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TO STUDY THE PURPOSE OF SAVINGS OF SELECTED RESPONDENTS IN KARURDISTRICT

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Abstract

Information disclosure is seen as a necessary condition for the efficient operation of securities markets. Information is viewed as a link that connects all effective market participants. Following the establishment of these objectives, the individual should be knowledgeable about the mechanics of investing as well as the environment in which investment decisions are made. The study's goals were to look into the savings motivations of a group of people in Karur. The study's methodology consisted of 400 participants. The research is based on primary information. After testing the questionnaire's reliability and validity, the relevant primary data was acquired using a well-structured questionnaire. The study's secondary data came from research articles published in national and international publications, as well as published and unpublished theses from various degrees/diplomas (or) research projects. The study's most important findings are: The respondents' second goal was to commit to providing their children with a solid education and a nice marriage. Due to India's rigorous direct tax regulations, nearly one-fifth of respondents said they were saving for tax purposes. This research was suggested by, SEBI has been adopting various measures to make the primary securities market more efficient and vibrant. A healthy and regulated primary market is vital for mobilizing capital while maintaining the confidence of issuers, intermediaries and investors. Conclude this study, In this context, the investor need relevant information which, once appropriated by them in an efficient way, subsidizes the construction of 'new' knowledge.

Keywords: Savings, Investors, SEBI, etc.

I. INTRODUCTION

The new business environment is ever changing and needs lot of expertise to compete effectively. Due to vast development of the capital markets, investor's are now giving a great concern

to the credibility of the companies in which they are investing. Information disclosure is considered as an indispensable phenomenon for the effectual functioning of securities markets. Information is considered as a communication bridge between all

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efficient market associates. Information disclosure gains significant to maintain asymmetry between the investors and management, once they have made a deal. To evaluate the nexus among accounting data, The capital market study's primary goal is to gather relevant data and assess investor perceptions. Previous research studies focused on determining the implications of risk; as a result, they provide little insight on how investors perceive risk and how disclosures can aid in risk determination. The availability, usability, and adequacy of relevant information are critical for achieving pricing efficiency and market confidence. For investors to make accurate judgments about the value of stocks, complete relevant information is regarded essential.

The information search behaviour is a topic that has been discussed for a long time in the field of information science, and the studies completed in this scope aim to investigate how people search for information about a specific topic, taking into account cognitive aspects, sources used, and the need for information that drives these people. The information is crucial in the stock market since it deals with an environment where investors buy and sell shares of companies. In this situation, the investor need relevant information, which, once obtained in a timely manner, subsidises the creation of 'new' knowledge. It is the cornerstone of their analysis and subsequent decision-making. However, in this complicated scenario, where macroeconomic and microeconomic elements are always changing, in some cases the

Investors are led to move from a routine condition of information seeking to a state

of need as a result of unexpected circumstances, such as an economic crisis.

REVIEW OF LITERATURE

Chaturvedi and Khare (2012) The study looked at Indian investors' investment patterns and knowledge of various investment vehicles such as bank deposits, real estate, modest savings, life insurance schemes, bullions, commercial deposits, corporate security-bonds, mutual funds, and equity and preference shares. The study discovered that an individual's age, education, occupation, and income level have an impact on investment. The study's goals were to investigate investors' awareness of and preferences for various investment options available to them, as well as the factors that influence their perceptions and choices.

Anbar and Eker (2011) The researchers looked into the link between financial risk tolerance and demographic factors such age, gender, marital status, number of children, income, and total net assets. Logistic regression analysis, as well as T-test and ANOVA analysis, were utilised to analyse data from roughly 1,100 university students. Gender, department, and job title were all found to be significant indicators of financial risk tolerance in a logistic regression analysis. Gender, department, working in a job, monthly personal income, monthly family's total income, and total net assets were significant in differentiating individuals into risk tolerance levels, according to T- Test and ANOVA analysis, whereas age, marital status, and number of children had no significant effect on financial risk tolerance.

STATEMENT OF THE PROBLEM

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Many people find investing exciting because it allows them to participate in the decision-making process and witness the outcomes of their decisions. Investors do not always make the best investing selections over time, thus not all investments will be beneficial. Investing is a serious subject that can have a significant impact on an investor's financial well-being. Almost everyone makes an investment. Even if the person doesn't choose certain goods. Investments in stock, for example, are still made through membership in pension plans and employee savings programmes (or) through the purchase of life insurance (or) a home (or) in banks (or) post office savings schemes (or) through some other mode of investment, such as real estate investing (Property). Each of these investments has aspects in common, such as the possible return and the risk involved. The Individuals should begin by defining their investment objectives. Following the establishment of these objectives, the individual should be knowledgeable about the mechanics of investing as well as the environment in which investment decisions are made. These include the process of issuing securities and then buying and selling them, as well as the laws and tax laws enacted by various levels of government and the numerous sources of investing information available to individuals. As a result, the current study aims to contribute to the advancement of knowledge in this field by determining how investors perceive savings information when making investment decisions. The following questions are addressed in this research:

1. What are investors' thoughts of how accounting information contained in

business annual reports can be relevant for investment purposes?

OBJECTIVES OF THE STUDY

4. The goal of this study was to look into the savings motivations of a group of Karur residents.

5. RESEARCH METHODOLOGY

The current research is exploratory as well as descriptive. This is an exploratory stage of the inquiry. This was accomplished in two steps. The first step is to conduct a thorough secondary search on the theoretical foundation of personal financial planning and financial management methods. At the second step, a survey method was used to conduct a descriptive research. The study's data was gathered from the general people in the Karur district. A closed-ended questionnaire was utilised to collect data, and it addressed the demographic and social profiles of the respondents, as well as personal financial investing factors. Tamilnadu is heavily involved in agriculture as well as industrial activities. For the purposes of the study, the Karur District was chosen for the reasons stated above. The study employed both stratified and casual sampling strategies. For starters, revenue divisions were used to stratify geographically. Karur and Kulithalai are the two divisions that make up the Karur District. The convenience sampling approach was employed to obtain sample responders from the designated towns/villages. A minimum of 15 and a maximum of 60 respondents were chosen based on the economic and financial background of the towns/villages. This study has 400 participants. The research is based on primary information. After that, the

relevant primary data was acquired using a well-structured questionnaire.

Its reliability and validity measures are being tested. The study's secondary data came from research articles published in national and international publications, as well as published and unpublished theses from various degrees/diplomas (or) research projects. Descriptive statistics is a branch of statistics that deals with quantitatively summarising the major characteristics of a set of data (or the quantitative description itself). Measures of central tendency and measures of variability or dispersion are two often used measures to describe a data set. To assess the association between the various variables, the Chi-square test was employed to compare the observed data of the respondents with the data expected to be obtained according to the specific hypothesis proposed in this study.

ANALYSIS AND INTERPRETRATION

Table 1 Opinion about Purpose of Savings

Purpose of Savings	No		Yes		Total
	N	%	N	%	
Future Needs	148	37	252	63	400
Children's Education / Marriage	254	64	146	37	400
Medical Expenses	348	87	52	13	400
Retirement Planning	327	82	73	18	400
Travel Needs	395	99	5	1	400
Maintain Society Status	381	95	19	5	400
Tax Savings	317	79	82	21	399
Construction Needs	356	89	44	11	400

. PURPOSE OF SAVINGS

Nearly 70% of household savings are still deposited in banks. Over the last decade, the ratio has only shifted slightly. Even now, only a small portion of the population choose to invest in equities and corporate bonds. The main reason for this is a lack of knowledge and sufficient counselling regarding such investing opportunities. Even when information and guidance were available, they usually had little to do with the investor's best interests. The conflict emerges as a result of a misalignment of perceptions about the aim of saving and the available investing options. An investor believed that a particular investment option would not allow him to achieve his goal of saving money. The current study gathered the respondents' true reasons for saving, which are described in

Other Purposes	392	98	8	2	400
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Source: Primary Data

The goal of preserving, as seen in the table above, is to satisfy "feature needs," which takes the lead (63 percent) over other reasons given by the respondents. The respondents' second goal was to commit to providing their children with a solid education and a nice marriage. Due to India's rigorous direct tax regulations, nearly one-fifth of respondents said they

were saving for tax purposes. The chi-square test was also performed to determine the relationship between the Purpose of Savings and the profile of the respondents, and the results of the test are displayed in Table 5.16.

Null Hypothesis: There is no significant relationship between the respondents' chosen socio-demographic profile and their Savings Goals.

Table 2 — Chi square Test- Purpose of savings

Purpose of savings	Age	Gender	Marital Status	Educational Status	Annual Income	Number of Dependents	Occupational Status	Age of Youngest Child Living with
Future Needs	3.93	1.26	10.05**	39.31**	18.48**	35.44**	87.74*	21.04**
Children's Education / Marriage	16.50**	0.17	63.20**	22.53**	29.33**	11.26*	62.52*	54.55**

Medical Expenses	13.00 **	0.69	21.39 **	29.00 **	18.02 **	12.85*	55.48* *	32.49**
Retirement	24.57	12.89*	13.73	13.64	47.21	41.14**	81.91*	25.33**

Planning	**	*	**	**	**		*	
Travel Needs	1.53	0.94	0.11	5.19	14.44 **	15.11*	75.31* *	3.69
Maintain Society Status	16.50 **	2.70	0.42	4.19	6.02	54.40**	66.03* *	5.51
Tax Savings	27.73 **	0.07	8.28*	34.90 **	54.49 **	19.28**	110.27 **	13.44**
Construction Needs	1.05	0.36	2.79	25.53 **	5.17	16.74**	45.90* *	10.76*
Other Purposes	7.92*	0.01	0.21	23.81 **	7.23	9.21	19.37	6.61

* Significant at 5% level,

** Significant at 1% level.

6. The chi-square test yielded mixed results, as shown in the table above. For example, with the exception of Age and Gender, there is a substantial relationship between the intention of saving for 'feature needs' and the selected socio-demographic characteristics. Similarly, with the exception of gender, the goal of saving for children's welfare has a substantial relationship with the selected socio-demographic characteristics. The similar outcome was obtained when saving for 'Medical Expenses.' The objective of saving for retirement is revealed to be strongly linked to the respondents' selected

socio-demographic factors. Except for Gender, the goal of saving by respondents to save tax has a significant relationship with the specified socio-demographic characteristics. Overall, the above idea is somewhat supported and partially rejected.

7. SUGGESTION OF THE STUDY

Primary Securities Market

SEBI has taken a number of steps to improve the efficiency and vibrancy of the primary securities market. For mobilisation, a robust and regulated primary market is essential.

while retaining issuers', intermediaries', and investors' confidence Regulations governing the main market have been updated from time to time to keep up with the changing economic climate and to meet the concerns of various market participants, particularly issuers and the investing community. Such measures are meant to make it easier for businesses to raise capital while also maintaining proper investor protection.

Strengthening the Continuous Disclosure Requirements for Listed Entities

The level of disclosure differed among listed firms, which often resulted in such disclosures complying to the letter but not the spirit of the disclosure standards, resulting in asymmetric information with different types of investors. Continuous disclosure rules were changed to address these concerns, provide direction, and strengthen the compliance culture. The regulatory requirements currently separate the events that must be declared by listed entities into two categories: those that must be disclosed regardless of materiality and those that should be disclosed if the listed entity considers them material. The listing requirements now incorporate criteria for establishing the materiality of the events/information in order to provide assistance. A publicly traded corporation must also develop a policy for determining materiality based on the criteria outlined, which must be adopted by its board of directors and made publicly available via disclosure on its website. A list of the types of information that could be revealed whenever an event happens has also been defined. To guarantee prompt disclosures without overburdening listed businesses,

the regulations mandate that such disclosures be made as soon as reasonably possible, but no later than 24 hours after the incident has occurred. Board meeting results, on the other hand, must be made public within 30 minutes after the meeting's conclusion.

Investor education and awareness

SEBI focused on increasing investor knowledge and education, as well as broadening its access to investors, in order to fulfil its mandate of investor protection. Education and training

Awareness (together with grievance redress) were also hot topics for capacity building and raising investors' confidence and awareness when it came to investing in the stock market.

4. Investor Awareness Programmes/ Workshops

SEBI continues to work with investors' associations (IAs) to run programmes that will help to synergize and cover new locations, particularly tier II and tier III cities/towns. SEBI also runs programmes in collaboration with other organisations. Over 1,350 programmes have been carried out since the campaign began.

CONCLUSION OF THE STUDY

The information search behaviour is a topic that has been discussed for a long time in the field of information science, and the studies completed in this scope aim to investigate how people search for information about a specific topic, taking into account cognitive aspects, sources

used, and the need for information that drives these people. The information is crucial in the stock market since it deals with an environment where investors buy and sell shares of companies. In this situation, the investor need relevant information, which, once obtained in a timely manner, subsidises the creation of 'new' knowledge. It is the cornerstone of their analysis and subsequent decision-making. However, in this complicated setting, in which changes are constant due to macroeconomic and microeconomic causes, investors may be persuaded to move from a routine state of information seeking to a state of need as a result of extraordinary circumstances, such as an economic crisis.

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