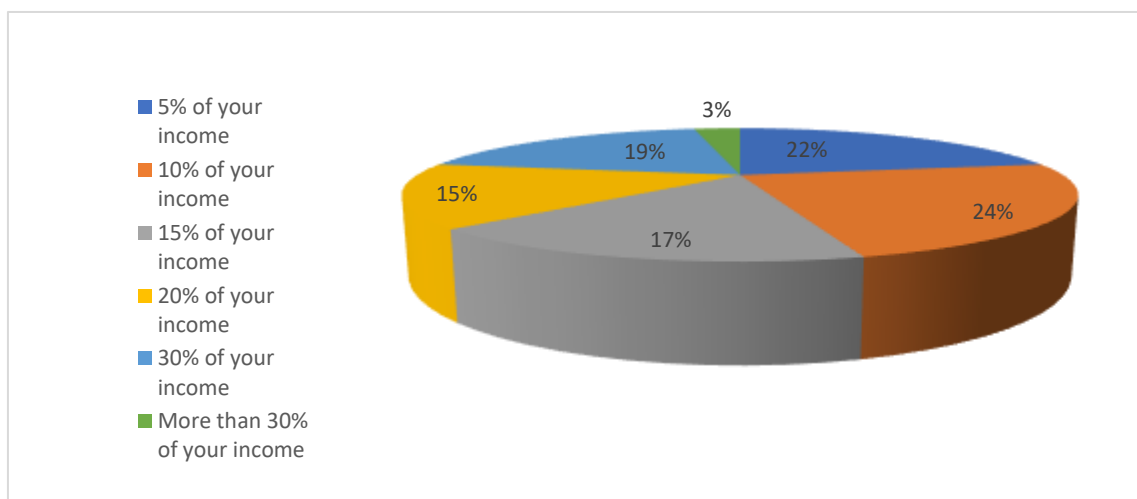
INFERENCE:

The majority (76%) of respondents salary are Monthly bases.

TABLE 4.1 8: AVERAGE MONTHLY SAVING WISE CLASSIFICATION

Average monthly saving	No. of respondents	Percent
5% of your income	30	22
10% of your income	32	24
15% of your income	23	17
20% of your income	21	15
30% of your income	26	19
More than 30% of your income	4	3
Total	136	100.0

sources: Primary

**CHART 4.1.8 CHART SHOWING SAVINGS WISE CLASSIFICATION****INTERPRETATION:**

From the above table it is interpreted that 22% of respondents saving 5% of income, 24% of respondents saving 10% of income, 17% of respondents saving 15% of income, 15% of respondents saving 20% of income, 19% of respondents saving 30% of income, 3% of respondents saving more than 30% of income.

INFERENCE:

The majority (24%) of respondents saving 10% of income.

TABLE 4.1.9 RESPONDENTS MODE OF PREFERENCE ON SAVING WISE CLASSIFICATION

Preferen ce on saving	Alwa ys	Sometim es	Rare ly	Nev er	Tot al	Perce nt
Gold	80	44	10	2	136	25
Land	40	54	35	7	136	12
House	45	41	45	5	136	14
Bonds	9	32	50	45	136	3
Fixed deposit	32	48	25	32	136	10
Shares	15	30	29	62	136	4
Insuran ce policies	59	45	28	4	136	18
Private chits	49	54	18	15	136	15

SOURCES: Primary data

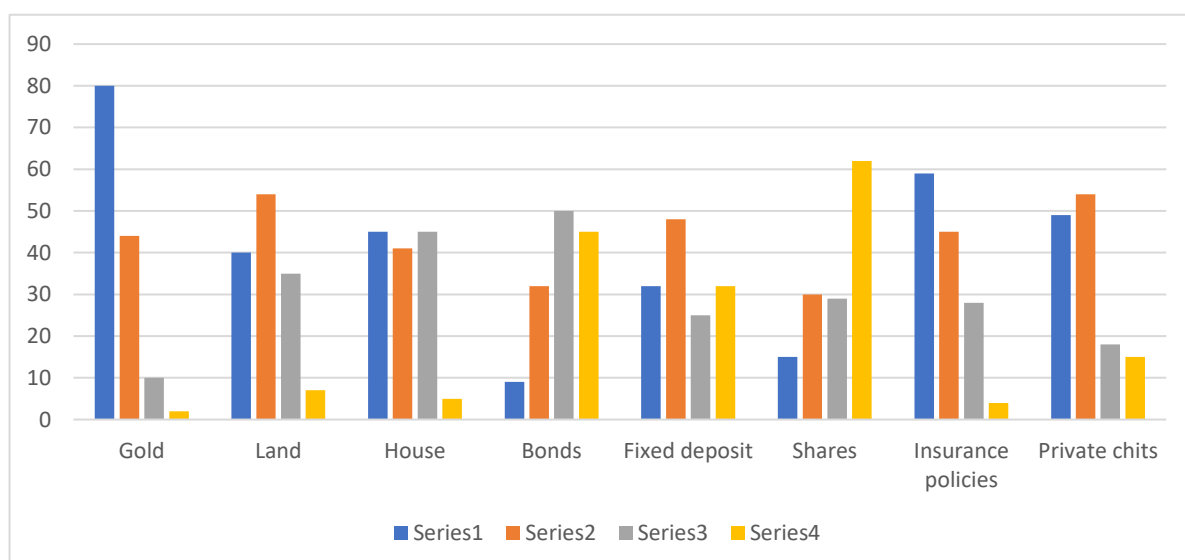


CHART 4.1.9 CHART SHOWING MODE OF SAVING WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 24% of respondents investing in Gold, 12% of respondents investing in Land, 14% of respondents investing in House, 3% of respondents saving in Bond's category, 10% of respondents saving in Fixed Deposit, 4% of respondents saving in Shares, 18% of respondents saving in Insurance policies, 15% of respondents investing in Private chits.

INFERENCE:

The majority (24%) of respondents preferred Gold.

TABLE 4.1.10: AGREE THAT GOLD INVEST IS SAFE WISE CLASSIFICATION

Respondents opinion	No. of respondent	Percent
Strongly agree	61	45
Agree	60	44
Neither agree nor disagree	11	8
Disagree	2	2
Strongly disagree	2	1
Total	136	100.0

SOURCES: Primary data

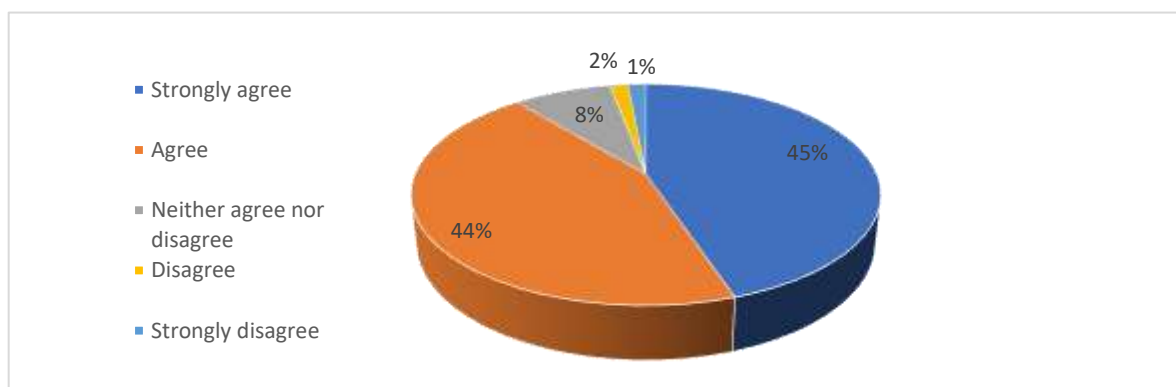


CHART 4.1.10 CHART SHOWING GOLD INVEST WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 45% of respondents Strongly agree to invest in gold, 44% of respondents Agree to invest in gold, 8% of respondents Neither agree nor disagree to invest in gold, 2% of respondents of Disagree to invest in gold, 1% of respondents of Strongly disagree to invest in gold.

INFERENCE:

The majority (45%) of respondents are Strongly agree to invest in gold.

TABLE 4.1.11: RESPONDENTS INCOME INVEST/SAVE IN GOLD WISE CLASSIFICATION

Income invested in gold	No. of respondent	Percent
5 – 10%	60	44
11 – 20%	51	37
21 – 30%	17	13
31 – 40%	7	5
Others	1	1
Total	136	100.0

SOURCES: Primary data

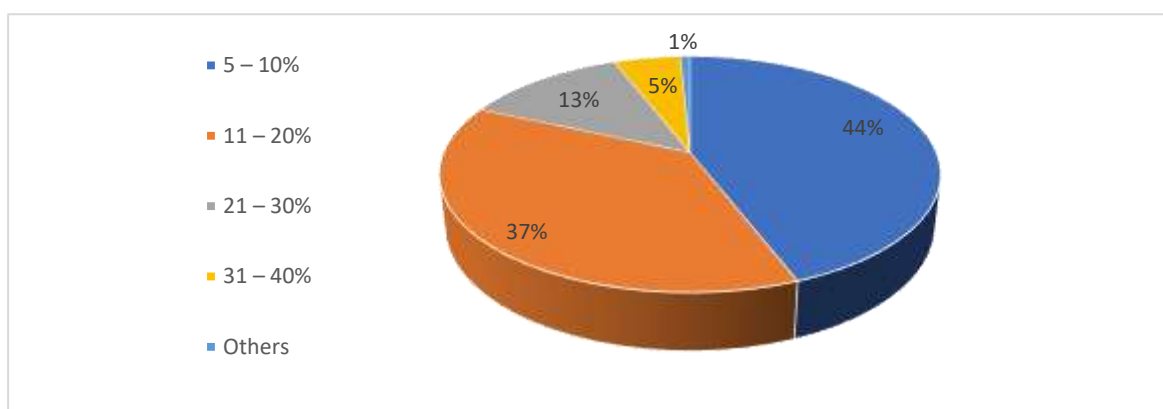


CHART 4.1.11 SHOWING THAT RESPONDENTS INVESTED IN GOLD

INTERPRETATION:

From the above table it is interpreted that 44% of respondents are investing 5-10% of their income, 37% of respondents are investing 11-20% of their income, 13% of respondents investing 21-30% of their income, 5% of respondents investing 31-40% of their income, 1% of respondents investing others category.

INFERENCE:

The majority (44%) of respondents investing 5-10% of their income.

TABLE 4.1.12: SATISFIED IN BUYING SHARES WISE CLASSIFICATION

Respondents opinion	No. of respondent	Percent
Strongly satisfied	18	13
Satisfied	40	29
Neither satisfied	50	37
Dissatisfied	26	19
Strongly dissatisfied	2	2
Total	136	100.0

SOURCES: Primary data

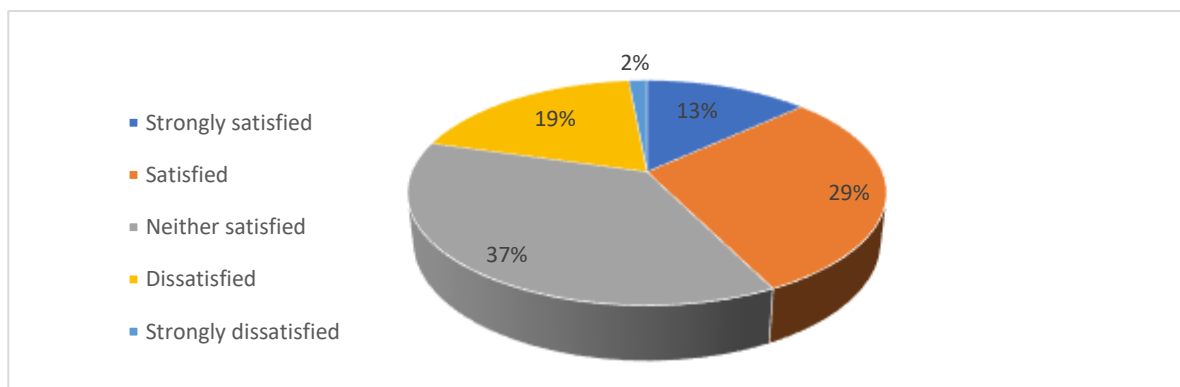


CHART 4.1.12 CHART SHOWING SHARES WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 13% of respondents Strongly satisfied to buying shares, 29% of respondents satisfied to buying shares, 37% of respondents Neither satisfied to buying shares, 19% of respondents Dissatisfied to buying shares, 2% of respondents Strongly dissatisfied to buying shares.

INFERENCE:

The majority (37%) of respondents are neither satisfied nor dissatisfied to buying shares.

TABLE 4.1.13: INTEREST TO INVEST IN BOND WISE CLASSIFICATION

Interest to invest in bond	No. of respondent	Percent
Always	16	12
Sometimes	60	44
Rarely	36	26
Never	24	18
total	136	100.0

SOURCES: Primary data

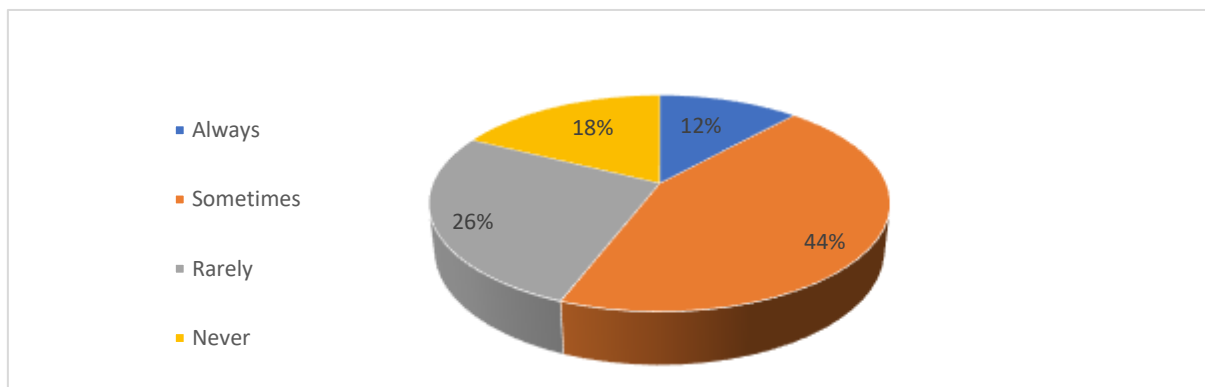


CHART 4.1.12 CHART SHOWING BOND WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 12% of respondents Always interest to invest in bond, 44% of respondents Sometimes interest to invest in bond, 26% of respondents Rarely interest to invest in bond, 18% of respondents of Never category.

INFERENCE:

The majority (44%) of respondents are Sometimes interest to invest in bonds.

TABLE 4.1.14: TYPES OF POLICIES SAVING WISE CLASSIFICATION

Policies	No. of respondent	Percent
Life insurance	83	61
ULIPs	18	13
Pension/Retirement plan	23	17
Endowment	12	9
Total	136	100.0

SOURCES: Primary data

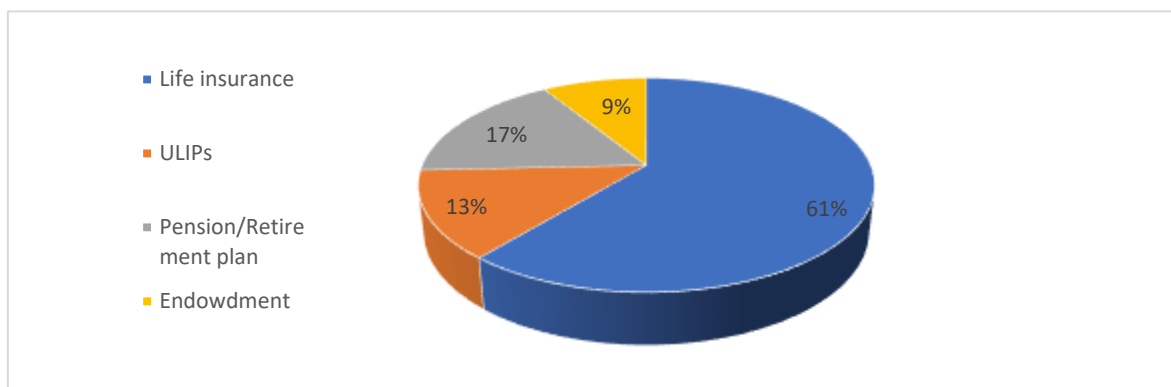


CHART 4.1.14 CHART SHOWING POLICIES WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 61% of respondents preferred Life insurance policies, 13% of respondents preferred ULIPs, 17% of respondents /Retirement plan, 9% of respondents preferred Endowment.

INFERENCE:

The majority (61%) of respondents are using Life insurance.

TABLE 4.1.15: AGREE THAT INSURANCE POLICY IS SAFER WISE CLASSIFICATION

Respondent opinion	No. of respondent	Percent
Strongly agree	37	27
Agree	74	54
Neither agree nor disagree	20	15
Disagree	5	4
Strongly disagree	0	0
Total	136	100.0

SOURCES: Primary data

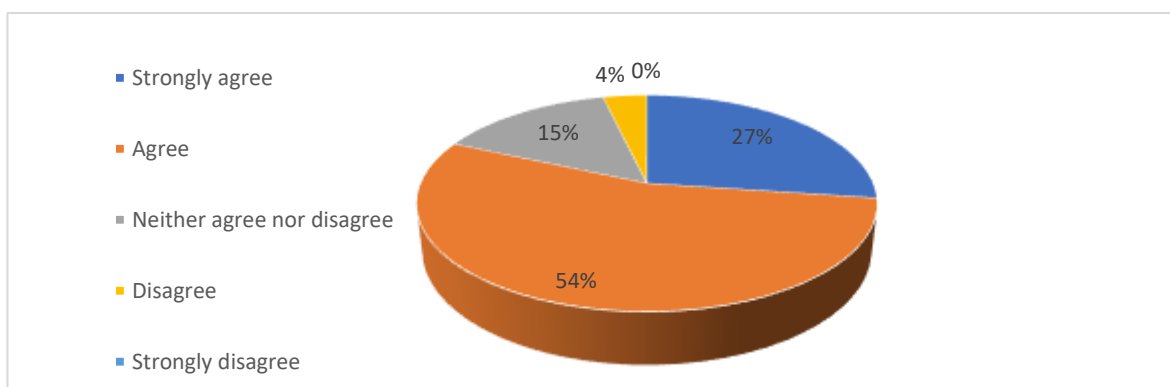


CHART4.1.12 CHART SHOWING INSURANCE POLICIES WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 27% of respondents Strongly agree to invest in insurance policies, 54% of respondents Agree to invest in insurance policies, 15% of respondents Neither agree nor disagree to invest in insurance policies, 4% of respondents Disagree to invest in insurance policies.

INFERENCE:

The majority (54%) of respondents are Agree that insurance policies are safer.

TABLE 4.1 16: STAYING IN A RENTAL OR OWN HOUSE CLASSIFICATION

Rental or own house	No. of respondent	Percent
Rental	35	26
Own	101	74
Total	136	100.0

SOURCES: Primary data

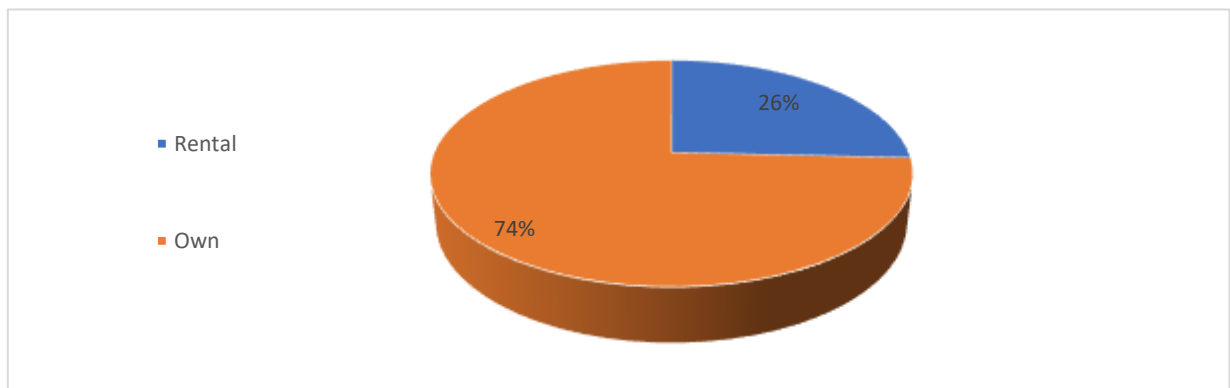


CHART 4.1.16 CHART SHOWING RESPONDENTS STAYING WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 26% of respondents staying in Rental house, 74% of respondents staying in Own house.

INFERENCE:

The majority (74%) of respondents are staying in Own house.

TABLE 4.1 17: AVAIL FOR HOUSING LOAN WISE CLASSIFICATION

Housing loan	No. of respondent	Percent
Yes	23	17
No	103	76
May be	10	7
Total	136	100.0

SOURCES: Primary data

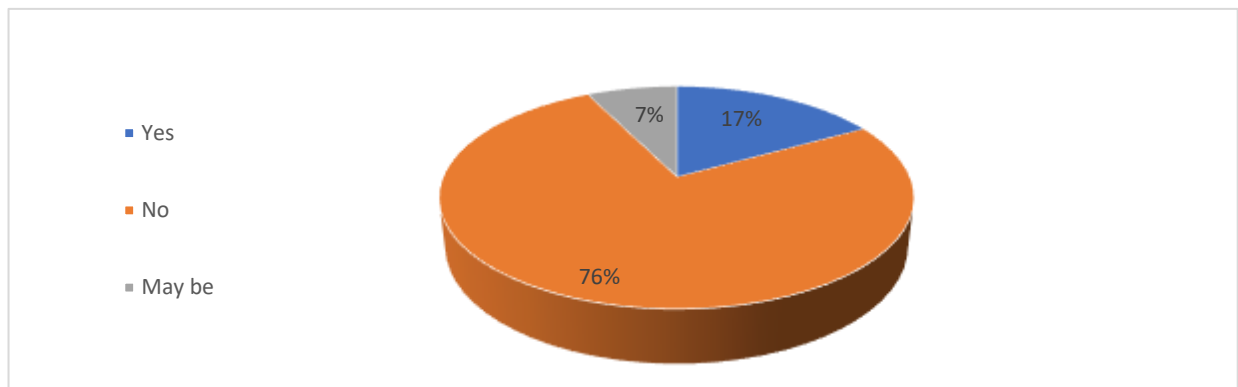


CHART 4.1.17 CHART SHOWING LOAN WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 17% of respondents avail for housing loan, 76% of respondents of Not avail for housing loan, 7% of respondents of May be category.

INFERENCE:

The majority (76%) of respondents have Not avail for housing.

TABLE 4.1 18: INVESTED IN LAND WISE CLASSIFICATION

Invest in land	No. of respondent	Percent
Yes	46	34
No	72	53
Maybe	18	13
Total	136	100.0

SOURCES: Primary data

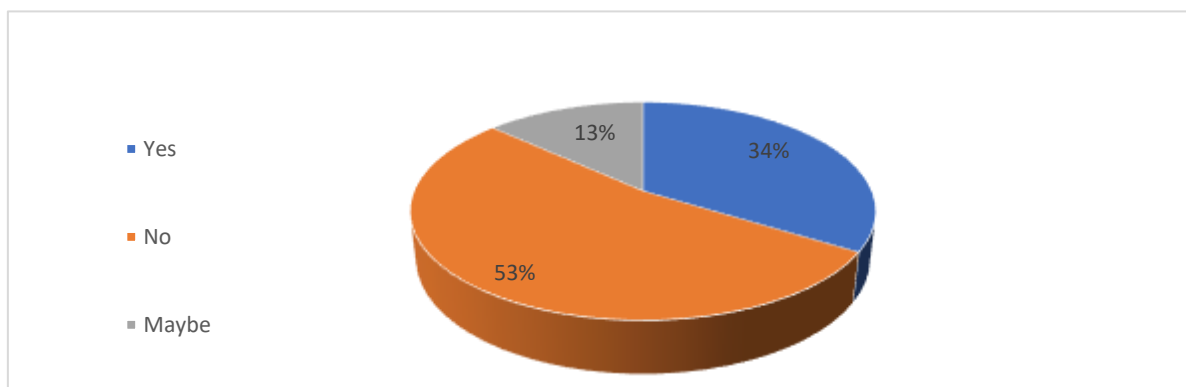


CHART 4.1.18 CHART SHOWING INVESTMENT IN LAND WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 34% of respondents invested in land, 53% of respondents not to invest in land, 13% of respondents of May be category.

INFERENCE:

The majority (53%) of respondents are invested in land.

**TABLE 4.1.19: AGREE THAT PRIVATE INVESTMENT IN CHITS ARE SAFER
WISE CLASSIFICATION**

Respondent opinion	No. of respondent	Percent
Strongly agree	35	26
Agree	54	39
Neutral	26	19
Disagree	20	15
Strongly disagree	1	1
Total	136	100.0

SOURCES: Primary data

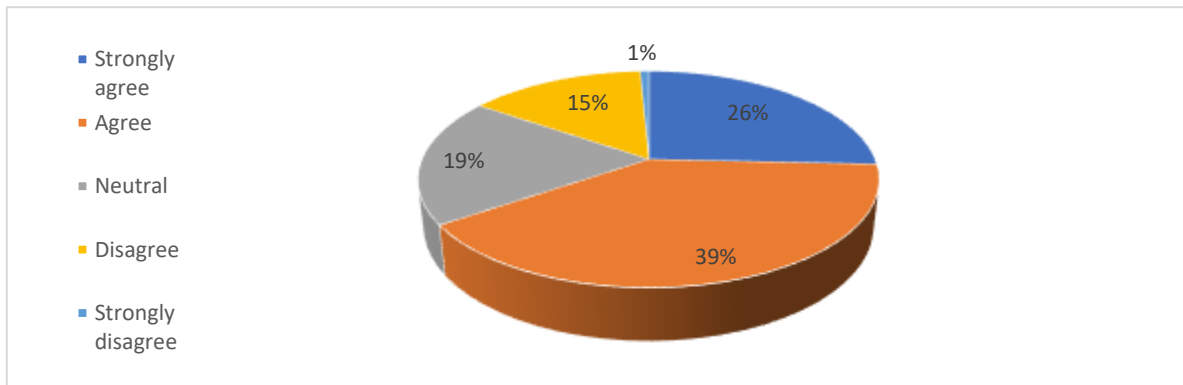


CHART 4.1.19 SHOWING PRIVATE CHITS WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 26% of respondents Strongly agree to invest in private chits, 39% of respondents of Agree to invest in private chits, 19% of respondents of Neutral to invest in private chits, 15% of respondents of Disagree to invest in private chits, 1% of respondents of Strongly disagree to invest in private chits.

INFERENCE:

The majority (39%) of respondents are Agree to invest in private chits.

TABLE 4.1.20: REASON'S FOR SAVING WISE CLASSIFICATION

Reas ons for savin gs	Ag ree	Stro ngly agre e	Neu tral	Disa gree	Stro ngly disa gree	Tot al	Per ce nt
For future benefits	32	101	3	0	0	136	9
For buying home	56	55	21	3	1	136	15
To buy jewl	61	51	24	0	0	136	16
To save retireme nt age	47	46	33	7	3	136	12
To meet unexpect ed emergen cies	48	59	11	9	1	136	13
For children educatio n	39	87	10	1	0	136	10
To buy land	43	26	39	14	14	136	11
To get interest on savings	53	26	30	11	16	136	14

SOURCES: Primary data

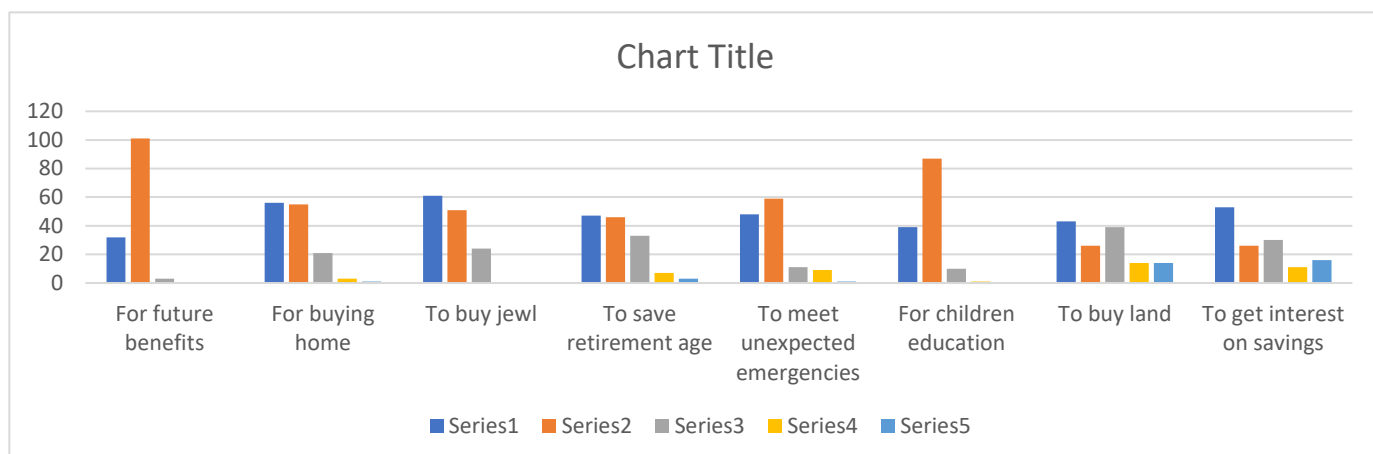


CHART 4.1.20 SHOWING REASONS FOR SAVING WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 9% of respondents invest for future benefits, 15% of respondents invest for buying home, 16% of respondents invest for buy jewels, 12% of respondents invest save retirement age, 13% of respondents invest to meet unexpected emergencies, 10% of respondents invest for children education, 11% of respondents invest to buy land category, 14% of respondents of to get interest on savings.

INFERENCE:

The majority (16%) of respondents are interest to buy jewel.

TABLE 4.1.21: SAVINGS ARE SECURED TO OUR FUTURE WISE CLASSIFICATION

Respondent opinion	No. of respondent	Percent
Strongly agree	81	60
Agree	52	38
Neutral	2	1
Disagree	1	1
Strongly disagree	0	0
Total	136	100.0

SOURCES: Primary data

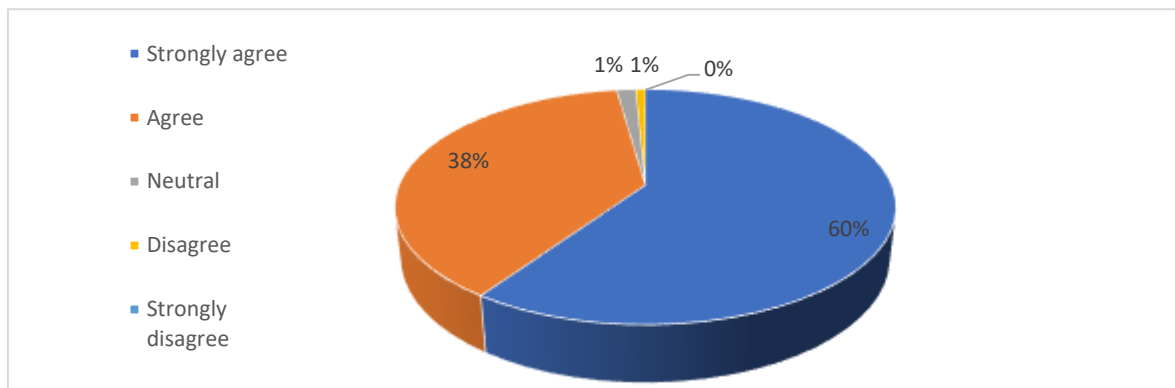


CHART 4.1.21 SHOWING ABOUT SECURED WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 60% of respondents Strongly agree that savings are secured, 38% of respondents Agree that savings are secured, 1% of respondents Neutral that savings are secured, 1% of respondents of Disagree that savings are secured.

INFERENCE:

The majority (60%) of respondents are Strongly agree are secured to save.

TABLE 4.1.22: AGREE THAT IT IS WISER TO AVAIL LOAN TO BUY ASSETS INSTEAD OF SAVING AND BUYING ASSETS.

Respondent opinion	No. of respondent	Percent
Strongly agree	6	4
Agree	14	10
Neutral	32	24
Disagree	38	28
Strongly disagree	46	34
Total	136	100.0

SOURCES: Primary data

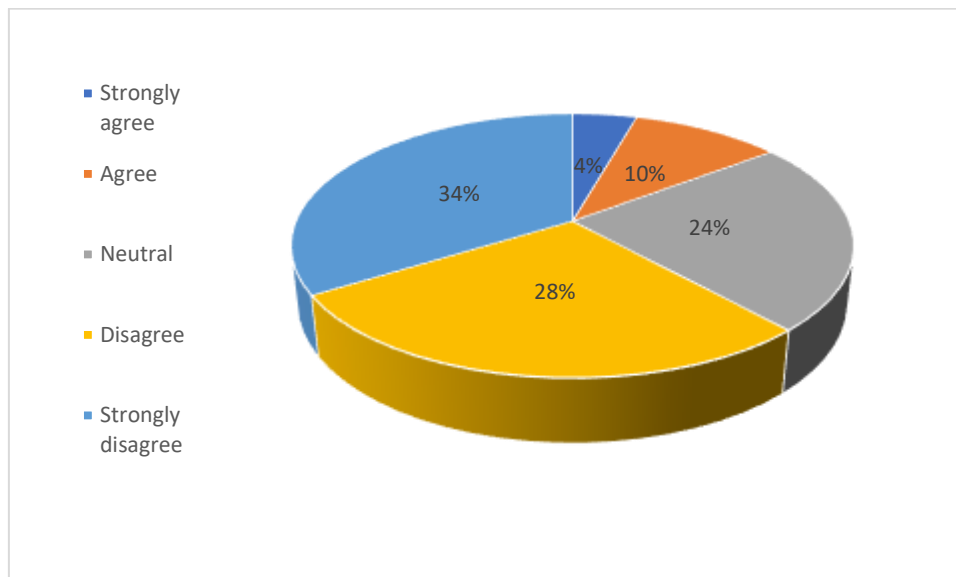


CHART 4.1.22 SHOWING THAT IS IT WISER TO AVAIL LOAN INSTEAD OF SAVING AND BUYING ASSETS

INTERPRETATION:

From the above table it is interpreted that 4% of respondents of Strongly agree that it is wiser to avail loan to buy assets instead of saving and buying assets., 10% of respondents of Agree, 24% of respondents of Neutral, 28% of respondents of Disagree, 34% of respondents of Strongly disagree.

INFERENCE:

The majority (34%) of respondents are strongly disagree to avail loan instead of saving and buying assets.

4.2 ONE WAY ANNOVA

Age of respondents and average monthly savings of respondents.

Null Hypothesis (H0) There is no significant relationship between age of respondents and average monthly savings.

Alternate Hypothesis(H1) There is a significance relationship between age of respondents and average monthly savings.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-30 years	61	3.21	1.743	.223	2.77	3.66	1	6
31-40 years	34	2.79	1.610	.276	2.23	3.36	1	6
41-50 years	30	3.03	1.351	.247	2.53	3.54	1	5
51 and above	11	3.73	1.191	.359	2.93	4.53	1	5
Total	136	3.11	1.595	.137	2.84	3.38	1	6

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.409	3	2.803	1.105	.350
Within Groups	334.937	132	2.537		
Total	343.346	135			

AGE	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-30 years	61	4.16	.840	.108	3.95	4.38	2	6
31-40 years	34	4.26	.963	.165	3.93	4.60	2	6
41-50 years	30	4.10	1.185	.216	3.66	4.54	2	6
51 and above	11	3.91	1.136	.343	3.15	4.67	1	6
Total	136	4.15	.973	.083	3.99	4.32	1	6

Anova

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.170	3	.390	.407	.748
Within Groups	126.587	132	.959		
Total	127.757	135			

HO > H1: H0 is accepted.

RESULT

- From the above analyzed data, it is interpreted that the anova .350 which is above the significance level 5, therefore reject the null hypothesis and accept the alternative hypothesis. Thus, there is significance influence between the age of the respondents.
- From the above analyzed data, it is interpreted that the anova .748 which is above the significance level 5, therefore reject the null hypothesis and accept the alternative hypothesis. Thus, there is significance influence between the

age of the respondents.

4.2.CHI – SQUARE

CHI SQUARE TEST

Null hypothesis (H0) - There is no significance difference between occupations and respondents' part of income invest in gold.

Alternative hypothesis (H1) - There is significance difference between occupations and respondents' part of income invest in gold.

4.2.1 Table showing that part of income do invest/save in gold?

OCCUPATION	How much part of your income do you invest/save in gold?					Total
	11-20%	21-30%	31-40%	5-10%	Not interested	
Agriculture	3	2	1	4	0	10
Businessmen	8	4	3	1	0	16
contract employee	8	2	0	4	0	14
Daily wages	0	0	0	1	0	1
Government Employee	7	4	0	4	0	15
Home maker	5	0	1	3	0	9
Private Employee	17	4	2	35	1	59
Student	0	1	0	2	0	3
Others	3	0	0	6	0	9
Total	51	17	7	60	1	136

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	48.940 ^a	56	.737
Likelihood Ratio	55.592	56	.490
Linear-by-Linear Association	11.061	1	.001
N of Valid Cases	136		

RESULT:

Since p-value is more than 0.05, we accept the null hypothesis(H0) and reject the alternate hypothesis (H1). Therefore, there is no difference between the occupation and part of income to invest in gold.

CHAPTER- 5

5.1 FINDINGS

- 56% of the people are male candidates showing the gender wise calculation.
- 58% of the respondents are married.
- 32% of the respondents are age wise calculation.
- 29% of the respondents are showing highest qualifications in UG.
- 41% of the respondents are showing income wise calculation.
- 44% of the respondents are showing private employees in professional calculations.
- 76% of the people are monthly bases in salary wise calculation.
- 24% of the people are monthly savings bases wise calculation.
- 25% of people were preferred of savings in gold.
- 45% of people agree that gold investment is safe.
- 44% if people investing their income in gold.
- 37% of people satisfied to buy shares.
- 44% of people were invested in bond.
- 67% of people preferred life insurance policies.
- 54% of people agree that insurance policies is safer than others.
- 74 % of people have own house.
- 76% of people have not avail for housing loan.
- 53% of people have not invested in land
- 39% of people agree that private chits are safer to invest
- 16% of people have interested to buy a jeweler from their savings.
- 60% of people were strongly agree that savings are secured for our future.
- 34% of people were agree that wiser avail loan to buy assets instead of saving and buying assets.
- 28% of people are avail to save and buy assets.

5.2 SUGGESTIONS

- The majority of people suggest to invest to Buy land and gold for safety and liquidity.
- The majority (40%) of respondents feels that private chits are safe to invest.
- The majority of people preferred to save 50 % of their income for their future.
- According to respondent's concern Investment plays a best role to save an income for a future use.
- The majority of the respondents are feeling secured to invest their income.
- Most of the respondents agree that it is wiser to avail loan to buy assets instead of saving and buying assets.

5.3. CONCLUSION:

The study analyzes factors of household savings based on data collected from Trichy district through descriptive sampling technique. It is revealed that age has a positive relationship. Education of household head, sex and marital status of the household head are significantly and inversely affecting household savings. Total income of the household, family size and Occupation has a significant direct positive relationship with household savings. Saving is one of the important variables in the theory of economic growth, which, helps to maintain a higher level of investment in an economy. Saving has achieved a greater importance in the Indian Economy, particularly with the advent of planning the state has become the main instrument of welfare. Savings provides for the future wants of individuals to meet the unexpected events. The present study Households' Savings Behavior of Trichy District, Tamil Nadu

There is also a positive relationship between the savings and family income. Apart from these type of savings, the necessary steps has to be taken to create awareness to invest in various investments.

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APPENDIX-1

QUESTIONNAIRE

1. Name : _____
2. Gender : 1) Male 2) Female
3. Marital Status
☐ Married
☐ Unmarried
4. Age
☐ 18-28yrs
☐ 28-38yr
☐ 38-48yrs
☐ 48-58yrs
☐ 58 and above
5. Education
☐ SSLC
☐ Diploma
☐ HSC
☐ U.G.
☐ P.G.
6. Income (Annual)
☐ less than 3 lakhs
☐ 3 lakhs to 6 lakhs
☐ 6 lakhs to 9 lakhs
☐ 9 lakhs to 12 lakhs
☐ Above 12 lakhs

7. Profession

- ☐ Government Employee
- ☐ Private Employee
- ☐ Businessmen
- ☐ contract employee
- ☐ Student
- ☐ House wife
- ☐ others mention _____

8. On what bases you get salary?

- ☐ Daily
- ☐ Weekly
- ☐ Monthly
- ☐ Other, specify

9. What is your average monthly savings with the following financial institutions?

- ☐ 5% of your income
- ☐ 10% of your income
- ☐ 15% of your income
- ☐ 20% of your income
- ☐ 25% of your income
- ☐ 30% of your income
- ☐ more than 30 % of your income

10. From the following list what is your preference for saving?

Particulars	Always	Sometimes	Rarely	Never
-------------	--------	-----------	--------	-------

Gold				
Land				
House				
Bonds				
Fixed deposit				
Shares				
Insurance policies				
Private investment as chits				

11.How far will you agree that do you feel gold invest is safe?

- ☐ Strongly agree
- ☐ Agree
- ☐ Neither agree nor disagree
- ☐ Disagree
- ☐ Strongly disagree

12.How much part of your income do you invest/save in gold?

- ☐ less than 10000
- ☐ 10000-20000
- ☐ 20000-30000
- ☐ 30000-40000
- ☐ 40000-50000

13.Are you satisfied in buying shares?

- ☐ Strongly satisfied
- ☐ Satisfied
- ☐ Neither satisfied nor dissatisfied
- ☐ Dissatisfied
- ☐ Strongly dissatisfied

14. Do you have interest to invest in bonds?

- ☐ always
- ☐ sometimes
- ☐ rarely
- ☐ never

15. What kind of insurance policies do you have?

- ☐ life insurance
- ☐ ULIPs
- ☐ Endowment
- ☐ Pension / Retirement plan

16. Do you agree insurance policy is safer?

- ☐ Strongly agree
- ☐ Agree
- ☐ Neither agree nor disagree
- ☐ Disagree
- ☐ Strongly disagree

17. Are you staying in rental or own house?

- ☐ rental
- ☐ own

18. Have you invested in land?

- ☐ yes
- ☐ no

19. Do you agree that private investment in chits are safer?

- ☐ strongly agree

- ☐ agree
- ☐ Neutral
- ☐ disagree
- ☐ strongly disagree

20. **What is your reason(s) for saving? (use strongly agree to strongly disagree)**

Particulars	Agree	Strongly agree	neither agree nor disagree	disagree	strongly disagree
For future benefits					
For buying home					
To buy jewels					
To save for retirement age					
To Meet unexpected emergencies					
For Children's education					
To buy land					
To get interest on savings					

21. Do you agree savings are secured to our future?

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly Disagree

22.. Do you agree that it is wiser to avail loan to buy assets instead of saving and buying assets.

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral

☐ Disagree

☐ Strongly Disagree

23. Give your suggestion about the better way to save our income.

A STUDY SAVING BEHAVIOR AND CHOICE OF ASSETS OF HOUSEHOLDS

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ABSTRACT

Savings can be known as the cash or physical products set aside for future use. An Investment is an asset acquired or invested in to build wealth and save money from the hard-earned income or appreciation. The present study aims at investigating the percentage of salary saved by households, factors affecting the saving behaviour, and types of savings by households and determinants of the saving behavior of the rural households in the district of Trichy. The data of 136 sample households has been collected from rural households. This paper investigates the factors behind what determine household saving behaviour. An individual and a consumer is led by their culture, their social class, their membership groups, their family, their personality, their psychological factors, etc.. In my study size of 136 was drawn from the population using the descriptive sampling techniques. The results ultimately reveals that the age of the head of the household, gender, income and expenditure are significantly influencing the saving behavior in the entire study area.

KEYWORDS: Income, Consumption, Household Savings in rural area.

INTRODUCTION

Saving is one of the important factor to predict out future. Saving is defined as an understand on how people save in order to realize the economic condition and an important variable to be studied under the preview of the economic arena on an individual as well as household basis. Today's saving mainly in rural areas consists of the assets in form of animals, metals, properties and also due to some awareness about the saving institutions available nearby encourages people to save as to opt the rate of interest from the amount saved from time to time. In most of the households, the only source of income has been resulting in originating from various other sources. People can save their money in few common types like gold, bonds, shares, bank deposit etc. The present study tries to analyse the determinants and pattern of saving behaviour in rural household in Trichy District, Tamilnadu.

OBJECTIVES OF THE STUDY

The Primary objectives of this study the saving behavior and choice of assets of households in Trichy District. The Secondary objectives of this study identify the percentage of salary saved by each individual, to know about the factors affecting the saving behavior of household, to the types to saving preferred by Individual household and to know the perception of individual household on the need to save.

REVIEW OF LITERATURE:

Deepika and Sushil (2019) the paper review about investigation that to achieve their objectives; individuals ought to be made all the more financially educated so they can coordinate with risky with non-unsafe resources.

Piyarat (2015) This paper found that saving in financial market is low, If regulator and financial institutions eliminate the obstacle that makes people not to choose to invest in that particular instrument, there will be more opportunity for saver to get into financial markets.

Ramya and Mohamed Ali (2016) A buying choice is the consequence of all of these elements. At first the buyer attempts to discover what products he might want to be, when

his demand be high, his expenditure be high at that point he chooses just those wares that guarantee more prominent utility.

Sam Jeyachandran (2016) Investment funds are basic for supporting country undertaking. They give a few advantages to families straightforwardly. Reserve funds could be utilized for scheme.

Subhashree Nayak (2016) Savings is a reason among individuals for their future security as through the unanticipated cases like demise of a relative, health care and some other monetary emergency, children's education, marriage expences has made individuals slanted to save.

RESEARCH METHODOLOGY

Based on my study, the sample size of 136 was drawn from the population using the descriptive sampling techniques with a duration of 3 month. I use questionnaire as a primary data and secondary data from books and websites. This article is prepared by analyzing the research paper. The structure of the question is was designed with the demographic factor questions, multiple choice question for analyze respondent saving behaviour.

ANALYTICAL TOOLS:

The present study uses the following statistical tools for analyzing the collected data. Percentage, Anova analysis, Chi-square analysis are used for this research.

PERCENTAGE ANALYSIS

TABLE SHOWING AGE WISE CLASSIFICATION

AGE	No of respondents	Percent
18-30 years	43	32
31-40 years	35	26
41-50 years	44	32
51 and above	14	10
Total	136	100.0

Sources: Primary data

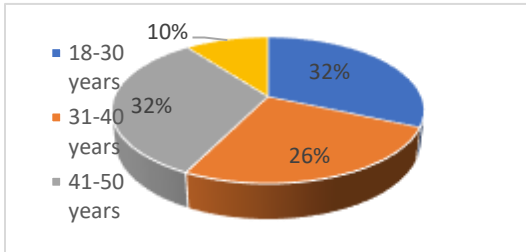


CHART 4.1.3. CHART SHOWING AGE WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 32% of respondents are 18-30 years old, 26% of respondents are 31-40 years old, 32% of respondents are 41-50 years old, 10% of respondents are 51 and above.

INFERENCE:

The majority (32%) of respondents are 18 -30 years and 41-50 years old.

TABLE SHOWING AVERAGE MONTHLY SAVING WISE CLASSIFICATION

Particulars	No.of respondents	Percent
5% of your income	30	22
10% of your income	32	24
15% of your income	23	17
20% of your income	21	15
30% of your income	26	19
More than 30% of your income	4	3
Total	136	100.0

sources: Primary

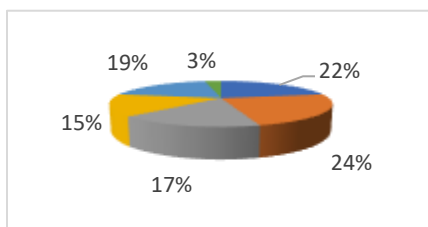


CHART 4.1.8 CHART SHOWING SAVINGS WISE CLASSIFICATION

INTERPRETATION:

From the above table it is interpreted that 22% of respondents saving 5% of income, 24% of respondents saving 10% of income, 17% of respondents saving 15% of income, 15% of respondents saving 20% of income, 19% of respondents saving 30% of income, 3% of respondents saving more than 30% of income.

INFERENCE:

The majority (24%) of respondents saving 10% of income.

ANOVA ANALYSIS

Age of respondents and average monthly savings of respondents.

H0 (Null Hypothesis) There is no significant relationship between age of respondents, average monthly savings.

H1 (Alternate Hypothesis) There is a significance relationship between age of respondents, average monthly savings.

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-30 years	61	3.21	1.743	.223	2.77	3.66	1	6
31-40 years	34	2.79	1.610	.276	2.23	3.36	1	6
41-50 years	30	3.03	1.351	.247	2.53	3.54	1	5
51 and above	11	3.73	1.191	.359	2.93	4.53	1	5
Total	136	3.11	1.595	.137	2.84	3.38	1	6

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.409	3	2.803	1.105	.350
Within Groups	334.937	132	2.537		
Total	343.346	135			

AGE	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-30 years	61	4.16	.840	.108	3.95	4.38	2	6
31-40 years	34	4.26	.963	.165	3.93	4.60	2	6
41-50 years	30	4.10	1.185	.216	3.66	4.54	2	6
51 and above	11	3.91	1.136	.343	3.15	4.67	1	6
Total	136	4.15	.973	.083	3.99	4.32	1	6

Anova

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.170	3	.390	.407	.748
Within Groups	126.587	132	.959		
Total	127.757	135			

HO > H1: H0 is accepted

INFERENCE

- From the above analyzed data, it is interpreted that the anova .350, .748 which is above the significance level 5, therefore reject the null hypothesis and accept the alternative hypothesis. Thus, there is significance influence between the age of the respondents.

SUGGESTIONS

- The majority of people suggest to invest to Buy land and gold for safety and liquidity.
- The majority (40%) of respondents feels that private chits are safe to invest.
- The majority of people preferred to save 50 % of their income for their future.
- According to respondent's concern Investment plays a best role to save an income for a future use.
- The majority of the respondents are feeling secured to invest their income.
- Most of the respondents agree that it is wiser to avail loan to buy assets instead of saving and buying assets.

CONCLUSION:

The study analyzes factors of household savings based on data collected from Trichy district through descriptive sampling technique. It is revealed that age has

a positive relationship. Education of household head, sex and marital status of the household head are significantly and inversely affecting household savings. Total income of the household, family size and Occupation has a significant direct positive relationship with household savings. Saving is one of the important variables in the theory of economic growth, which helps to maintain a higher level of investment in an economy. Saving has achieved a greater importance in the Indian Economy, particularly with the advent of planning the state has become the main instrument of welfare. Savings provides for the future wants of individuals to meet the unexpected events. The present study concludes about the Households' Savings Behavior of Trichy District, Tamil Nadu.

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