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TO STUDY THE PURPOSE OF SAVINGS OF SELECTED RESPONDENTS IN KARUR DISTRICT

Dr. Ganga Dhar

Professor

Shri JYT University Rajasthan

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data came from research articles published in national and international publications, as well as published and unpublished theses from various degrees/diplomas (or) research projects.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

indispensible phenomenon for the effectual functioning of securities markets. Information is considered as a communication bridge between all 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 study of 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, 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. Because it deals with an environment where investors purchase and sell company shares, knowledge is critical in the stock market. In this case, the investor need fast access to relevant information, which subsidises the generation of 'new' knowledge. It serves as the foundation for their analysis and subsequent decisions. However, in this complex setting, where macroeconomic and microeconomic components are always changing, the outcome can be unpredictable in some cases.

As a result of unanticipated events, such as an economic crisis, investors are led to switch from a normal state of information seeking to a state of need.

REVIEW OF LITERATURE

Chaturvedi and Khare (2012) The study examined Indian investors' investment patterns and understanding of several investment vehicles, including bank deposits, real estate, small savings, life insurance schemes, bullions, commercial deposits, corporate security-bonds, mutual funds, and equity and preference shares. Age, education, occupation, and income level all have an impact on investment, according to the study. The study's objectives were to look at investors' knowledge of and preferences for various investment possibilities, as well as the factors that influence their views and decisions.

Anbar and Eker (2011) The researchers investigated the relationship between financial risk tolerance and demographic variables such as age, gender, marital status, number of children, income, and total net assets. Data from around 1,100 university students was analysed using logistic regression analysis, as well as T-test and ANOVA analysis. In a logistic regression analysis, gender, department, and job title were all revealed to be significant determinants of financial risk tolerance. Gender, department, work experience, monthly personal income, monthly family total income, and total net assets all played a role in categorising people into risk tolerance groups. Age, marital status, and the number of children showed no significant effect on financial

risk tolerance, according to T- Test and ANOVA analysis.

STATEMENT OF THE PROBLEM

Investing appeals to many people because it allows them to participate in the decision-making process and see the results of their choices. Investors do not always make the greatest long-term investment decisions, so not all investments will be profitable. Investing is a serious topic that can have a big impact on a person's financial situation. Almost everyone makes a financial commitment. Even if the individual does not select particular things. Stock investments, for example, are still made through pension plans and employee savings programmes (or) the purchase of life insurance (or) a home (or) in banks or post office savings schemes (or) some other manner of investment, such as real estate investing (Property). Each of these investments has some characteristics in common, such as the potential return and the associated risk. Individuals should start by determining their investment goals. Following the definition of these goals, The person should understand both the mechanics of investing and the context in which investment decisions are made. The process of producing securities and then buying and selling them, as well as the rules and tax loans established by various levels of government and the myriad sources of investment information available to individuals, are all examples. As a result, the current research intends to increase understanding in this sector by evaluating how investors interpret savings data while making investment decisions. In this study, the following questions are addressed:

1. What are investors' perspectives on how accounting data found in annual reports of businesses might be useful for investment purposes?

2. OBJECTIVES OF THE STUDY

4. The purpose of this study was to investigate a group of Karur inhabitants' savings motivations.

5. RESEARCH METHODOLOGY

The current study is both exploratory and descriptive. This is the preliminary stage of the investigation. This was carried out in two steps. The first step is to perform a comprehensive secondary search on the theoretical underpinnings of personal financial planning and financial management approaches. A survey method was employed to perform descriptive research in the second step. The data for the study was collected from the general public in the Karur district. The data was collected via a closed-ended questionnaire that asked about the respondents' demographic and social characteristics, as well as personal financial investing considerations. 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 measurements of reliability and validity are being put to the test. The study's secondary data originated from published and unpublished theses from various degrees/diplomas (or) research projects, as well as research articles published in national and international periodicals. Descriptive statistics is a discipline of statistics concerned with quantitatively summarising a set of data's primary characteristics (or the quantitative description itself). Two often used measurements to describe a data collection are measures of central tendency and measures of variability or dispersion. The Chi-square test was used to compare the observed data of the respondents with the data expected to be acquired according to the specific hypothesis given in this study to analyse the connection between the various variables.

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

ANALYSIS

AND

INTERPRETRATION

. PURPOSE OF SAVINGS

Approximately 70% of family savings are still held in banks. The ratio has only moved significantly during the last decade. Even now, only a small percentage of the population chooses to invest in stocks and bonds. The fundamental reason for this is a lack of understanding and adequate advice on such investment prospects. Even when information and recommendations were available, it was almost always irrelevant to the investor's best interests. A misalignment of ideas regarding the goal of saving and the available investing possibilities causes the conflict. An investor feared that a particular investment option would prevent him from reaching his financial goals. The current study gathered the respondents' genuine savings motivations, which are outlined below.

Tax Savings	317	79	82	21	399
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Construction Needs	356	89	44	11	400
Other Purposes	392	98	8	2	400

Source: Primary Data

As shown in the table above, the primary purpose of preservation is to satisfy "feature needs," which takes the lead (63 percent) over other reasons mentioned by respondents. The respondents' second goal was to commit to providing a good education and a happy marriage for their children. Nearly one-fifth of respondents stated they were saving for tax purposes

Table 2 — Chi square Test- Purpose of savings

because of India's strict direct tax legislation. The results of the chi-square test were used to determine the link between the Purpose of Savings and the respondents' profiles, and the results are shown in Table 5.16. No significant link exists between the respondents' chosen socio-demographic profile and their Savings Goals, according to the null hypothesis.

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. As seen in the table above, the chi-square test showed mixed findings. There is a significant association between the intention of saving for 'feature needs' and the selected socio-demographic factors, with the exception of Age and Gender. Similarly, the purpose of saving for children's welfare has a significant link with the selected socio-demographic factors, with the exception of gender. When saving for 'Medical Expenses,' a similar result was attained. The respondents' chosen socio-demographic characteristics are found to be closely linked to their goal of saving for retirement. With the exception of gender, the intention of respondents saving to save tax has a substantial association with the socio-demographic indicators listed. In general, the above concept is somewhat accepted and partially rejected.

7. SUGGESTION OF THE STUDY

Primary Securities Market

SEBI has taken a number of efforts to improve the main securities market's efficiency and vibrancy. A stable and regulated primary market is required for mobilisation, while maintaining the trust of issuers, intermediaries, and investors. The major market's regulations have been modified on a regular basis to keep up with the changing economic climate and to address the concerns of various market participants, particularly issuers and investors. Such regulations are intended to make it easier for firms to raise capital while simultaneously ensuring that investors are adequately protected.

Strengthening the Continuous Disclosure Requirements for Listed Entities

The level of disclosure varied among listed companies, resulting in disclosures that followed the letter of the law but not the

spirit of the law, leading in asymmetric information for different types of investors. To address these issues, give direction, and develop the compliance culture, the continuous disclosure requirements were revised. Currently, the regulatory requirements divide the events that must be declared by listed businesses into two groups: Those that must be declared regardless of materiality, as well as those that should be disclosed if the listed entity deems them to be material. In order to provide help, the listing standards now include criteria for determining the materiality of the events/information. A publicly traded firm must also construct a materiality policy based on the outlined criteria, which must be accepted by its board of directors and made publicly available via disclosure on its website. A list of the different forms of data that could be exposed if an event occurs has also been defined. The regulations require that such disclosures be made as soon as reasonably practicable, but no later than 24 hours after the incident has happened, in order to ensure fast disclosures without overburdening listed corporations. The results of board meetings, on the other hand, must be made public within 30 minutes after the meeting's end.

Investor education and awareness

7. In order to fulfil its mandate of investor protection, SEBI concentrated on expanding investor knowledge and education, as well as broadening its access to investors. Training and education

8. Investor confidence and awareness were also hot themes for capacity building and improving investors' confidence and awareness when it comes to investing in

the stock market (together with grievance resolution).

9. Investor Awareness Programmes/ Workshops

10. SEBI continues to collaborate with investors' associations (IAs) on programmes that will help to synergize and expand coverage of new geographies, particularly tier II and tier III cities/towns. SEBI also collaborates with other organisations to develop programmes. Since the campaign began, over 1,350 programmes have been implemented.

11. CONCLUSION OF THE STUDY

10. SEBI continues to collaborate with investors' associations (IAs) on programmes that will help to synergize and expand coverage of new geographies, particularly tier II and tier III cities/towns. SEBI also collaborates with other organisations to develop programmes. Since the campaign began, over 1,350 programmes have been implemented.

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 serves as the foundation for their analysis and subsequent decisions. Investors may be convinced to transition from a normal state of information seeking to a state of need as a result of extraordinary events, such as an economic crisis, in this multifaceted situation, where changes are constant due

to macroeconomic and microeconomic reasons.

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