

**INVESTMENT AWARENESS AND PREFERENCES OF AGRICULTURISTS**

**PROJECT  
REPORT SUBMITTED  
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**UNDER THE GUIDANCE OF**

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**IN PARTIAL FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF  
THE DEGREE OF  
MASTER OF COMMERCE WITH COMPUTER APPLICATIONS**



**DEPARTMENT OF  
COMMERCE AVINASHILIGAM INSTITUTE FOR HOME SCIENCE AND  
HIGHER  
EDUCATION FOR  
WOMEN COIMBATORE -  
641043**

**MAY-2022**

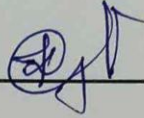
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## CERTIFICATE

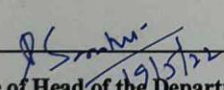
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Signature of Supervisor

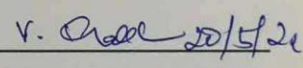


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**DECLARATION**

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## DECLARATION

I hereby declare that this project work entitled “**INVESTMENT AWARENESS AND PREFERENCES OF AGRICULTURISTS**” submitted to Department of Commerce, Avinashi lingam Institute for Home science and Higher Education for Women, Coimbatore, in partial fulfilment of the requirement for the award of the **DEGREE OF MASTER OF COMMERCE WITH COMPUTER APPLICATIONS** is the record of the original project work done by us during the period of study, under the supervision and guidance of **Mrs. K. JAYANTHI, M.com, M.Phil, MBA, (Ph.D)**, Teaching and research fellow, Department of Commerce.

**PLACE:**

**COIMBATORE DATE**

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**Signature of the Candidate**

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**Signature of the Guide**

## **ACKNOWLEDGEMENT**

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## ACKNOWLEDGEMENT

Every work on its backdrop has the blessing of the Lord Almighty. I submit my heartfelt gratitude on the feet of the Lord Almighty. It is a immense pleasure to thank all those who helped to do this study during the course.

I would like to express my sincere gratitude to **Dr. S. P. THYAGARAJAN, D.Sc in Microbiology., Ph.D., M.D** Chancellor, Avinashilingam Institute for Home Science and Higher Education for Women, for providing all the necessary facilities for this study.

I extend my sincere thanks to **Dr. V. BHARATHI HARISHANKAR Ph.D., FRSA** Vice-Chancellor, Avinashilingam Institute for Home Science and Higher Education for Women, for providing the opportunity to gather knowledge.

I thank **Dr. (Mrs) S. KOWSALYA, M.SC., M.Phil., Ph.D.,** Registrar, Avinashilingam Institute for Home Science and Higher Education for Women, for providing the adequate help required to carry out the work.

I thank **Dr. (Mrs) P. CHITRAMANI, MBA, M.Phil., Ph.D., SLET, NET,** Dean, School of Commerce and Management, Avinashilingam Institute for Home Science and Higher Education for Women, for giving her necessary help and support for completing this project successfully.

I thank **Dr. (Mrs.) P. SANTHI M.COM., DIP. in MGT., M.Phil., Ph.D.** Professor and Head, School of Commerce and Management, Avinashilingam Institute for Home Science and Higher Education for Women, for her motivation and support for the successful completion of this project.

I extend my sincere gratitude to **Mrs. K. JAYANTHI, M.com, M.Phil, MBA, (Ph.D).,** Teaching and research fellow, , Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, for her guidance, help, and motivation throughout the study.

I thank all staff members of the Department of Commerce and the Librarians, Avinashilingam Institute for Home Science and Higher Education for Women, who rendered their help whenever required.



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**ABSTRACT**

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## ABSTRACT

Investment is essentially an asset that is created to allow money to grow. The risk and returns available from each of these investment avenues differ from one avenue to another. Investors expect more returns with relatively less risks. A proper understanding of money, its value, the available investment avenues, various financial institutions providing the facility of investments, and the rate of return/risk, is very important to successfully manage one's finance for achieving a future goal.

The present study was undertaken to know the Investment Awareness and Preference of Agriculturists. The objectives of the study are, to assess the awareness level regarding various investment avenues, to study the preference for various Investment avenues and to identify the factors that most influenced Investment decisions.

To attain these research objectives, a research methodology was framed. The research design is descriptive. The primary data was collected using a structured questionnaire. The study was conducted with a sample of 170 Agriculturists using a convenient sampling technique. The data were analyzed by applying statistical tools like percentage analysis, chi-square, weighted average method, correlation, and factors analysis.

The study determined that investors have enough awareness about investment. The most significant factors that influence the investor are Growth rate, status, easy formalities, tax benefits, interest rate, liquidity, ease of operation, flexibility in nature, marketability and safety. The majority of the investors are highly satisfied and satisfied with the usage of investment and they prefer to recommend others also.

## **INTRODUCTION**

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**CHAPTER**  
**INTRODUCTION**  
**N**

**INVESTOR**

Investment is essentially an asset that is created to allow money to grow. The wealth created can be used for a variety of objectives such as meeting shortages in income, saving up for retirement, or fulfilling certain specific obligations such as repayment of loans, payment of tuition fees, or purchase of other assets.

The word "investment" can be defined in many ways according to different theories and principles. It is a term that can be used in several contexts. However, the different meanings of "investment" are more alike than dissimilar. Generally, investment is the application of money for earnings more money. Investment also means savings or savings made through delayed consumption. According to economics, investment is the utilization of resources to increase income or production output in the future.

An amount deposited into a bank or machinery that is purchased in anticipation of earning income, in the long run, is both examples of investments. Although there is a general broad definition of the term investment, it carries slightly different meanings to different industrial sectors.

According to economists, investment refers to any physical or tangible asset, for example, a building or machinery and equipment. On the other hand, finance professionals define an investment as money utilized for buying financial assets, for example, stocks, bonds, bullion, real properties, and precious items.

According to finance, the practice of investment refers to the buying of a financial product or any valued item with anticipation that positive returns will be received in the future. The most important feature of financial investments is that they carry high market liquidity. The method used for evaluating the value of financial investment is known as valuation. According to business theories, investment is that activity in which a manufacturer buys a physical asset, for example, stock or production equipment, in the expectation that this will help the business to prosper in the long run.

## TYPES OF INVESTMENT

There are three main types of investments

- Stocks
- Bonds
- Cash equivalent

You can invest in any or all three investment types directly or indirectly by buying mutual funds. Another option is to invest in tax-deferred such as an IRA or annuity.

### Stocks

Companies sell shares of stock to raise money for start-up or growth. When you invest in stocks, you're buying a share of ownership in a corporation. You're a shareholder.

There are two types of stock:

- **Common stock:** Shareholders have a percentage of ownership, have the right to vote on issues affecting the company and may receive dividends.
- **Preferred stock:** Investment returns and risks for both types of stocks vary, depending on factors such as the economy, political scene, the company's performance and other stock market factors.

### Bonds

When you buy a bond, you're lending money to a company or governmental entity, such as a city, state or nation.

Bonds are issued for a set period of time during which interest payments are made to the bondholder. The amount of these payments depends on the interest rate established by the issuer of the bond when the bond is issued. This is called a coupon rate, which can be fixed or variable. At the end of the set period of time (maturity date), the bond issuer is required to repay the par, or face value, of the bond (the original loan amount).

Bonds are considered a more stable investment compared to stocks because they usually provide a steady flow of income. But because they're more stable, their long-term return probably will be less when compared to stocks. Bonds, however, can sometimes outperform

a particular stock's rate of return.

Keep in mind that bonds are subject to a number of investment risks including credit risk, repayment risk and interest rate risk.

## **Cash equivalent**

Cash equivalent investments protect your original investment and let you have access to your money. Examples include:

- Savings accounts
- Money market accounts
- Certificates of deposit (CDs)

These different types of investments generally deliver a more stable rate of return. But cash equivalent investments aren't designed for long-term investment goals such as retirement. After taxes are paid, the rate of return is often so low that it doesn't keep pace with inflation.

## **Characteristics of investment**

The features of economic and financial investments can be summarized as return, risk, safety, and liquidity.

### **Return**

All investments are characterized by the expectation of a return. In fact, investments are made with the primary objective of deriving a return. The return may be received in the form of yield plus capital appreciation. The difference between the sale price and the purchase price is capital appreciation. The dividend or interest received from the investment is the yield. The return from an investment depends upon the nature of the investment, the maturity period and a host of other factors.

$$\text{Return} = \text{Capital Gain} + \text{Yield (interest, dividend etc.)}$$

## **Risk**

Risk refers to the loss of principal amount of an investment. It is one of the major characteristics of an investment. The risk depends on the following factors:

- The investment maturity period is longer; in this case, investor will take large risk.
- Government or Semi Government bodies are issuing securities which have less risk.
- In the case of the debt instrument or fixed deposit, the risk of above investment is less due to their secured and fixed interest payable on them. For instance, debentures.
- In the case of ownership instrument like equity or preference shares, the risk is more due to their unsecured nature and variability of their return and ownership character.
- The risk of degree of variability of returns is more in the case of ownership capital compared to debt capital.
- The tax provisions would influence the return of risk.

## **Safety:**

Safety refers to the protection of investor principal amount and expected rate of return. Safety is also one of the essential and crucial elements of investment. Investor prefers the safety of their capital. Capital is the certainty of return without loss of money or it will take time to retain it. If an investor prefers fewer risk securities, he chooses Government bonds. In the case, that an investor prefers a high rate of return investor will choose private Securities and the Safety of these securities is low.

## **Liquidity**

Liquidity refers to an investment ready to convert into a cash position. In other words, it is available immediately in cash form. Liquidity means that investment is easily realizable, saleable, or marketable. When the liquidity is high, then the return may be low. For example, UTI units. An investor generally prefers liquidity for his investments, the safety of funds through minimum risk, and maximization of return from an investment.

## Functions

- Formulation and implementation of policies and programmes aimed at achieving rapid agricultural growth through optimum utilization of land, water, soil and plant resources of the State.
- Implementation of beneficiary oriented schemes for economic upliftment of farming community.
- Establishing farmer-department coordination in implementing and providing technological know-how to the farming community through agricultural extension services.
- Undertaking all possible measures to ensure timely and adequate supply of quality inputs and services such as fertilizers, seeds, pesticides, agricultural implements, etc.
- Creating assured irrigation facilities to the farmers through minor irrigation schemes so as to obtain maximum returns from their land.
- Popularizing the use of farmer's friendly bio-fertilizers.
- Motivating farmers to minimize the use of pesticides and to control the environmental pollution with adoption of Integrated Pest Management.
- Motivating farmers for diversification of areas from traditional crops to commercial crops.
- Monitoring soil health and testing of nutrient level of soil samples collected from farmers' fields across the State.
- Educating farmers on soil and water conservation technologies through implementation of Watershed Projects.
- Undertaking measures to provide agricultural credit, crop insurance and help the farmers in getting remunerative returns for their produce.
- Implementing calamity (like flood, drought etc.) relief programmes.
- Conducting surveys for collection and maintenance of a wider range of statistical and economic data relating to agriculture, required for development planning.

- Helping farmer through use of Information & Communication Technology (ICT) applications.
- Economic empowerment of women.
- Removal of rural poverty.
- Improvement of nutritional standards and quality of life of the rural people.

## **INVESTMENT OBJECTIVES**

The main investment objectives are increasing the rate and reducing the risk. Other objectives like safety, liquidity and hedge against inflation can be considered as subsidiary objectives.

## **RETURN**

Investors always expect a good rate of return from their investments. Rate of return could be defined as the total income the investor receives during the holding period stated as a percentage of the purchasing price at the beginning of the holding period.

$$\text{Return} = \frac{\text{End period value} - \text{Beginning period value} + \text{Dividend}}{\text{Beginning period value}} * 100$$

## **RISK**

Risk of holding securities is related with the probability of actual return becoming less than the expected return. The word risk is synonymous with the phrase variability of return.

## **LIQUIDITY**

Marketability of the investment provides liquidity to the investment. The liquidity depends upon the marketing and trading facility.

## **HEDGE AGAINST INFLATION**

Since there is inflation in almost all the economy, the rate of return should ensure a cover against inflation. The return rate should be higher than the rate of inflation; otherwise, the investor will have a loss in real terms. Growth stocks would appreciate their values over time and protect against inflation. The return thus earned should assure the safety of the principal amount, regular flow of income, and be a hedge against inflation.

## **SAFETY**

The selected investment avenue should be under the legal and regulatory framework. If it is under the legal framework, it is difficult to represent the grievances, if any. Approval of itself adds a flavor of safety.

## **Various Investment Options India Direct Equity – Stocks**

Buying individual equity stocks of the companies listed or unlisted on the stock exchanges is known as Direct Equity investment. You can get capital gains or dividend returns from your direct stock investments. The performance of stocks depends on factors such as market position, company's performance, etc.

- a) This option is one of the most volatile investments and has a high risk-return ratio
- b) One of the best investment options to generate inflation-adjusted wealth
- c) Suitable for a long-term horizon

You need to have a bank account and Demit account to start investing. You need to have a high investment risk appetite if you want to invest and benefit from stock investments consistently.

If you understand the workings of equity stocks and markets well you can invest using your research or advice from a certified broker. However, you also need ways of managing your investment risk.

## **Equity Mutual Funds**

The type of mutual funds where the funds are primarily invested in equity stocks is known as Equity Mutual Funds.

Equity mutual funds can invest anywhere between 70 to 95% of the fund value in equity stocks and related instruments. Since these are equity-based, they offer a high risk-return ratio.

## **Actively Managed Mutual Funds**

In these types of funds, the fund manager is actively involved in managing. The expertise and capability of the fund manager play an important role in the performance of this fund. He/she chooses the stocks that the fund will invest in based on research and analysis of the companies.

## **Passively Managed Mutual Funds**

In this type of fund, the Fund manager doesn't play a major role. The fund is based on a particular index or market portfolio. For example, a fund that is built up of stocks of NIFTY50, etc. The performance of the index determines the performance of this fund.

## **Debt Mutual Funds or Bond Funds**

We have seen how investing in equity can give you the best returns but also possess high risk. What if you do not have a high-risk appetite and do not want to take much risk? If that is the case then you can consider Debt Mutual Funds.

In Debt Funds, the amount is invested in fixed income securities including government and corporate bonds, debentures, and other long-term fixed-income securities.

## **Main objective of**

### **Investment Safety**

Even as no investment choice is completely safe, there are products which might be desired through investors who're threat averse. A few individuals make investments with a goal of retaining their cash secure, no matter the charge or going back they acquire on their capital. Such close to-secure products encompass constant deposits, financial savings debts, government bonds, etc.

## **Growth**

While safety is an important objective for many investors, a majority of them invest to receive capital gains, which means that they want the invested amount to grow. There are several options in the market that offer this benefit. These include stocks, mutual funds, gold, property, commodities, etc. It is important to note that capital gains attract taxes, the percentage of which varies according to the number of years of investment.

## **Income**

Some individuals invest with the objective of generating a second source of income. Consequently, they invest in products that offer returns regularly like bank fixed deposits, corporate and government bonds, etc.

## **Other objectives**

While the aforementioned objectives are the most common ones among investors today, some other objectives include:

## **Liquidity**

Many investment options are not liquid. This means they cannot be sold and converted into cash instantly. However, some people prefer investing in options that can be used during emergencies. Such liquid instruments include stock, money market instruments, and exchange-traded funds, to name a few.

## **Tax exemption**

Some people invest their money in various financial products solely for reducing their tax liability. Some products offer tax exemptions while many offer tax benefits on long-term profits.

Every investor has common objectives with regard to the investment of their capital. The importance of each objective varies from investor to investor and depends upon the age and the amount of capital they have. These objectives are broadly defined as follows.

**Lifestyle**—Investors want to ensure that their assets can meet their financial needs over their lifetimes.

**Financial security**—Investors want to protect their financial needs against financial risks at all times.

**Return**—Investors want a balance of risk and return that is suitable to their personal risk preferences.

**Value for money**—Investors want to minimize the costs of managing their assets and their financial needs.

## **AGRICULTURE**

The Latin root of agriculture is "agri", or "field," plus culture, "cultivation." Cultivating a piece of land, or planting and growing food plants on it, is largely what agriculture means. Raising animals for meat or milk also falls under the category of agriculture. If we didn't have agriculture, all be running around the woods, picking berries, and trying to shoot things.

## **IMPORTANT**

### **The main source of raw materials**

Many raw materials, whether it's cotton, sugar, wood, or palm oil, come from agriculture. These materials are essential to major industries in ways many people aren't even aware of, such as the manufacturing of pharmaceuticals, diesel fuel, plastic, and more. Raw materials are so important in production that the economic health of a country strongly depends on how many raw materials it possesses.

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### **Important to international trade**

Raw materials from agriculture make up a huge portion of what's traded internationally. Countries with plenty of those supplies export them and trade for materials they don't have. If a country's agriculture suffers for some reason, prices can go up and it disrupts the flow of trade. Currently, the EU is the first trader of agricultural products in the world, both for imports and exports.

### **The big role in a nation's revenue**

Speaking of trade, developing countries still get most of their national income from agricultural exports. While developed countries don't depend on agriculture as much as they used to, their economies would take a hit if all exports suddenly stopped.

### **Provides employment**

The agricultural industry is still one of the biggest sources of employment and in many areas, it's booming. Whether it's working as a farmer, harvester, technician for farm equipment, scientist, and so on, there are plenty of jobs available in this field. In developing countries, agricultural jobs help reduce high rates of unemployment. When it comes to reducing poverty, evidence shows that focusing on agriculture is significantly more effective than investing in other areas.

### **Crucial to a country's development**

Economic development is tied to a country's agriculture sector. When trade, national revenue, and employment are combined positively, a country enjoys reduced poverty and boosted economic growth. Because strong agriculture results in benefits fairly quickly, focusing on it is one of the best ways to speed up development and improve a country's standing in the world.

### **Helps the environment**

Agriculture possesses the power to harm or heal. When farmers prioritize biodiversity on their land, it benefits the earth. Having more biodiversity results in healthier soil, less erosion, better water conservation, and healthier pollinators. This is all good news for the environment as a whole, making agriculture an important part of the cycle of life.

### **Hand-in-hand with war**

Agriculture is such an important part of a country's infrastructure, that it makes sense it would impact conflicts and war. Throughout history, the need for land to grow food fuelled many conflicts. In more modern times, specifically WWI, America's farming industry boomed because they needed to supply Europe with agricultural products. The countries that don't have assistance, war can break down the agricultural sector, affecting people for decades to come. When discussing agriculture, it's impossible to not at least mention its connection to the conflict.

## **Source of food supply**

Arguably the most important aspect of agriculture is that it's the source of the world's food supply. No matter where or what you are eating, the ingredients in your meals came from somewhere. All roads lead to agriculture. In countries dealing with food insecurity and severe malnourishment, it's because their agriculture sectors are suffering. When agriculture thrives, fewer people go hungry.

## **Innovation in technology**

Because healthy agriculture is so essential to a country's well-being, it's been the setting of some of the most exciting innovations in technology. Through artificial intelligence, block chain software, gene manipulation, and more, scientists and farmers have been figuring out ways to increase crop productivity, use less water, and reduce negative impacts on the environment. For scientists and tech companies, agribusiness is one of the most fascinating and productive fields to work in.

## **Agriculture reflects our future**

When it comes to pollution and climate change, the environment and agriculture suffer the quickest and with the clearest consequences. If effective changes aren't made, climate change's impact on agriculture will decimate a country's economy and eventually wipe out the food supply. To get a better idea about where humanity is going to end up, look at agriculture.

Investments in Agriculture

## **Yield**

Investors can make money from cash flow from crops that are harvested. Most crops are annual, but in some locations there can be multiple harvests per year. In certain cases, these yields are secured via long-term contracts with tenant farmers or from customers who agree to purchase the crops. It is also important to note that crop insurance, which protects the farmer in the event of a catastrophe, also protects the investor. This means that even if crops are destroyed or their revenue declines due to declines in commodity prices, the farmer will still receive funds with which they can pay their lease.

## **Land Appreciation**

Farmland is a limited resource in the sense that almost all arable land in the United States is already in use. Farmable land has decreased due to urban sprawl and land development,

Making the remaining land even more valuable. Because of this, farmland is appreciating value, which is beneficial for investors. Residential development can also cause farmland to increase in value; if the land is located close to a residential area, the land value increases with the potential to sell the land as development encroaches.

### **Forced Equity**

Much like in real estate, an investor can add value to their property by making improvements. In agriculture, this can include turning raw land into crops or pastureland. Also, swapping out lower-end crops such as commodity or row crops for higher-end crops like trees, or converting farmland from conventional farming to higher return organic farming can increase the value of the investment. Equity can also be built by improving the buildings and infrastructure on the land. These changes will increase the value of the land and can lead to larger profits when the investor decides to sell it.

### **Other Income**

There are many different ways to generate income on farmland, and many of them are unrelated to the crops being grown. If the farmland contains a large body of water, water rights can be sold or rented. For farmland that is located near a major road, there may be an opportunity to generate income from billboards placed on the land or from cell and radio towers that are built. In some cases, it may be possible to sell recreation or hunting leases on timberland or near waterways.

### **Principal Pay Down**

In addition to forced equity, farmland can naturally accumulate equity in a similar way that real estate accumulates equity as mortgage payments are made. If there is a note (Debt) on the land, income from the farm will be used to pay down the principle, and equity will begin to accumulate.

Investing in agriculture may not provide immediate returns, but over the long term, it can pay off greatly. There is much less volatility in farmland and timberland than in other types of investments, meaning adding agriculture to your investment portfolio can provide continual stability with the potential for an annual income.

## **STATEMENT OF THE PROBLEM**

The main reason for prompting this study is to examine the various savings and investment avenues available in India in the sense that no attempt is made to extract the important underlying factors of investment. Many people are not willing to take a risk for their funds, so many prefer to invest in bank deposits, insurance, post office saving, etc. Many people are not aware of how to invest in the share market, equity, etc. Hence analyzing the investor's behavior towards various investment avenues is important. The study focuses on the investment awareness and preferences of agriculturists.

## **OBJECTIVES OF THE STUDY**

- To assess the awareness level regarding various investment avenues.
- To study the preference towards various investment avenues.
- To identify the factors that mostly influenced investment decision.

## **HYPOTHESIS**

- **H01:** There is significance between the educational level of the respondents and awareness of investment avenues.
- **H02:** There is significance between the gender of the respondents and Investment Preference.

## **SCOPE OF THE STUDY**

The research study has an enormous scope. Coimbatore acts as one of the major players in agriculturists. The study focused awareness, preferences and factors of agriculturists.

## **LIMITATIONS OF THE STUDY**

- The demographic region for the study is restricted to Coimbatore. So the results may not generalize to other areas.
- The study has been conducted by agriculturists in the Coimbatore district, due to the time limit only 170 respondents were selected for sampling it does not cover overall industries.

## CHAPTERSCHEME

The following are the chapterscheme of the study as under

CHAPTER I	First chapter deals with the introduction about <b>Agriculturists</b>
CHAPTER II	Second chapter covers the “ <b>Review of literature</b> ”, under which a brief description of earlier studies have been included.
CHAPTER III	This chapter deals with the “ <b>Research Methodology</b> ” which includes description regarding sources of data, collection of data and tools used for analysis of data.
CHAPTER IV	This chapter deals with “ <b>Analysis and interpretation</b> ”, under which data collected through questionnaire were analyzed and interpreted.
CHAPTER V	Chapter deals with summary of “ <b>Finding and conclusion</b> ”.

## **REVIEWOFLITERATURE**

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# CHAPTER

## II REVIEW OF LITERATURE

### E

#### INTRODUCTION

Generally, a writing survey recognizes, assesses and incorporates the applicable writing inside a specific field of examinations. It enlightens how information has developed inside the field, featuring what has just been done, what is by and large acknowledged, what is arising and what is the present status of deduction on the theme. Moreover, inside examination based messages, for example, a theory, a writing survey distinguishes an exploration hole and verbalizes how a specific examination project tends to the hole.

**Adeymo and A.S Bamire (2005)**, examined the saving and investment patterns of cooperative farmers in South-Western Nigeria. The existing income level, a pattern of investment, and the savings of cooperative farmers are the selected variables undertaken in the study and collected through a micro-level survey. From the analysis of the study, it is concluded that the strategies and policies on savings and investment are significantly influenced the savings and investment pattern of cooperative farmers of southwest Nigeria.

**Menusch Khadjavi (2005)**, Following the 2007–8 global food crisis, agricultural producers have invested in large tracts of land in developing countries. We investigate how the arrival of large-scale farms changes inter-personal trust and reciprocity, important components of social capital, in traditional villages. We elicit trust and reciprocal behavior in villages that lie near large-scale farms and compare them with villages at a distance. Our data reveal greater trust in villages close to large-scale farms. Reciprocity is more frequent after farm employment. These results are likely driven by communal coping and reputation building. A natural field measure shows that trust correlates with public good sharing.

**Lisa Grace S (2008)**, focused on the savings pattern of households of the Philippines at the national and regional levels based on the national per capita where the income details are presented and the study covered the period from 1985 to 2005. From the analysis of micro-level data obtained from family income and expenditure survey which includes the rate of savings, level of savings, deposits in banks, it is derived that rural households in the Philippines save more percent of their income than their urban counterparts, but, in general, the behavior towards savings was declined during 2000-2003. Moreover, among the various regions, and under study, Cagayan valley is identified with the highest percent of savings rate.

**V rushali Shah(2011)**, attempted to peep into rural investors' investment inclinations and examined the stage of life cycle of individual with their investment inclination and objectives behind investment. It found that Mutual fund, ELSS, Debt Instrument, Company deposits, NBFCSchemes, Precious stones, Art objects, Personal Landings and Systematic Investment Plans are the most neglected investment avenues by rural investors of all age categories whereas POSchemes and Bank deposits are the preferred investment avenues at all life cycle stages.

**SuyamPraba (2011)**, analysed how the Investor's Behavior is changing and they are now leaving behind the sacred investment options like the POSB, Mutual funds, Insurance, Bank deposits, gold etc among salaried respondents in Coimbatore city who either work for IT, Bank or for NBF. The objectives of the research are to study the savings pattern, factors influencing the decision making process of savings and investment, to do risk profiling of investors and to assess the conceptual knowledge, awareness level and perception about Mutual funds.

**Morokolo M.E., (2011)**, The main goal of the research was to study the saving pattern of small and marginal farmers in Moretele District, South Africa. The savings behaviour of the farmers is measured based on various parameters such as sources of savings, reasons for savings, frequency of savings, awareness of income through savings, the effect of socio-economic and demographic factors on savings, etc. Research techniques used to analyse the respondents are regression and correlation, ANOVA, etc. The research study observed that primary motivating factors for the savings were provision for emergencies and children education. Secondary factors include farming expenditures and investment purposes. Livestock and government grants are the common avenues of savings for the farmers. This study indicates that there is a propensity to introduce policies related to farmer's collected funds that should be invested in high return investment sources.

**Kalla J.C., (2012)**, The basic objective of his study was an analysis of the pattern of saving and investment of farming households in Udaipur District. He has considered a sample size of 140 from categories such as small, marginal, and medium farmers. The levels of investment of farmers are categorized into three levels: a) Primary level of investment is done in purchase of buildings, livestock and farming equipment, etc. b) Secondary level of investment is related to purchase of gold and silver c) Lastly, the sources of investment are considered as deposits, insurance, etc. in banks or financial institutions. Based on findings, the researcher made some conclusions for the improvement of the investment pattern of farmers. A combination of taxation and development of formal rural capital markets ensuring secured, comparatively

Productive, and continuous returns on financial investments would go a long way toward a rational agro-development policy. The effects of policy instruments like subsidization of inputs, interest rate changes in borrowing and deposits rates of interest, taxation, availability, and access to credit and infrastructural facilities are some factors that can affect saving-investment behaviour of farm families.

**Ujwala Bairagi and Prof. Charu Rastogi (2013)**, examine the investment pattern and awareness of the Pune based Investors about different investment instruments such as bank deposits, real estate, small savings, life insurance schemes, bullions, commercial deposits, corporate security-bonds, mutual funds, and equity and preference shares. This research found the impact of age, education, occupation, and income level of the individual on investment. An attempt has been in this study to measure the level of awareness of investors about several pre-identified investment products; to rank the investment products in terms of awareness; to analyze the relationship between awareness and socio-economic factors relating to the investors; to study the preferences of investors for different investment products, and finally to identify the factors influencing investor awareness and preferences.

**Odoemenem (2013)**, studied the saving and investment pattern of Small Scale Farmers in the Makurdi Local government Area of Benue State, Nigeria. 120 farmers were randomly sampled using multi-stages sampling techniques and data were collected using a structured questionnaire for the interview schedule. Lifestyle is an important factor that influences the investment behavior of people. The intermediaries and capital market operators need to know the lifestyle of an investor to better design the instruments and programmes to become successful. The lifestyle of investors can be determined by studying their activities, interest, and opinion of investors.

**Nwibo, S. U., and Mbam, B. N. (2013)**, The research study analyzed the various causes of savings and investment volume of farming families in the Udi Local Government Area of Enugu State, Nigeria. This research used Multistage Random Sampling and Multiple Regression Analysis techniques. It is observed from the study that demographic factors such as literacy level, income level, gender, the status of marriage, number of households affect the intensity of saving and investment of farmers.

**Salamma A.O., (2013),** The research area for the study was selected is the Kanyakumaridistrict and the focus is on the Income and Expenditure patterns of farmers. The savings and investment pattern of farmers majorly depends on the income they earn. People who work in the agriculture sector are economically backward. The major source of household disposable income for farmers in the Kanyakumari district is cultivation which accounts for 55.79 percent of total income, followed by income from livestock which constitutes 21.95 percent. The wages from farming operations contribute 17.10 percent of total income and income from non-farming operations amount to 5.16 percent. Research and Development organizations, and non-government organizations (NGOs) should educate the farmers about the benefits of diversified farming. The Government and financial institutions may support this by developing a suitable infrastructure.

**Smita Pandey (2013)** was the pioneer in the field of investor information search for financial products where information search behavior of common stock purchase was assessed by investors concerning their demographic characteristics, subjective knowledge, and risk levels. Puneet Bhushan (2014) examined the awareness level of salaried individuals about various financial products as well as to find out the investment preference of salaried individuals towards various financial products. All salaried individuals of Himachal Pradesh whether in government or non-government jobs were considered as the population in the study. Primary data from the respondents was collected by using a structured questionnaire. The study adopted multi-stage sampling for the collection of the data. Results indicated that the highest awareness is for bank fixed deposits followed by a savings account, life insurance, post office savings, public provident fund, national savings certificate, Kisan Vikas Patra, pension funds, mutual funds, stock market, bonds, debentures, commodity market, and forex market.

**Nithya (2014)** mainly because this group of the population comprises a large demographic segment of consumers with high spending power. The authors have collected the data required for the study through a structured questionnaire and tools like Simple percent, Friedman Test, Chi-Square, and ANOVA are used to analyze the same. The study concluded that the respondent who is in the category of living with children only and Living with Family (Spouse & Children) have preferred medium saving habits, living with spouse only and living alone have preferred high saving habits and there is a significant difference between the monthly income of respondents and their level of investment.

**Odoemenem (2013)**, studied the saving and investment pattern of Small Scale Farmers in the Makurdi Local government Area of Benue State, Nigeria. 120 farmers were randomly sampled using multi-stage sampling techniques and data were collected using a structured questionnaire for the interview schedule. Lifestyle is an important factor that influences the investment behavior of people. The intermediaries and capital market operators need to know the lifestyle of investors to better design the instruments and programmers to become successful. The lifestyle of investors can be determined by studying their activities, interests, and opinion of investors.

**Mugdha Shailendra Kulkarni (2014)**, attempted to study the influence of demographic on the investment behavior of the investors. This study attempts to find changes in investment decisions with age, gender, income, education level, occupation, annual income, and no of dependents. Saxena's (2013) study based on demographic and psychographic factors tries to anticipate the preferred portfolio of an investor in Jhansi. It was found that the high-income group was willing to invest in high-risk securities and young investors are looking for wealth maximization hence they invest in lump sum maturity amounts. Gold and real estate are considered the safest and investors were not very keen on pension plans. is an empirical study conducted on the middle-class household's investment behaviour

**Bhawana Bhardwaj (2013)**, studied the Income, Saving, and Investment Pattern of Employees of Bahra University, Solan. The authors determined to study the income, consumption, savings, and investment pattern of employees, to examine in depth the most popular investment avenues, evaluate the awareness level of investment in industrial securities, and scan the preferences and possibilities of new investment avenues. According to the analysis of investments majority of the employees are investing in jewelry, gold, land, and buildings because they feel it's a safe investment. Apart from this, the employees have been largely investing especially in bank deposits and post office schemes. The study inferred that deposits with the banks, post offices, and fund schemes enjoy a high degree of liquidity and marketability followed by investments in land buildings, jewelry, and gold which enjoy comparatively less liquidity and marketability.

**Thulasi Priya (2015)**, attempted to premeditate the investment preference of government employees in the Coimbatore district using a convenient sampling method. The author aimed to analyze the risk tolerance level of the Government employees by understanding the type of

financial instruments preferred by them and examining the duration for which they hold the investments. This in-depth analysis was undertaken to help the Government to work out the various feasible schemes to mobilize finance from salaried class investors. Investment is one of the major issues of the middle-class families as their small savings of today are to meet the expenses of tomorrow.

**Vosanka I.P., Alam M.K., (2015)**, this article investigated the savings of cooperative farmers in the Sardauna Area of Taraba State, Nigeria. The outcome explained that the target population in the study area is a small-scale farmer who holds 1 to 4 hectares of farming land. The research further revealed that more respondents i.e., 51% continuously save money in banks received from various agents. In addition to this study, demographic characteristics like the size of the family, level of education, and income generated from farming activities gave a beneficial impact on the pattern of savings of the target population in the study area. Despite that, it is observed that insufficient finances, a greater number of family members, lack of education related to savings, and various ways of saving are big problems opposing to major saving behaviour of respondents in the research area. The study further suggested that major steps should be taken to improve the respondent's savings such as policy formation for the development of a farmer's cooperative society, an Awareness Programme on birth control, and more cooperative banks should be established in the study area.

**Deepak Sood (2015)**, examined the savings and investment pattern of salaried class people of Chandigarh (India). The authors aimed to evaluate the saving habits, investment patterns and investment selection behaviour of salaried class people using a structured questionnaire. According to the survey maximum preference has been given to LIC and after that to PPF and RE by the salaried investors for savings and investment. The majority of the investor's objectives for investment returns followed by tax benefits and emergency purposes. It is evident from the study that the investment decisions of a majority of the investors are made by themselves and their annual savings are dependent on their age, income, education and employment. The study suggests that the saving mode must attract people by providing many offers and new attractive schemes to enhance the saving habits as there is a lack of awareness about other avenues like equity, mutual fund etc.

**Anuradha P S (2015)**, Today the financial services sector has become highly diversified offering the investor a wide range of investment avenues. With proper investment strategies and financial planning, an investor can increase personal wealth which will contribute to higher economic growth. Economic growth is among the most vital factors affecting the quality of life that people lead in a country. Three variables that measure the growth of an economy are Income, Saving and Investment. In this paper, miscellaneous literature existing globally has been reconnoitred to recognise the investor's behaviour. Using an interpretative approach viz., objectives, sample, research methodology and results of the study have been taken for further enquiry. This study constructs a robust conceptual framework for the researchers by meticulously analysing the experimental studies on investor behaviour in different countries. The paper exhibits that numerous variables directly affect an investor's decision to invest. Further, we propose an empirical study to determine the relationship between income, saving and investment behaviour among the IT professionals of Bangalore.

**Emmanuel's (2015)**, This research study found that age, education level, household member size, experience related to the farming business, income generated through farming business, off-farm income, and loans obtained impacted directly on farmer's capacity to save and invest in the study area. Many small and marginal farmers have to lack knowledge about investments and schemes of the government and other financial institutions. The study has suggested that government should take some necessary actions to implement some programs for the better communication of the investment schemes to the farmers regarding the importance of savings and investment. Various programs should be initiated by the governments such as advanced technology, farm services, medium- or long-term loans, etc. Co-operative societies should be established for small-scale farmers in the research area.

**Yadav N., Dr. Tripathi R., (2017)**, The main objective of the study was to find out the pattern of investment of farmers in the commodities derivatives market and financial awareness of farmers towards the derivative market. The conclusion was made based on a study that there is a lack of awareness about the commodities derivative market among farmers. The Indian commodity market needs a lot of support from policymakers to sustain growth. Commodities can be the most influential and beneficial tool for banks and financial institutions to manage their portfolio and face hedging risks. Farmers should take initiative in commodities futures and produce as per the demand of the industry. The sample size for the research was taken only

50andthatwastoolimitedtoAllahabad.

**Senthilkumar's (2017)**, the research study focuses on the saving and investment pattern of around 250 farmers in Pollachi. The research study shows that a amount of savings was important to identify the income of the farmers. It is interpreted that a huge inclination to save and invest among farmers and that age, level of education, number of members in a household, experience in farming, and income of the household showed a beneficial impact on the volume to save and invest. Governments should motivate commercial banks to enter the rural area to decrease the distance problem which will help to increase rural savings. Proper awareness programs should be initiated towards the education of the farmers related to savings and investment; and the enlargement of micro-credit facilities to farmers on time which can help them to increase production which indirectly will improve farmers' surplus.

**Bathla, S., Kumari, Y., (2017)**, This research has scrutinized the investment pattern of investment of farming households. The information was collected by conducting National Sample Survey, Debt and Investment Surveys from the year 1981 to 2012. This research has examined various parameters such as non-linear trends and variations with the combination of capital investment fixed asset expense followed by various factors which identify required investment in agriculture and its effect on farming income. This research ended up with the result that substantial growth in original investment of rural farmers is in residential land and buildings comprising 68% which includes 23.3% by farming business and 8.7% by non-farming business. The reasons behind the increase in productivity and immediate growth in agriculture are an investment in private as well as public accounts with favorable incentives and the development of infrastructure.

**Babu, S., Singh, J., (2019)**, The researcher examined the investment, income, and expenditure patterns of the small and marginal farmers in Karnataka and Punjab. From the research, it has been observed that farmers in Punjab made a higher investment in the farm, dairy, and household items than that in Karnataka. It was detected that in Punjab, Expenditure on crop and dairy enterprises was more than in Karnataka. In Punjab, there is a need to increase farm inputs that will automatically increase farm profitability. Whereas in Karnataka, off-farm employment opportunities should be improved.

**Barbara, W., Agnieszka K., (2020)**, This study furnishes proof of the variety of savings in small farmers and the impact of various factors on savings. As per 2017 records, larger

than 97% of small farmers in Poland were able to increase their savings and increase self-finances

from their farming business. Based on a research study, it has been observed that the size of the research area and added value of farms affecting profitability have a beneficial impact on increasing savings by small farmers. There is an increase in the utilization of savings by 177% by small farmers in Poland and an increase in value addition by 478%. Various institutional activities and subsidies granted for agriculture and rural development are some of the initiatives taken by the Poland Government. Institutional activities include education of farmers, related university courses and training development programs, and the introduction and implementation of various services for sustainable development.

**Iheoma C.C., and Chidiebere C.A., (2020)**, This research was focused on savings level and investment behavior of cooperative farmers (Assessment and Prospects) in Jos East Local government area Plateau state. The research identified major objectives for the study focused on the effect of socioeconomic characteristics of farmers, level of savings of co-operative farmers in the study area, effect of co-operative membership on investment pattern of farmers, and focusing on problems associated with cooperatives. Around 43.4% respondents save money ranging between 50,000-1,00,000 per annum. Around 64% of the respondent saved their money at home and in cooperative societies. 0% population saved their money with commercial banks and only 5% population saved it with microfinance institutions. The majority of the population saves on the selling of foodstuff, this shows that farmers are not known of various investment opportunities available to them. From the study, some recommendations are given by the researchers such as financial assistance, training related to income generation, partnership with NGOs, policies of cooperative societies, etc.

**Ruedas M.Y.A.D., Guico M.J., (2021)**, The main goal of the study was to evaluate the savings and investment behavior of female rice farmers in San Jose, Occidental Mindoro. The population for the research is women farmers who are landholders and were involved in rice farming from production to marketing activities. The analysis is done based on three criteria: i) Socioeconomic factors; ii) saving avenues, and iii) constraints to saving capacity. This research found that women farmers save money in non-cash forms more than in cash forms. Cash forms include savings through banks, microfinance institutions, and money lending firms.

**Satyanarayana & Pandey (1981)**, in their study on "Income, Savings and Investment behavior of small farmers in Chaka Block, District Allahabad, U.P." observes that small

farmers are getting more income from their farms per hectare as compared to marginal farmers due to

economies of scale. Further, the study reveals that an increase in income encourages the farmer to make investments in high-yielding varieties of seeds, fertilizers, and other production inputs.

**Pandit's (1991)**, article on "The Paradox of Stagnant Savings" reveals that households have not paused investing in the form of the relevant financial asset even if real rates of interest have been negative. The researcher further adds that the infrastructural support available in the rural areas is much less than in the urban areas, so both savings and investments are lower in the rural areas.

**Rangarajan's (1984)**, article on "Financial Infrastructure, Saving and Investment Functions" reveals that the bulk of the savings is made by the household sector. The study further reveals that a large proportion of household savings is channeled through financial intermediaries and among the financial assets, growth in the bank deposits. The author further pinpoints a rising trend in the share of contractual savings.

**Dubey's study (1973)** on "Possibilities of increasing income and employment on a small farm through SAD A loans (A study in Ujjain district of M.P. )" reveals that the smallest income size group gives the highest priority to investments in farm development and agricultural machinery whereas the medium group emphasizes more on farm animals. The author further pinpoints that these preferences may be indicators of bottlenecks in the growth process. Small farmers have been found to spend more money on bullock power whereas the middle size farmers have attributed drought as the major constraint, which has not helped in increasing their income.

**Ali's (1985)**, study on "Agriculture Development and Income Distribution" reveals that the cropping pattern has undergone a predictable change from agriculture to horticulture whereas the production of cereals has declined and the commercial horticultural products and vegetables have rapidly increased particularly on big farms using intensified techniques. The study further pinpoints that the structure of the cost varies with the size of holding and it is more in cereal crops as compared to the apple crops resulting in more income in apple production. Thus, greater income concentration is found among the apple cultivators than among the cereal crop cultivators.

**Gupta and Biswas (2006)**, in 'Financial Liberalization and Indian Capital Market' hinted that during the last 1980s the developing countries started liberalization their financial sectors to raise savings, investment, and growth. The financial market and especially the stock market have grown considerably in developed and developing countries over the last two decades. They observed that on the international count, the Indian stock market is still lagging behind many of its counterparts. It is evident, that both market capitalization and turnover are lower in the Indian market. Mainly due to the presence of a huge number of inadequate liquid stocks, excessive volatility, and speculative. It is interesting to observe that despite a lot of emphasis being given to investment and saving sporadic attempts have been made to explore the investment behavior of people engaged in agriculture.

**Ghosh (1995)**, opined that the magnitude of rural savings is often underestimated in National Accounting Statistics. As compared to urban saving, rural saving is not very low in India. A large part of rural savings in India is being transferred to the urban sector through the expansion of financial institutions. So, rural saving does not benefit the rural people as it benefits the urban because the rate of return given to the rural depositors in the form of interest is not very lucrative and the worst part of the transfer of such rural resources is that these resources are not cycled back to rural development.

**Athvale's report (1973)**, in his study on "Income savings and investments in agriculturally progressive areas (A study in Tikamgarh district of Madhya Pradesh)" reveals that investment according to assets holding groups indicate that the proportion of items such as the purchase of livestock, traditional tools, traditional consumer durables and repairs to agricultural tools is higher on smaller groups, whereas the proportion of financial assets is higher on the larger groups. The author further pinpoints that the proportion of different items of investment was not related to income except that the proportion of modern agricultural tools is higher in smaller groups and that of financial assets is higher in larger income groups.

**Dubey's study (1973)**, on "Possibilities of increasing income and employment on a small farm through SAD A loans (A study in Ujjain district of M.P. )" reveals that the smallest income size group gives the highest priority to investments in farm development and agricultural machinery whereas the medium group emphasizes more on farm animals. The author further pinpoints that these preferences may be indicators of bottlenecks in the growth process. Small farmers have been found to spend more money on bullock power whereas the middle size

farmers have attributed drought as the major constraint, which has not helped in increasing their income.

**Rao's (1975)**, detailed and comprehensive studies bring to light that the technological changes have contributed to a widening of the disparities in income between different regions, small and large farmers and landowners on the one hand and landless labors and tenants on the other. The favorable terms of trade for agriculture have also contributed to a rise in the real income of even small and medium farmers though proportionately less for big farmers. The author further added that despite better access to resources, output per acre for large farmers under the traditional labor-intensive technology was lower than that among small farmers.

**Bhatti's (June 1976)**, research work on "A study of incomes, savings and investments pattern in an agriculturally progressive area of Himachal Pradesh (Kangra District)" reveals that there is the least increase in the agricultural assets. The study further pinpoints an increase in the non-agricultural assets and among them, the residential buildings have marked an increase followed by the increase in the financial assets.

**Dixit's (1977)**, doctoral work reveals that the neoclassical theory of investment behavior does not seem to be appropriate for studying the relationship between tax policy and investment behavior. The researcher finds the absence of the direct negative influence of tax policy on the fixed assets investment behavior. Further, the study reveals that tax-based resources like depreciation allowances and development rebates play a positive role in fixed assets investment decisions. Furthermore, fixed asset investment decisions are found independent of financial decisions. Hence the study reveals that changes in tax policy cannot influence investment decisions via financial decisions.

**Choudhary, Roy, Katyal, and Chaturbedi (1979)**, studied the pattern of saving and investment in India during the period 1950-1957 to 1976-1977. The study reveals that investment in the household sector in financial assets has increased more than ten times whereas, its share in physical assets has declined, thus showing a shift in the attitude of the household sector from physical assets to financial assets or liquid forms of saving.

**Bhalla (1980)**, conducted a sample survey to make quantitative estimates of the earnings of different categories of agricultural workers and to analyze the emerging pattern of consumption among these categories in Haryana. The survey was based on a sample of 723 cultivators' households and 142 agricultural laborers' households spread over 100 villages. The study reveals that the per capita consumption expenditure is highly correlated with income level and shows wide variation among various categories of cultivators.

**Satyanarayana & Pandey (1981)**, in their study on "Income, Savings and Investment behavior of small farmers in Chaka Block, District Allahabad, U.P." observes that small farmers are getting more income from their farms per hectare as compared to marginal farmers due to economies of scale. Further, the study reveals that an increase in income encourages the farmer to make investments in high-yielding varieties of seeds, fertilizers, and other production inputs.

**Johar and Sandhu (1982)**, conducted a study to estimate the expenditure elasticity of demand for different commodity groups and to examine the inter-temporal variations in the consumption pattern in both rural and urban regions of Punjab for the period 1966-1967 and 1973-1974. based on secondary data collected by the National Sample Survey Organization. They used the Engle function to estimate expenditure elasticities for various items of household expenditure and covariance analysis to examine the inter-regional and intertemporal variation in the consumption pattern. They concluded that the expenditure elasticity of demand for non-food items was high, almost double those of food items in both rural and urban areas. With this relatively high elasticity, rising levels of both rural and urban households exhibit changes in the consumption behavior between 1966-1967 and 1973-1974.

## **RESEARCH GAP**

The research studies analyzed the investors' behaviour in various investment avenues. The majority of the researchers ignored the agriculturists and their investment behaviour. More studies are not focused on the awareness level of agriculturists in investment avenues. Some previous studies did not analyze the preference of agriculturists in investments. Hence the research gap was found to fulfil the research gap. The present study was conducted to analyze the awareness, preferences and the factors that mostly influenced the investment decision of agriculturists.

## **RESEARCHMETHODOLOGY**

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## **CHAPTER**

### **II RESEARCH METHODOLOGY**

#### **RESEARCH METHODOLOGY**

Research methodology may be defined as a documented prose work. Documented prose work means an organized analysis of the subject based on borrowed materials with suitable acknowledgment and consultation in the main body of the paper. Management research is partially important to find out different phenomena. Its purpose is to find answers to questions through the application of systematic and scientific methods. “Research is an academic activity and a systematized effort to gain new knowledge”.

#### **RESEARCH DESIGN**

A research design is an arrangement of conditions for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The research design adopted for this study is descriptive. A descriptive research design may be concerned with the attitude/views of a people towards anything. It is concerned with determining with which something occurs or how variables vary together. It is considered rigid and formal.

#### **AREA OF THE STUDY**

Coimbatore is the second-largest city in Tamil Nadu. Coimbatore is one of the largest exporters.

#### **PERIOD OF THE STUDY**

The study was dispensed during the period December 2021 to January 2022

#### **SAMPLE METHOD**

The study is based on a non-probability sampling method namely convenient sampling.

#### **SAMPLE SIZE**

Sample size refers to the number of items to be selected from the population to frame a sample. Here the researcher has selected 170 as a sample size.

## **SOURCES OF DATA**

Data is collected from the investors belonging to agriculturists in Coimbatore. The researcher had prepared a well-structured questionnaire to study the investor's behaviour.

### **Primary Data**

Primary data are those which are collected afresh and for the first time and thus happen to be original. Primary data is collected directly from the worker i.e., data collected with the help of the questionnaire method.

### **Secondary Data**

Secondary data means already available data. Here the secondary data were collected from the company profile, websites, internet, journals, etc. The researcher also collected information through primary sources as well as secondary sources.

## **TOOLS USED FOR ANALYSIS**

Data collected was analyzed by using SPSS. The following are the tools applied

- Simple Percentage method
- Chi-square Test
- Correlation
- Factor Analysis
- Weighted average method

### **Simple Percentage method**

In this project percentage method test is used. The following are the formulae  
Percentage of Respondent = 
$$\frac{\text{No. of Respondent}}{\text{Total No. of Respondent}} \times 100$$

## Chi-Square Test

Chi-square analysis in statistics is to test the goodness of fit to verify the Distribution of observed data with assumed theoretical distribution. Therefore it is a measure to study the divergence of actual and expected frequencies.

The formula for computing chi-square is as follows.

$$\text{Chi-square} = \sum \left\{ \frac{(O - E)^2}{E} \right\}$$

## Correlation

Correlation is a statistical technique that can show whether and how strongly pairs of variables are related. For example, height and weight are related; taller people tend to be heavier than shorter people. The relationship isn't perfect. There are several different correlation techniques. The Survey System's optional Statistics Module includes the most common type, called the Pearson or product-moment correlation. The module also includes a variation on this type called partial correlation. The latter is useful when you want to look at the relationship between two variables while removing the effect of one or two other variables.

$$\text{for Karl Pearson's coefficient } r = \frac{\sum xy}{\sqrt{\sum x^2 * \sum y^2}}$$

## Factor Analysis

Factor analysis is a method of data reduction. The Factor Analysis is explorative. Much like the cluster analysis grouping similar cases, the factor analysis groups similar variables into dimensions. This process is also called identifying latent variables.

Since factor analysis is an explorative analysis, it does not distinguish between independent and dependent variables. Factor Analysis reduces the information in a model by reducing the dimensions of the observations.

KMO Bartlett's test is used to find out the adequacy with a minimum of 0.5 levels and the common factors are taken into the decision-making process of the study.

### **Weighted average method**

A weighted average is a calculation that takes into account the varying degrees of importance of the numbers in a data set. In calculating a weighted average, each number in the data set is multiplied by a predetermined weight before the final calculation is made.

A weighted average can be more accurate than a simple average in which all numbers in a data set are assigned an identical weight.

$$\text{Weighted average method} = (X_1W_1 + X_2W_2 + X_3W_3 + \dots) / N$$

## **ANALYSIS AND INTERPRETATION**

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## CHAPTER IV ANALYSIS

### AND INTERPRETATION

The present chapter of the study deals with analysis and interpretation of the collected data. In order to achieve the objectives of the study the primary data has been collected and it was classified under various heads.

The analysis of the study is presented under the following sections:

- I. SocioEconomic Profile of the Agriculturists.
- II. Investment pattern of the Investors.
- III. Awareness level of Investor towards various Investment.
- IV. Investors Preference towards various Investment avenues.
- V. Reason for Investment of the Investors.
- VI. Factor that mostly influenced investment decision of investors.
- VII. Level of satisfaction of the investors.

#### I. SOCIOECONOMIC PROFILE OF THE AGRICULTURISTS

The following table describes the socio-economic profile of the Investment Avenues. The profile includes Gender, Age, Educational level, Income per annum, and Marital status.

**TABLE 1. SOCIO-ECONOMIC PROFILE OF THE AGRICULTURISTS**

PARTICULAR		NUMBERS	PERCENTAGE
Gender	Male	98	58
	Female	72	42
	Total	170	100
Age	25-30 years	28	16
	31-35 years	16	10
	36-40 years	58	34
	Above 40 years	68	40
	Total	170	100

Educational level	Illiterate	50	29
	Upto school level	39	23
	Diploma Graduate	40	24
	e	41	27
	Total	170	100
Annual Income	Upto Rs.50,000	21	12
	Rs.50,000-1,00,000	12	8
	Rs.1,00,000– 1,50,000	50	29
	Rs.1,50,000– 2,00,000	60	35
	Above Rs.	27	16
	2,00,000 Total	170	100
Marital status	Married	115	68
	Unmarried	55	32
	Total	170	100

**Sources– Primary Data 2022**

## **GENDER**

The above table shows that 58% of respondents are female and 42% of the respondents are male. Thus, the majority of the respondents are female.

## **AGE**

The above table represents, 16% of respondents are in the age group of 25-30 years, 10% of the respondents are in the age group of 31-35 years, 34% of the respondents are in the age group of 36-40 years and 40% of the respondents are in the age group of above 40 years. Thus majority of the respondents are in the age group of Above 40 years.

## **EDUCATIONAL LEVEL**

In 170 respondents, 29% of respondents are illiterate, 23% of the respondents are up to school level, 24% of the respondents have completed diploma and 27% of the respondents have completed graduation. Thus the majority of the respondents have completed Illiterate.

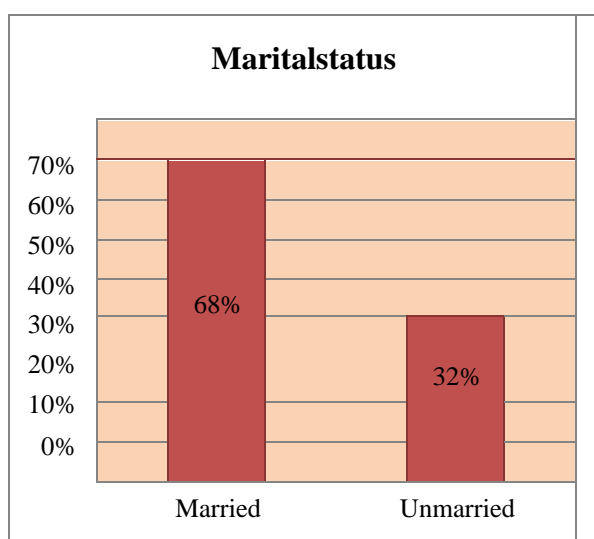
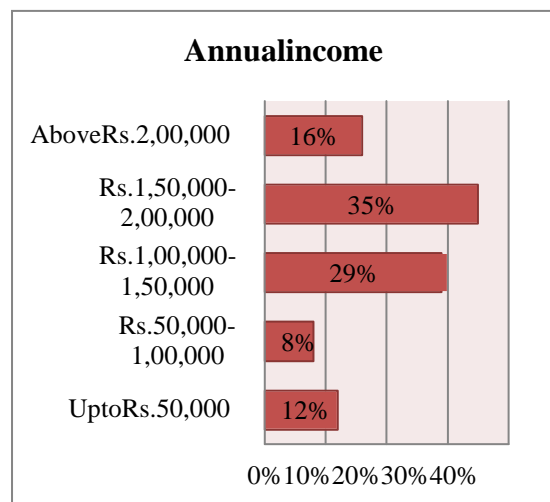
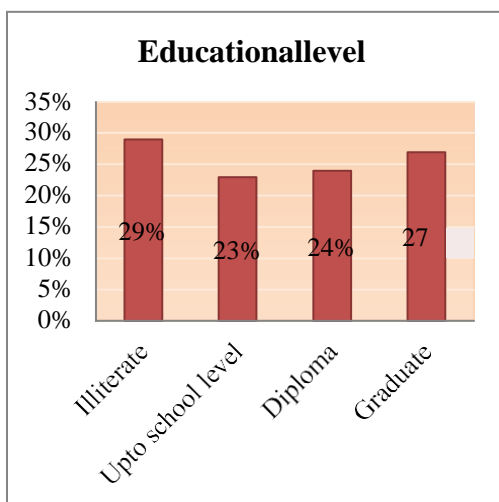
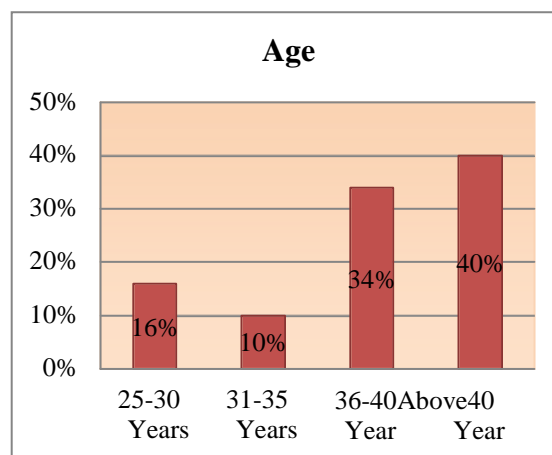
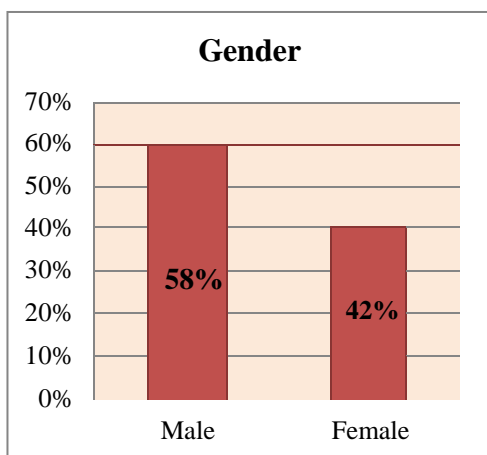
## **ANNUAL INCOME**

The above table shows that 12% of respondents have up to Rs.50,000, 8% of the respondents have Rs.50,000-1,00,000, 29% of the respondents have Rs.1,00,001-1,50,000, 35% of the respondents have above Rs.1,50,000-2,00,000 and 16% of the respondents have Above Rs.2,00,000 as their income per annum. Thus the majority of the respondents have Rs.1,50,001-2,00,000 as their Annual income.

## **MARTIAL STATUS**

The above table indicates, 68% of respondents are married and 32% of the respondents are unmarried. Thus the majority of the respondents are married.

**CHART1.SOCIO ECONOMICPROFILEOF THEAGRICULTURISTS**



## II. INVESTMENT PATTERN OF THE INVESTORS

The following table represents the investment pattern of the investors.

**TABLE 2. INVESTMENT PATTERN**

PARTICULAR		NUMBERS	PERCENTAGE
PrefertoInvest	Yes	135	80
	No	35	20
	Total	170	100
SourceofAwareness	Friends	40	30
	Newspaper	12	9
	Magazines	9	7
	Agents	18	13
	Familymembers	27	20
	Socialmedia	11	8
	Relatives	8	6
	Journals	10	7
	Total	135	100
PercentageInvesting fromAnnualincome	Below10%	18	13
	11%-20%	25	19
	21%-30%	29	21
	31%-40%	48	36

	Above	15	11
	40% Total	135	100
Investment Timing	Monthly	10	7
	Quarterly	33	24
	Halfyearly	36	27
	Yearly	56	42
	Total	135	100

**Source – Primary Data**

## **2022 PREFER TO INVEST**

In 170 respondents, 80% of the respondents are prefer to invest and 20% of the respondents are not prefer to invest in any investments. Thus the majority of the respondents are do not prefer to invest in any investments.

## **SOURCES OF AWARENESS**

Out of 135 respondents, 30% of the respondents are aware about investment from friends, 9% of the respondents are aware about investment from newspaper, 7% of the respondents are aware about investment from magazines, 13% of the respondents are aware about investment from agents, 20% of the respondents are aware about investment from family members, 8% of the respondents are aware about investment from that social media, 6% of the respondents are aware about investment from relatives and 7% of the respondents are aware about investment from journals are the source of awareness of the investment. Thus the majority of the respondents are aware about investment from Friends are the source of awareness of investment.

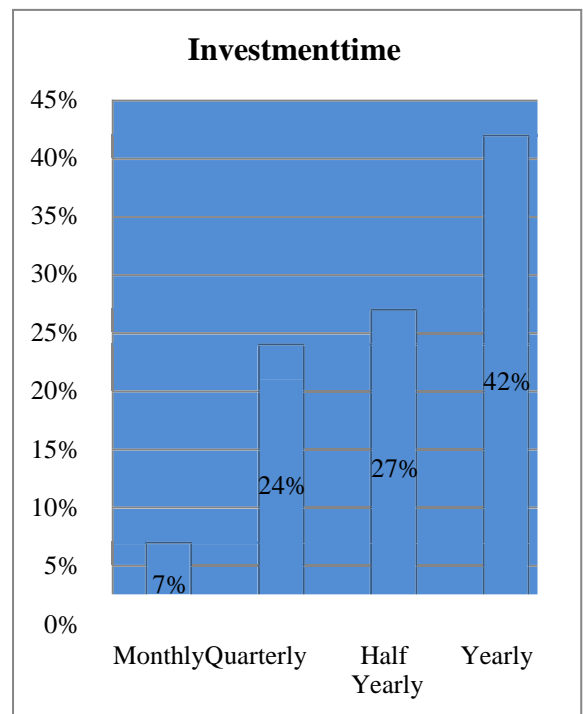
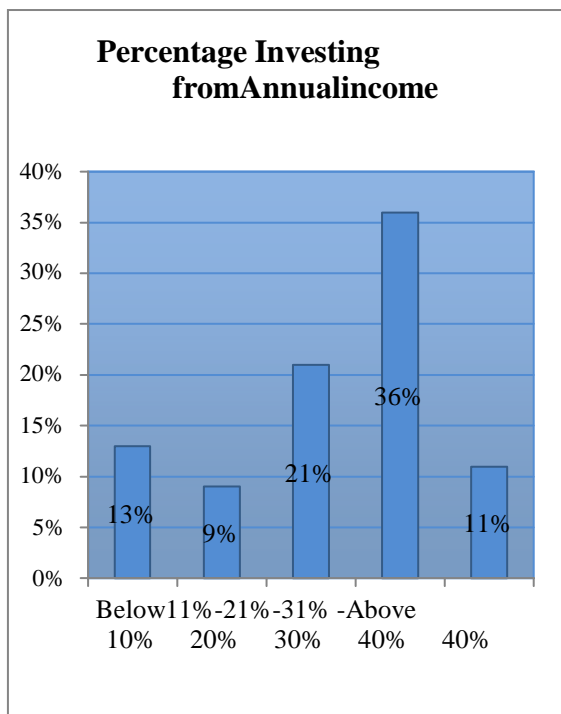
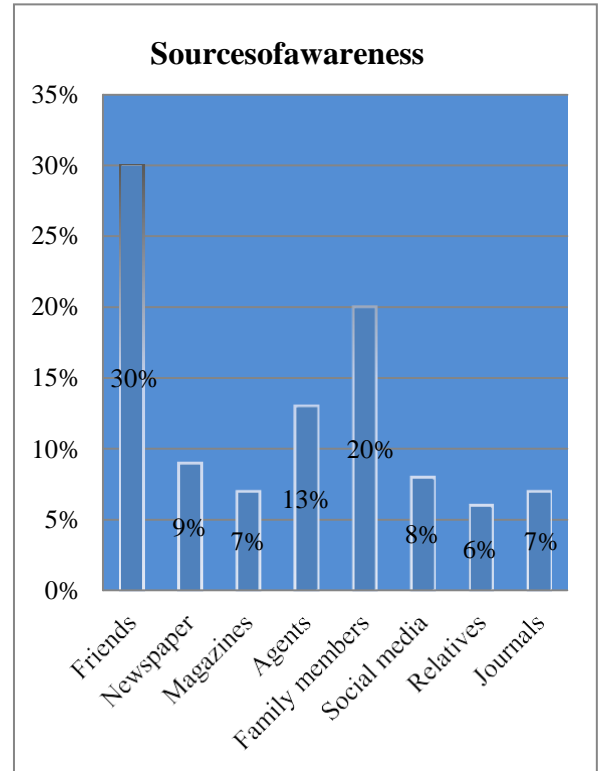
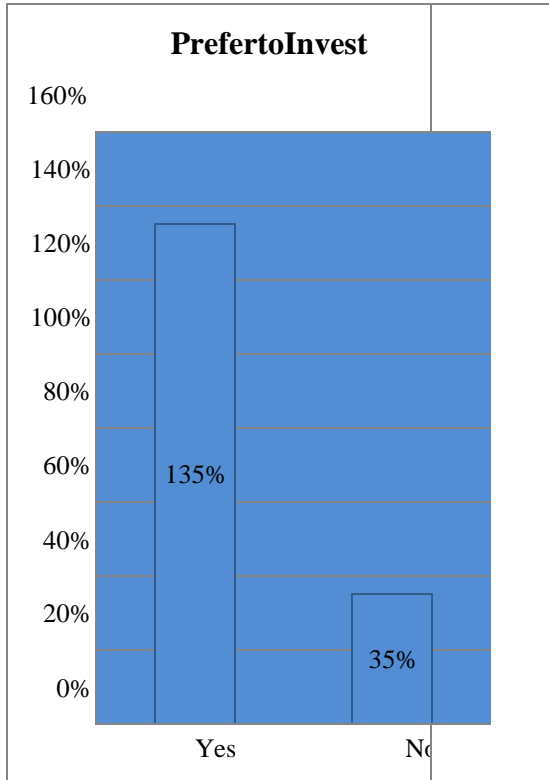
## **PERCENTAGE INVESTING FROM ANNUAL INCOME**

The above table shows that, 13% of the respondents are investing below 10%, 19% of the respondents are investing 11%-20%, 21% of the respondents are investing 21%-30%, 36% of the respondents are investing 31%-40% and 11% of the respondents are investing above 40% is the percentage investing from annual income. Thus the majority of the respondents are investing 31-40% is the percentage investing from annual income.

## **INVESTMENT TIMING FOR THE INVESTMENT**

The above table indicates that, 7% of the respondents are investing on monthly basis, 24% of the respondents are investing quarterly basis, 27% of the respondents are investing half-yearly basis and 42% of the respondents are investing yearly basis is their investment timing for the investment. Thus the majority of the respondents are investing yearly basis was their investment timing for the investment.

## CHART2.AWARENESSLEVELREGARDINGVARIOUSINVESTORS



### III. REASONFORINVESTMENT

The following table represents the reason for investment

**TABLE 3. REASON FOR INVESTMENT**

<b>Attributes</b>	<b>Weighted Average</b>	<b>Rank</b>
Face value appreciation	4.68	VII
Saving for retirement	5.70	III
Earn higher returns	5.86	I
Tax exemption	4.71	VI
To grow the capital	5.80	II
Safety	4.71	IV
Diversify the income	4.28	V
Lower the taxable income	5.70	VIII
Speculation	4.09	IX
To hedge the inflation	3.02	X

### INTERPRETATION

From the above table it is found that “Earn higher returns” 1 rank is the most important reason for investment followed by “To grow the capital” (2), “Tax exemption”(3), “Saving for retirement”(4), “Safety”(5), “Diversify the income”(6), “Face value appreciation”(7), “Lower the taxable income”(8), “Speculation”(9) and “To hedge the inflation”(10).

#### IV. AWARENESS LEVEL OF INVESTOR TOWARDS VARIOUS INVESTMENT

The following table represents the awareness level of investor towards various investments.

**TABLE 4. AWARENESS LEVEL OF INVESTOR TOWARDS VARIOUS INVESTMENT**

Particular	Highly aware 5	Aware 4	Neutral aware 3	Partly aware 2	No aware 1	Weighted Average Score	Mean	Rank
Post office savings schemes	48 (240)	38 (152)	30 (90)	12 (24)	7 (7)	513	34.4	I
Fixed Deposits	50 (250)	24 (96)	16 (48)	29 (58)	12 (12)	464	30.9	III
Recurring deposits	25 (125)	20 (80)	40 (120)	21 (42)	29 (29)	396	26.4	V
Saving bank accounts	40 (200)	30 (120)	29 (87)	25 (50)	17 (17)	474	31.6	II
Share market	15 (75)	15 (60)	19 (57)	30 (60)	56 (56)	308	20.5	VIII
Gold & silver	17 (85)	37 (148)	38 (114)	5 (10)	38 (38)	395	26.3	VI
Government securities	12 (60)	16 (64)	22 (66)	12 (24)	73 (73)	287	19.1	IX
Insurance	20 (100)	29 (116)	33 (99)	24 (96)	29 (29)	440	29.3	IV
Land & buildings	14 (70)	20 (80)	21 (63)	30 (120)	50 (50)	383	25.5	VII
FOREX	17 (85)	10 (40)	7 (21)	14 (28)	87 (87)	261	17.4	X

Weighted average technique was used to analyze the various reasons for awarding investment. The table indicates that Post office savings schemes holds the first rank is the most important awareness for investment (with the mean score of 34.4) followed by a saving bank accounts, Fixed Deposits, Insurance, Recurring deposits etc. The table shows that “Post office savings scheme” holds the top rank.

## V. PREFERENCE TOWARDS VARIOUS INVESTMENT AVENUES

The following table represents the preference towards various investment avenues.

**TABLE 5. PREFERENCE TOWARDS VARIOUS INVESTMENT AVENUES**

Particular	Strongly agree 5	Agree 4	Neutral 3	Disagree 2	Strongly disagree 1	Weighted Average score	Mean	Rank
Post office savings schemes	55 (275)	31 (124)	25 (75)	12 (24)	12 (12)	510	34.4	I
Fixed Deposits	60 (300)	32 (128)	15 (45)	13 (26)	15 (15)	514	34.2	III
Recurring deposits	50 (250)	32 (128)	26 (78)	15 (30)	12 (12)	498	33.2	IV
Saving bank accounts	60 (300)	32 (128)	15 (45)	13 (26)	15 (15)	514	34.2	II
Share market	13 (65)	25 (100)	32 (96)	32 (64)	33 (33)	358	23.8	IX
Gold & silver	20 (100)	32 (128)	16 (48)	23 (46)	44 (44)	366	24.4	VII
Government securities	15 (75)	30 (120)	19 (57)	39 (78)	32 (32)	362	24.1	VIII
Insurance	30 (150)	25 (100)	30 (90)	27 (81)	23 (23)	444	29.6	VI

Land & buildings	53 (265)	25 (100)	30 (90)	15 (30)	12 (12)	497	33.1	V
FOREX	12 (60)	20 (80)	30 (90)	32 (64)	41 (41)	335	22.3	X

**Source–Fieldsurvey2022**

Weighted average technique was used to analyze the various reasons for preferring investment. The table indicates that Post office savings schemes holds the first rank is the most important preference for investment (with the mean score of 34.4) followed by a saving bank accounts, Fixed Deposits , Recurring deposits , Land & buildings etc,. The table shows that Post office savings schemes the top rank.

## VI. FACTORS THAT MOSTLY INFLUENCED INVESTMENT DECISION OF INVESTORS

The following table represents the factors that mostly influence investment decision of investors.

### FACTOR ANALYSIS

To identify the foremost promising factors that most influenced the investment decision of investors, factor analysis had been carried out. This analysis is useful in identifying the factors and their significant, and components analysis is carried out to get extraction.

**TABLE 6. KMO AND Bartlett's Test**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.855
Bartlett's Test of Sphericity	Approx. Chi-Square	5100.581
	Df	105
	Sig.	.000

Source-Computed Data

### VARIABLES OF FACTORS ANALYSIS

To perform factor analysis top 10 factors are converted into 2 factors and rotated component matrix.

**TABLE 7. FACTORS**

S.NO	VARIABLES	S.NO	VARIABLES
1	High rate of return	9	Marketability
2	Risk Minimization	10	Status
3	Liquidity	11	Capital Appreciation
4	Safety	12	Transferability
5	Maturity Period	13	Flexibility in Nature
6	Growth Rate	14	Easy Formalities
7	Interest Rate	15	Easy to Operation
8	Tax Benefits		

**Factors Influencing Investment Avenues Total variance explained TOTAL8.**

**VARIANCE ANALYSIS**

<b>Total Variance Explained</b>									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	13.236	88.241	88.241	13.236	88.241	88.241	9.874	65.827	65.827
2	.585	3.901	92.142	.585	3.901	92.142	3.947	26.314	92.142
3	.343	2.285	94.426						
4	.242	1.615	96.041						
5	.136	.905	96.946						
6	.102	.682	97.629						
7	.070	.466	98.095						
8	.068	.451	98.546						
9	.052	.345	98.891						
10	.048	.320	99.211						
11	.036	.243	99.454						
12	.028	.185	99.639						
13	.025	.165	99.803						
14	.017	.117	99.920						
15	.012	.080	100.000						
Extraction Method: Principal Component Analysis.									

**Source—Computed Data**

**TABLE9.COMPONENTMATRIX**

<b>ComponentMatrix</b>		
	Component	
	1	2
HIGHRATEOFRETURN	.718	.626
RISKMINIMIZATION	.855	.248
LIQUIDITY	<b>.960</b>	.091
SAFETY	<b>.956</b>	.001
MATURITYPERIOD	.961	-.012
GROWTHRATE	<b>.978</b>	.032
INTERESTRATE	<b>.962</b>	.006
TAXBENEFITS	<b>.964</b>	-.055
MARKETABILITY	<b>.957</b>	-.003
STATUS	<b>.976</b>	-.038
CAPITALAPPRECIATION	.954	-.095
TRANSFERABILITY	.929	-.231
FLEXIBILITYINNATURE	<b>.959</b>	-.085
EASYFORMALITIES	<b>.966</b>	-.135
EASYTOOPERATION	<b>.960</b>	-.173
ExtractionMethod:PrincipalComponentAnalysis.		
a.2componentsextracted.		

**Source:ComputedData**

The above table indicates the extracted components matrix. This contains the loading of every variable into each factor. All loadings have been studied and the remaining components are taken for the investigation. With the above, output has been yielded from the table, significance are taken as factors.

**TABLE10.EXTRACTEDFACTORS**

<b>S.NO</b>	<b>FACTORS</b>
1	GROWTHRATE
2	STATUS
3	EASYFORMALITIES
4	TAXBENEFITS
5	INTERESTRATE
6	LIQUIDITY
7	EASYTOOPERATION
8	FLEXIBILITYINNATURE
9	MARKETABILITY
10	SAFETY

The above table shows the extracted factors from the various factor. The most significant factors which influence the investment behaviour are growth rate, status, easy formalities, tax benefits, interest rate, liquidity, ease of operation, flexibility in nature, marketability and safety.

## FACTORS INFLUENCING INVESTMENT BEHAVIOUR

Following table represents the factors influencing Investment Behavior.

**TABLE 11. FACTORS INFLUENCING**

PARTICULAR		NUMBERS	PERCENTAGE
Factors influencing in Investment Behavior	I search for investment options.	9	7
	I rely on intermediaries for making Investment.	11	8
	I prefer investment based on low transaction cost.	35	26
	I discuss with my friends, colleagues, family members before investment decision were made.	6	4
	My investments are always tenure based.	12	9
	I watch the performance of the investment.	14	10
	I take responsibility for the investment made.	16	12
	My choice of investment will be of various avenues.	15	11
My investments are diversified.	8	6	

	I consider using investment for social aspects needs.	9	7
	Total	135	100
Return from the Investment	Upto 10%	9	7
	10%-20%	15	11
	21%-30%	20	14
	31%-40%	12	9
	41%-50%	39	29
	Above 50%	40	30
	Total	135	100

**Source: primary data 2022**

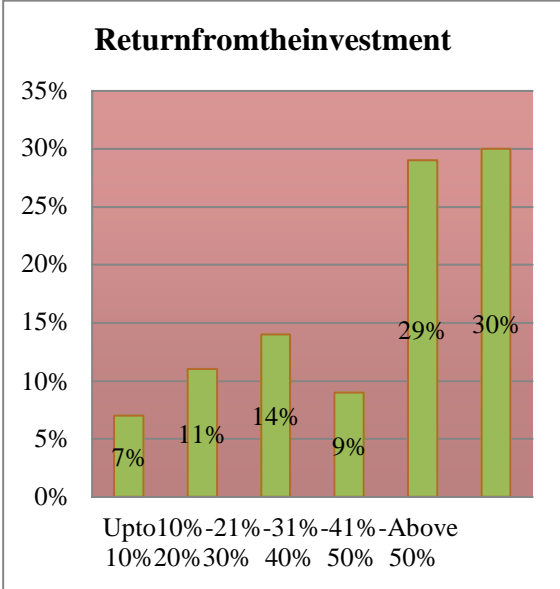
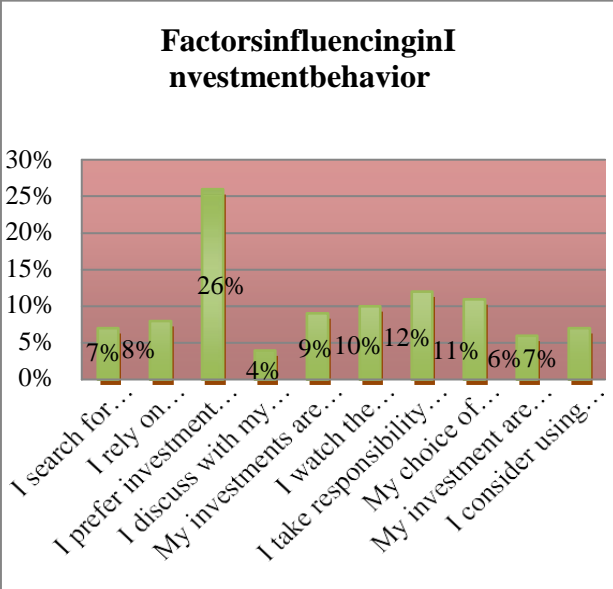
### **FACTORS INFLUENCING IN INVESTMENT BEHAVIOUR**

The above table shows that factors influencing in Investment behavior of Agriculturists, “I prefer investment based on low transaction cost” (26%) followed by “I take responsibility for the investment made” (12%), “My choice of investment will be of various avenues” (11%), “I watch the performance of the investment” (10%), “My investments are always tenure based” (9%), “I rely on intermediaries for making investment” (8%), “I search for investment options” (7%), “I consider using investment for social aspects needs” (7%) and “My investments are diversified” (6%). Thus the majority of the respondents are “I prefer investment based on low transaction cost” (26%) as the factor influencing in investment behavior.

### **RETURN FROM THE INVESTMENT**

The above table shows that 7% of the respondents are getting return upto 10% followed by 10%-20% (11%), 21%-30% (14%), 31%-40% (9%), 41%-50% (29%), and above 50% (30%). Thus the majority of the respondents are getting return above 50% (30%) as their return from the investment.

**CHART3.FACTORSINFLUENCINGININVESTMENTBEHAVIOUR**



## LOSSES IN THE INVESTMENT OF THE INVESTORS

The following table represents the losses of the investors

### LOSSES IN THE INVESTMENT OF THE INVESTORS

Attributes	Weighted Average	Rank
Quit from the investment	2.34	IV
Shift to alternate investment avenues	3.03	I
Withdraw partly from the investment	1.57	V
Analyse the market carefully	2.58	II
Wait for recovery period	2.39	III

### INTERPRETATION

The following table represents the reason for shifting the investment while we have losses “Shift to alternate investment avenues” (I) followed by “Analyse the market carefully” (II), “Wait for recovery period” (III), “Quit from the investment” (IV), “Withdraw partly from the investment” (V).

It can be inferred that most of the respondents are the “Shift to alternate investment avenues” if they are facing loss in the market.

## **PROBLEMFACEDININVESTMENT**

Followingtablerepresentsstheproblemfacedininvestment

### **PROBLEMFACEDININVESTMENT**

<b>Attributes</b>	<b>WeightedAverage</b>	<b>Rank</b>
Delayinconversionofcash	2.90	V
Highvolatility	2.81	VI
Highinflation	4.81	II
Taxburden	4.97	I
Lackinawareness	3.55	III
Inadequatedisclosure	2.40	VIII
Misrepresentations abouttheinvestment	2.94	IV
Fluctuationinrateofreturn	2.81	VII

## **INTERPRETATION**

The following table represents the problem faced in investment are “Tax burden” (I) followed by “Highinflation” (II), “Lackinawarenes” (III), “Misrepresentationsabouttheinvestment” (IV), “Delayinconversionofcash” (V).

It can be inferred that most of the respondents are the “Tax burden” is the problemfacedininvestment.

## AWARENESS LEVEL REGARDING VARIOUS INVESTORS

### THE RELATIONSHIP BETWEEN THE EDUCATIONAL LEVEL AND AWARENESS IN INVESTMENT AVENUES

It is expected that the educational level of the respondents would influence their Awareness Avenues. An attempt has been made to examine the association between the Awareness in investment avenues and the Educational level. For which the following null hypothesis has been framed.

**NULL HYPOTHESIS (H<sub>0</sub>):** There is no significant relationship between educational level and awareness in investment avenues.

**ALTERNATIVE HYPOTHESIS (H<sub>1</sub>):** There is significant relationship between educational level and awareness in investment avenues.

**TABLE 12. INVESTMENT AWARENESS**

Particular	Calculated value	P value	Degree of freedom	Level of significance	Signification Level
Post office savings Schemes	1.3038	.045	71	5%	Significant
Fixed Deposits	1.3888	.038	71	5%	Significant
Recurring deposits	0.0459	.012	71	5%	Significant
Saving bank Accounts	0.129	.041	71	5%	Significant
Share market	0.1381	.525	71	5%	Not Significant
Gold & silver	0.0390	.061	71	5%	Not Significant
Government Securities	0.0701	.075	71	5%	Not Significant
Insurance	0.0459	.102	71	5%	Not Significant
Land & buildings	0.0765	.021	71	5%	Significant
FOREX	0.0234	.625	71	5%	Not Significant

a. 103 cells (99.0%) have expected count less than 5. The minimum expected count is .19

## INTERPRETATION

The table shows that the determined value of chi – square test is less than the table at 5% significance level for the factors Post office savings Schemes, Fixed Deposits, Recurring deposits, Saving bank account and Land & buildings. Thus the alternative hypothesis is accepted and the null hypothesis is rejected. Hence, there is no significant relationship between the educational level and awareness of investment avenues.

## PREFERENCE TOWARDS VARIOUS INVESTMENT AVENUES

### THE RELATIONSHIP BETWEEN THE GENDER OF THE RESPONDENTS AND INVESTMENT PREFERENCES

The following table represents the Gender of the respondents and Investment Preferences.

**NULL HYPOTHESIS (H<sub>0</sub>):** There is no significant relationship between gender of the respondents and investment preference.

**ALTERNATIVE HYPOTHESIS (H<sub>1</sub>):** There is a significant relationship between gender of the respondents and investment preference.

**TABLE 13. INVESTMENT PREFERENCE**

Correlations			
		GENDER	INVESTMENT PREFERENCE
GENDER	Pearson Correlation	1	.699**
	Sig. (2-tailed)		.000
	N	135	135
10 INVESTMENT PREFERENCE	Pearson Correlation	.699**	1
	Sig. (2-tailed)	.000	
	N	135	135

\*\* .Correlation is significant at the 0.01 level (2-tailed)

## **INFERENCE**

The above table shows the result of Pearson correlation test among “Gender and investment preference”. The two-tailed significant test is  $p=0.000$  which is less than the significant level of 0.05. Hence the null hypothesis is rejected. Therefore there is a significant relationship between Gender and preference towards various investment avenues.

## VII. LEVEL OF SATISFACTION OF THE INVESTORS

Following table represents the level of satisfaction of the Investors.

**Table 4.14 LEVEL OF SATISFACTION**

Particular	Strongly agree		Agree		Neutral		Disagree		Strongly disagree	
	Num Ber	Percentage	Num Ber	Percentage	Num ber	Percentage	Num ber	Percentage	Num ber	Percentage
Post offices saving schemes	50	<b>37%</b>	35	26%	39	29%	7	5%	4	3%
Fixed Deposits	53	<b>39%</b>	32	24%	28	11%	10	5%	12	3%
Saving bank Accounts	60	<b>44%</b>	35	26%	14	10%	12	9%	14	10%
Stock market	35	26%	13	10%	16	12%	13	10%	58	<b>42%</b>
Government Securities	12	9%	26	19%	35	26%	19	14%	43	<b>32%</b>
Recurring deposit	45	<b>33%</b>	30	22%	30	22%	15	11%	10	7%
Insurance	15	11%	25	19%	19	14%	26	19%	50	<b>37%</b>
Gold and silver	25	19%	26	19%	36	<b>27%</b>	16	12%	32	24%
Land and building	40	<b>27%</b>	25	19%	19	14%	25	19%	26	19%
FOREX	9	7%	15	11%	26	19%	30	22%	55	<b>41%</b>

Source: primary data 2022

### LEVEL OF SATISFACTION

The above table shows that 37% of the respondents are strongly agree with post office saving schemes followed by 39% of the respondents are agree with fixed deposits, 44% of the respondents are strongly agree with savings bank accounts, 42% of the respondents are strongly disagree in the stock market, 32% of the respondents are agreeing government securities, 33% of the respondents are strongly agree with recurring deposit, 37% of the respondents are strongly disagree with insurance, 27% of the respondents are neutral with gold and silver, 27% of the respondents are strongly agree with Land and building, 41% of the respondents are strongly disagree with FOREX.

## **FINDINGS,SUGGESTIONSANDCONCLUSION**

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## CHAPTER V

### FINDINGS, SUGGESTIONS AND CONCLUSION

#### FINDINGS

##### 1. SOCIOECONOMIC PROFILE

- From the study it found that, 58 percent of the respondents are male.
- It was found that, 40 percent of the respondents are in the age group of Above 40 years.
- Out of 170 respondents, 29 percent of the respondents have completed Illiterate.
- Out of 170 respondents, 35 percent of the respondents have Rs. 1,50,000-2,00,000 as their Annual income.
- It shows that, 68 percent of the respondents are married.

##### 2. INVESTMENT PATTERN

- The study found that 80 percent of the respondents were yes to investing in any investment.
- It was found that from the study, 30 percent of the respondents are aware about investment from friends are the sources of awareness of investment.
- Out of 135 respondents, first rank goes to “Earn higher returns” is the reason for investment.
- It found that from the study, 36 percent of the respondents are investing 31%-40% is the percentage investing from annual income.
- From the study it shows that, 42 percent of the respondents are investing on yearly basis is the investment timing for the investment.

### **3. AWARENESS LEVEL REGARDING VARIOUS INVESTORS**

#### **WEIGHTED MEAN**

Weighted average technique was used to analyze the various reasons for awarding investment. The table indicates that Post office savings schemes holds the first rank is the most important awareness for investment (with the mean score of 34.4) followed by a saving bank accounts, Fixed Deposits, Insurance, Recurring deposits etc. The table shows that "Post office savings scheme" holds the top rank.

#### **CHI-SQUARE TEST ANALYSIS**

The table shows that the determined value of chi – square test is less than the table at 5% significance level for the factors Post office savings Schemes, Fixed Deposits, Recurring deposits, Saving bank account and Land & buildings. Thus the alternative hypothesis is accepted and the null hypothesis is rejected. Hence, there is no significant relationship between the educational level and awareness of investment avenues.

### **4. PREFERENCE TOWARDS VARIOUS INVESTMENT AVENUES**

#### **WEIGHTED MEAN**

Weighted average technique was used to analyze the various reasons for preferring investment. The table indicates that Post office savings schemes holds the first rank (with the mean score of 34.4) followed by a saving bank accounts, Fixed Deposits, Recurring deposits, Land & buildings etc.,. The table shows that Post office savings scheme holds the top rank.

#### **CORRELATION ANALYSIS**

The above table shows the result of Pearson correlation test among "Gender and investment preference". The two-tailed significant test is  $p=0.000$  which is less than the significant level of 0.05. Hence the null hypothesis is rejected. Therefore there is a significant relationship between Gender and preference towards various investment avenues.

### **5. THE FACTORS THAT MOSTLY INFLUENCED INVESTMENT DECISION**

- It was found that, 82 percent of the respondents are strongly agree in high rate of return, 46 percent of the respondents are agree in risk minimization, 43 percent of the respondents are neutral liquidity, 36 percent of the respondents are neutral in safety, 45 percent of the respondents are neutral in maturity period, 40 percent of the respondents are neutral in

Growth rate, 44 percent of the respondents neutral in interest rate, 33 percent of the respondents are neutral in tax benefits, 33 percent of the respondents are neutral in marketability and 39 percent of the respondents are in status.

- It was found that, 26 percent of the respondents were preferred to investment based on low transaction cost as the factor influencing investment behaviour.
- From the study it shows that, 30 percent of the respondents are getting return above 50% as their return from the investment.
- Out of 135 respondents, 37 percent of the respondents are withdrawn partly from the money if there is loss in market.
- It can be inferred that most of the respondents are they shift to alternate investment avenues if loss in market.
- From the study it shows that, 18 percent of the respondents are lack of awareness as their problem faced by them in investment.
- It can be inferred that most of the respondents are tax burden is the problem faced in investment.

### **FACTOR ANALYSIS**

The Most Significant Components are taken as factors. They are Growth Rate, Status, Easy Formalities, Tax Benefits, Interest Rate, Liquidity, Ease to operation, Flexibility in nature, Marketability and Safety.

## CONCLUSION

The investment aspiration of the agriculturists is a commitment to secure the consumption of all regular financial inflows with futuristic perspectives. Different types of investment avenues are available and they have to become more alert in selecting profitable investment avenues with minimum risk. So, there is a need for creating awareness among investors about the Agriculturist. Most of the investors prefer to invest in post office savings schemes, savings bank accounts, etc, The most important factors that influence investment are Growth rate, status, easy formalities, tax benefits, interest rate, liquidity, ease of operation, and flexibility in nature, marketability, and safety. Hence, it indicates that investment companies should be focusing on offering more attractive investments to encourage them to invest more investment. To conclude investors have a good awareness of investment and they are highly satisfied.

## SUGGESTIONS

- They must have the awareness and get suggestions from the expert or financial advisors before they invest into share market, gold & silver and FOREX since they are highly risky one.
- They must prefer their investment based on their objectives for which they invest.
- The agriculturists must consider the factors to invest such as high rate of return, risk minimization and maturity period.
- The investment avenue must be easily marketable one and have liquidity in its nature as well as it must have safety and security in its nature.
- The agriculturists must search for good and suitable investment options which are suitable for them.

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**ANNEXURE**

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## ANNEXURE

### I. SOCIOECONOMICPROFILE

1. Name
2. Gender
3. Age(in years)  
 25–30       31–35       36–40       Above40
4. EducationalLevel  
 Illiterate       Uptoschoollevel       Diploma       Graduate
5. AnnualIncome  
 UptoRs.50,000       Rs.50,000–1,00,000       Rs.1,00,001–1,50,000  
 1,50,001–2,00,000       AboveRs. 2,00,000
6. Maritalstatus  
 Married       Unmarried

### II. INVESTMENTPATTERN

7. Do you prefer to invest in any of the investment  
avenues?Yes  No
8. Whatisyour sourceofawarenessofinvestment?  
 Friends       Newspaper       Magazines  Agents  
 Familymembers       Socialmedia       Relatives  Journals
9. Whatis yourreasonforinvestment?  
 FacevalueAppreciation       SavingforRetirement       Earnhigherreturn  
 Taxexemption       To growthe capital       Safety  
 Diversitythe income       Lowerthetaxableincome       Speculation  
 Tohedgethe inflation
10. Whatpercentageare youinvestingfromyourannualincome?  
 Below10%       11– 20%       21– 30%       31-40%       Above40%

11. What is your investment timing for your investment?

Monthly     Quarterly     Half yearly     Yearly

12. Do you have awareness on the following investment avenues?

<b>Particular</b>	<b>Highly aware</b>	<b>Aware</b>	<b>Neutral aware</b>	<b>Partly aware</b>	<b>No aware</b>
Post office saving schemes					
Fixed Deposits					
Recurring Deposits					
Saving bank accounts					
Share Market					
Gold and Silver					
Government Securities					
Insurance					
Land and Buildings					
FOREX					

### III. INVESTMENT PREFERENCE

13. State your preference on the following to invest?

<b>Particular</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
Post office saving Schemes					
Fixed Deposits					
Recurring Deposits					
Saving bank accounts					
Share Market					
Gold and Silver					
Government Securities					

Insurance					
LandandBuildings					
FOREX					

#### IV. INVESTMENTFACTORS

14. Whichfactorinfluencingyoutoinvestinparticularinvestmentavenues?

<b>Particular</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
Highrateofreturn					
RiskMinimization					
Liquidity					
Safety					
MaturityPeriod					
GrowthRate					
InterestRate					
TaxBenefits					
Marketability					
Status					
CapitalAppreciation					
Transferability					
FlexibilityinNature					
EasyFormalities					
EasytoOperation					

15. What are the factors influencing in investment

- behavior?ISearch forinvestmentoption.
- Irelyon intermediaries formakinginvestment.
- Ipreferinvestment basedonlowtransactioncost.
- Idiscusswithmyfriends, colleagues,familymembersbeforeinvestmentdecisionweremade.
- Myinvestmentsarealwaystenurebased.Iw
- atchtheperformanceofinvestment.

- Itakeresponsibilityforthe investmentmade.
- My choice of investment will be of various
- avenues.Myinvestments arediversified.
- Iconsiderusinginvestment forsocialaspect needs.

16. What is yourreturnfromthe investment?

- Upto10%
- 10%-20%
- 21%-30%
- 31%–40%
- 41%-50%
- Above50%

17. Ifthereislossinmarket,whatwouldyoudo?

- Quitfromtheinvestment
- ShifttoalternateinvestmentavenuesW
- ithdrawpartlyfromtheinvestment
- Analyse the marketcarefullyWaitfor recoveryperiod

18. What are the problems faced by you in investment?

- Delayinconversionofcash
- High volatility
- High inflationTaxburden
- Lackinaawareness
- Inadequate disclosureMisrepresentationsabouttheinvestment
- Fluctuationinrateofreturn

19. What is yourlevelofsatisfactionin yourinvestment?

Particular	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Postofficesavings Schemes					
Fixeddeposits					
Savingsbankaccounts					
Stockmarket					
Governmentsecurities					
Recurringdeposit					
Insurance					
Goldand silver					
Land andbuilding					
FOREX					

20. Suggestions

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