

# A Study on Investors Satisfaction Level of Investment in Dharmapuri District of Tamilnadu

M. Bhuvaneswari<sup>1</sup>, Dr. R. Venkatesh<sup>2</sup>

<sup>1</sup>Dept of Commerce

<sup>2</sup>Assistant Professor cum Research Supervisor, Dept of Commerce

<sup>1, 2</sup>PG and Research Department of Commerce, Don Bosco College,  
Dharmapuri District, Tamil Nadu, India  
(Affiliated to Periyar University, Salem)

**Abstract-** Most of the investors want to become rich without taking any risk and getting money quickly and safely. But without risk is not possible for all investors. To invest money in India is very safe and secure for all kind of investors. India is one of the best countries to invest money in various resources. Now a day's, India has relaxed many rules and regulation for those who wants to invest money in our country. But whatever it is relaxed by our country there will be some avenue to invest in safe zone. There are some investments that carry high risk but have the potential to generate higher inflation-adjusted returns than other asset class in the long term while some investments come with low-risk and therefore lower returns. Based on, this present study made to attempt to analysis about various source of Investors level of satisfaction in Investment available in Dharmapuri District of Tamilnadu.

**Keywords-** Investment, Bank Deposit, Mutual Fund, Chit Fund, Satisfaction level, Public Provident Fund, Commodity Market etc.,

## I. INTRODUCTION

As there are multiple options for investment on offer today, it may seem to be a daunting task to choose the right one. In its broadest sense and investment is a sacrifice of current money or other resources for future benefits. While investment plans are dependent on the individual's risk profile, time horizon and other factors, some investment platforms offer excellent options for you to start your journey towards wealth accumulation and growing rich.

### Avenue of investing money in India

#### 1. Mutual Funds

Mutual funds are one of the most sought investment option in India. Amongst mutual funds, equity mutual funds, in particular are the top-rated. This is because of their potential to provide overwhelming returns. Some of the best performing funds have generated Cumulative Average Growth Returns of

up to 20% in a decade. The point to note is that with such high rewards come high risks as well. Also, investors can start investing in mutual funds with a sum as low as Rs 500 per month. The investors find it difficult to shortlist the right plan that suits the profile and then investors can choose to invest in mutual fund plans handpicked by in-house experts.

#### 2. National Pension Scheme

The National Pension System or NPS is a government-backed retirement cum pension scheme. With the sovereign guarantees backing the scheme, investors get the much-needed safety for their investment. This scheme provides a monthly pension when retired. Also, investing in the NPS qualifies investors for additional tax benefits under Section 80CCD (1B) depending on the type of NPS account hold.

#### 3. Public Provident Fund

Investors are ready to take a risk averse, the Public Provident Fund (PPF) is the best suitable investment option for investors. PPF is one of the most popular tax-saving investment options for the common man. Also, the scheme is easy to start for those who are not internet savvy. Investors can open this account in a bank or even in a post office. This scheme comes with a lock-in period of 15 years, with an option of extending account in a block of five years. If the investor is a salaried person, then PPF should be an excellent way to set aside a certain sum every month to invest in PPF.

#### 4. Real Estate Investment

Real estate is a good investment option for those who have abundant money in hand. It is an excellent option for long-term investment. The Real Estate Regulation and Development Act (RERA), which came into practice in 2016 has further boosted this market. The industry is well regulated with safety measures in place for buyers and sellers.

## 5. Stock Market Investment

Stock investments may not be simple to engage in; it requires monitoring of the performance of your stocks in real-time. Though there has been an introduction of taxing long-term capital gains, the post-tax returns offered by stocks is unmatched. For investors who can't afford to invest a considerable amount, stock markets provide the advantage of various small, mid and large-cap stocks such that investors can invest in all of them by creating a balanced portfolio. You can adjust your portfolio depending on the risk you are willing to take.

## II. LITERATURE REVIEW

A various types of research studies have been conducted on various aspects of investors' satisfaction level of investment, which is relevant for this research.

**Ranjith Kumar S (2017)** conducted with an aim of finding out the Mutual Fund Investor's Perception and their Satisfaction over the SBI-MF analyzed in the study. The new economic policy gave a new dimension to private players to identify the customer need and satisfy the rational investors within the short period. It is the time of the largest public sector bank namely, SBI-MF to improve the quality of services by the way of finding the need of customers and help them to choose a right MF product according to their specific conditions. It is concluded by emphasizing that periodically they must check their progress not only with a quantitative figure but also with certain qualitative attributes driven from the marketing information system. This may help the management of SBI-MF to provide quality services to their investors.

**Shiji R, A. L. Parvathi (2019)**, found that online share trading as an investment in India. Majority of the respondents are satisfied with online share trading transparency, diversification, professionally managed, return potentially, access to stock and online share trading return and risk. The researcher concluded that quite a few practical and productive suggestions have been offered. If these suggestions are appropriately taken into consideration by the concerned authorities and investors, satisfaction on online share trading system in the study area would be undoubtedly improved and stock market growth and our country's economic development would ultimately also be achieved.

## III. RESEARCH METHODOLOGY

### Statement of the problems

The present study discuss about the investment satisfaction of investors in various investment available in India but there is no attempt is made to invest the important schemes of investment, their relative importance and their relationship with demographic profile of Dharmapuri District of Tamilnadu . Majority of the studies prove differing results of investor' satisfaction towards various investments in India. This study deals with investors' satisfaction level of investment such as Bank Deposit, Mutual Fund, Insurance, Chit Fund, Derivatives, Real Estate, Foreign Currency, Gold, Commodities and Public Provident Fund

How do demographic factors have an influencing Investors satisfaction level of investment in Dharmapuri District of Tamilnadu?

### Scope of the study

The study made to attempt the growth and development of investors' satisfaction level of investment. Based on this aspect the present study are analyzing various investment avenue available in India such as Bank Deposit , Mutual Fund, Insurance, Chit Fund, Derivatives, Real Estate, Foreign Currency, Gold, Commodities and Public Provident Fund. The scope of the study has been limited to Investors satisfaction level of investment in Dharmapuri District.

### Objectives of the study

To analysis the Investors satisfaction level of Investment in **Dharmapuri** District of Tamilnadu.

### Research design

The present study is descriptive in nature by using primary data which is collected through questionnaire.

### Sample size

Sample size for the study comprises 340 respondents from **Dharmapuri** District of Tamilnadu.

### Statistical tools for analysis

The researcher has used percentage analysis and one-way ANOVA test, Friedman test and T-test for analysis and interpretation of the data.

**Table 1 General Demographic profile of the respondents**

S. No	Profile	Classification	Total No. Respondents	Percentage
1.	Gender	Male	270	79.4
		Female	70	20.6
		<b>Total</b>	<b>340</b>	<b>100.0</b>
2.	Age	20-30	24	7.1
		31-40	62	18.2
		41-50	34	10.0
		51-60	94	27.6
		60 and above	126	37.1
		<b>Total</b>	<b>340</b>	<b>100.0</b>
3.	Education	Higher Secondary	20	5.9
		UG	159	46.8
		PG	137	40.3
		Professionals	24	7.1
		<b>Total</b>	<b>340</b>	<b>100.0</b>
4.	Income	Up to 1 lakhs	35	10.3
		1 lakhs to 2 lakhs	59	17.4
		2 lakhs to 3 lakhs	179	52.6
		3 lakhs to 4 lakhs	53	15.6
		4 lakhs and above	14	4.1
		<b>Total</b>	<b>340</b>	<b>100.0</b>

Source: Primary data

The above table 1 indicates the demographic profile of the respondents. The gender wise distribution shows the 79.0 percent of sample of respondents (270) are male, 20.6 percent of sample of respondents (70) are female. Thus, it can be interpreted that the highest percent of gender is male.

The age wise distribution shows the 7.1 percent of the respondents (24) are in the age group between 20 - 30 years, 18.2 percent respondents (62) falls in the age group between 31-40 years, 10.0 percent of the respondents (34) from between 41- 50, 27.6 percent of the respondents (94) from between 51- 60 and 37.1 percent of the respondents (126) are in the age group between 60 and above. Thus, it can be interpreted that the highest percentage of age group between 60 and above years and lowest percentage of age group between 20-30 years.

It is found that the 5.9 percent of respondents (20) are completed higher secondary level, 46.8 percent of respondents (159) are completed Under Graduate level, 40.3 percent of

respondents (137) are studied Post Graduate level and 7.1 percent of the respondent(24) are professionals. Thus, it can be concluded that 46.8 percent of the respondents are Under Graduate level.

It is indicates that the income level of respondents there are 10.3 percent of the respondents (35) earned less than 1 lakhs, 17.4 percent of the respondents (59) are earning between 1 lakhs and 2 lakhs, 52.6 percent of the respondents (179) earned between 2 lakhs to 3 lakhs, 15.6 percent of the respondents (53) income is between 3 to 4 lakhs and 4.1 percent of the respondents (14) income is 4 lakhs and above. Thus, it can be concluded that 52.6 percent of the respondents earned between 2 lakhs to 3 lakhs.

**Table 2 One – way ANOVA test**

ANOVA						
Influencing Factors		Sum of Squares	df	Mean Square	F	Sig.
Bank Deposit	Between Groups	5.191	4	1.298	1.424**	.226
	Within Groups	305.312	335	.911		
	Total	310.503	339			
Mutual Fund	Between Groups	17.116	4	4.279	5.576**	.000
	Within Groups	257.057	335	.767		
	Total	274.174	339			
Insurance	Between Groups	9.535	4	2.384	2.548**	.039
	Within Groups	313.462	335	.936		
	Total	322.997	339			

Chit Fund	Betwe en Group s	8.356	4	2.08 9	2.82 7**	.02 5
	Withi n Group s	247.58 2	33 5	.739		
	Total	255.93 8	33 9			
Derivative s	Betwe en Group s	4.357	4	1.08 9	1.26 2**	.28 5
	Withi n Group s	289.22 0	33 5	.863		
	Total	293.57 6	33 9			
Real Estate	Betwe en Group s	19.204	4	4.80 1	4.72 3**	.00 1
	Withi n Group s	340.54 8	33 5	1.01 7		
	Total	359.75 3	33 9			
Foreign Currency	Betwe en Group s	16.646	4	4.16 1	3.74 7**	.00 5
	Withi n Group s	372.09 3	33 5	1.11 1		
	Total	388.73 8	33 9			
Gold	Betwe en Group s	4.177	4	1.04 4	1.20 6**	.30 8
	Withi n Group s	289.99 6	33 5	.866		
	Total	294.17 4	33 9			

Commodit ies	Betwe en Group s	10.599	4	2.65 0	2.71 9**	.03 0
	Withi n Group s	326.39 8	33 5	.974		
	Total	336.99 7	33 9			
Public Provident Fund	Betwe en Group s	29.111	4	7.27 8	7.46 0**	.00 0
	Withi n Group s	326.82 8	33 5	.976		
	Total	355.93 8	33 9			

**\*\*Significance at 1 percent level**

**Null Hypothesis:** There is no significant mean difference between Age Group and Investors satisfaction level of Investment among the respondents

**Alternative Hypothesis:** There is significant mean difference between Age Group and Investors satisfaction level of Investment among the respondents

The one way ANOVA is used for the sample of 340 to confirm the significant difference among the Investors level of satisfaction Investment in age groups with respect to independent variables. Independent variables such as Bank Deposit, Mutual Fund, Insurance, Chit Fund, Derivatives, Real Estate, Foreign Currency, Gold, Commodities and Public Provident Fund viz., 20-30 years, 31-40 years, 41-50 years, 51-60 years and above 60 years. Frequency distribution, mean, standard deviation, F ratio, p value and significant are calculated.

Age of the social media advertising user has influence on the independent variables, Bank Deposit, (F=1.424 and p=.226), Mutual Fund (F=5.576 and p =0.000), Insurance (F=2.548 and p=.039), Chit Fund (F=2.827and p=.025), Derivatives (F= 1.262 and p=.285), Real Estate (F=4.723 and p=.001), Foreign Currency (F =3.747and p=0.005), Gold (F =1.206 and p=0.308), Commodities (F =2.719 and p=0.030) and Public Provident Fund (F =7.460 and p=0.000). Hence, the p values are less than 0.05; so the null hypotheses are rejected at 5 percent level of significance.

From this one way ANOVA result, it is found that age of the Investors has significant differences with the independent variables towards influencing of satisfaction of investment.

**Table 3 Friedman Test**

	Mean Rank
Bank Deposit	5.97
Mutual Fund	4.36
Insurance	4.70
Chit Fund	5.26
Derivatives	4.36
Real Estate	7.04
Foreign Currency	7.17
Gold	4.21
Commodities	5.27
Public Provident Fund	6.66

Based on this mean rank of each variable has been found and arrange through Friedman rank order table. The null hypothesis has been rejected and alternative hypothesis has been taken. From the above table the mean can be seen at 4.21 in Gold. Followed by mean value of Mutual Fund is 4.36, Insurance mean value is 4.70, Chit Fund mean value is 5.26, Commodities mean value is 5.27, Bank Deposit mean value is 5.97, Public Provident Fund mean value is 6.66, Real estate mean value is 7.04 and Foreign Currency mean value is 7.17.

**Table 4 Friedman t-Test**

Test Statistics <sup>a</sup>	
N	340
Chi-Square	613.299
Df	9
Asymp. Sig.	.000
a. Friedman Test	

The Chi-square value  $\chi^2 = 613.299$

\*\*=Significant at 1 % level of Investors satisfaction in Investment. Since the above table 4 revealed that the p=value is 0.000 which is less than standard p=value .005. Null hypothesis ( $H_0$ ) rejected and alternative hypothesis ( $H_1$ ) has been accepted. Hence it is concluded that there is a significant association between various modes of Investor level of satisfaction on Investment.

## Findings

- It is found that the majority of the respondents are male (270).
- It is observed that the maximum of the respondents (126) are in the age group of above 60.
- It is revealed that the maximum of the respondents (159) are under Graduate level.
- It is found that the majority of the respondents (179) earned between 2 lakhs to 3 lakhs per annum.
- It is noted that one way ANOVA result satisfied level which is Bank Deposit, Mutual Fund, Insurance, Chit Fund, Derivatives, Real Estate, Foreign Currency, Gold, Commodities and Public Provident Fund with respect to age of the Investor satisfaction level in Investment.
- It is concluded that there is association relationship between Investors level of satisfaction in Investment.

## IV. CONCLUSION

This present study concluded that numerous avenues of investment are available today. In which bank deposit, mutual funds, real estate is very well developed. Based on the result most of investors are like to invest in mutual fund because, they won't take risk at all. But Government of India introduced many schemes for investors such as Sukanya Samriddhi Yojana, National Pension Scheme, Public Provident Fund, National Savings Certificate, Atal Pension Yojana, Pradhan Mantri Jan Dhan Yojana and Kisan Vikas Patra etc., But all investors want to invest in secure way which should be provided by the Government of India. So that, the effective and innovative ideas might be implemented and considered in our study area which is improved and developed our country's economic growth would be increased.

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