

*A Study on Working Women Investing on Gold Ornaments
rather than Gold Bonds*

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Abstract: *The main theme of this research work is to find the women perception on investing in Gold ornaments rather than Gold bonds. Gold ornaments have been used by Indian civilization since ages for both aesthetic as well as investment purposes. Investment is an economic activity of putting to productive use the money saved, to earn a reasonable return on the funds instead of keeping it idle undertaking a reasonable level of risk. The data has been collected from 150 respondents across the city of Bengaluru mainly focusing on women working in IT sector. The researchers have used convenient sampling method to collect the data. The study indicates that women tend to invest more on Gold ornaments rather than Gold bonds due to many reasons and most of the women are unaware of Gold bonds.*

Keywords: *Gold Ornaments, Gold Bonds, Investment, Level of risk.*

I. INTRODUCTION

Over the past few decade women have undergone a huge change regarding the investment pattern. Many working women save funds which are invested in various investment portfolio's which in turn leads to capital formation in the economy and growth of the nation. Nowadays women are equal to men regarding the investment perception and likely to take certain level of risk in their investment portfolio.

Investment refers to the commitment of funds at present, in anticipation of some positive rate of return in future. In the present day, the financial markets are quite complex, with each investor having his or her own specific financial needs based on his financial goals and risk appetite. Investment is commitment of funds in the purchase of financial instruments and other asset classes today to generate income in the future. Investment made in different sectors is the most important determinant of growth of the economy. Both private and public sector investment needs are largely satisfied by the flow of funds from the public.

SGBs are government securities denominated in grams of gold. They are substitutes for holding physical gold. Investors must pay the issue price in cash and the bonds will be redeemed in cash on maturity. The Bond is issued by Reserve Bank on behalf of Government of India.

II. REVIEW OF LITERATURE

Mehrotra .N, (June, 2004) has concluded that women tend to buy gold as security for the future and it is the belief in Goddess Laxmi as perceived by Indians which showers them with wealth and prosperity.

Collard .S, (Jan, 2009) has concluded that both men and women tend to be risk averse (women in particular), and seek to minimize losses rather than maximize gains, even in relation to long-term investments such as a pension.

Wang .L, (Dec, 2011) has explained that an investor should add gold to the investment portfolio as, gold can diversify the risks of stocks and bonds, and therefore, enhance the portfolio 's ability of bearing risks in the crisis.

Dr. Achar .A, (Aug, 2012) has concluded that the popular savings and investment avenues used by the teaching community in the study region include postal savings/ National Saving Certificate (NSC), life insurance, public provident fund, real estate, jewellery/gold, corporate securities, and bank deposits.

Prof. CA Yogesh Patel, (Oct, 2012) concluded that safety and security which were once upon a time the main reasons for investment are no longer the major criteria that determine the choice of investment.

Moors .A, (Jan, 2013) has concluded that gold & jewelry is both an economic resource for women, and a means to present a certain status, with women's access to gold strongly structured through kin relations and marriage.

Prof. Bhavsar .H, (Mar, 2013) has concluded that the most important reason why a woman saves is because of a "Precautionary" motive and the main motive behind investing is to fulfill their personal and financial goals.

Branson .J, (April, 2014) the Study clearly indicates that household people save in gold with the motive of self-supportiveness. As consumers, have adjusted their price expectations upwards, a further rise in gold jewellery and investment demand is anticipated and this trend is projected to continue over the long-run as local investors are buying gold driven by wealth accumulation motives.

Dr. N. Dharani & Dr. M. Inbalakshmi, (Oct, 2014) concluded that the working women investors have different expectations from the investment as their needs differ such as savings, safety, interest and capital appreciation.

Jain .R, (Dec, 2014) has concluded that the most important reason why a woman saves is because of a "Precautionary" motive and the main motive behind investing is to fulfill their personal and financial goals.

Reddy .K .S & Narayanan .L, (Jan, 2015) has concluded that women investors are attracted by providing right information and knowledge about various investment avenues through advertisement / counseling.

G.G Bhuvaneswari & Dr. M Muthupandi, (July, 2015) has concluded that the status symbol has dominated more for purchase of gold ornaments. It is found that there is significant relationship between the amount spent on buying gold ornaments and the income pattern.

Shukla S. N, (Feb, 2016) states that the study it is evident that working women invest in various investment avenues.

A. K Fathima & Dr. A. Hamil, (April, 2016) states that buyer's investment behavior changes depending up on their age, gender, income, occupation and their expectation level on return. Majority of working people prefer to buy gold for their own use. There is no relationship between occupation and purpose of purchasing gold among respondents.

B Rammya & Dr. Raghavendra Rao .B, (March, 2017) has concluded that women have become independent and are in a better position to choose their investment avenue on their own and to decide where to invest, how much to invest, when to invest and how to invest.

III. OBJECTIVES

The objectives of the study are:

1. To study the pattern of working women investing on gold ornaments rather than gold bonds.
2. To study the other alternative investment patterns.

3. To analyze the investment objective of the working women

IV. SCOPE OF THE STUDY

The scope of the study is restricted to working women in Bengaluru particularly in IT sector.

V. METHODOLOGY

The study is a descriptive study which mainly focuses on the investment perception of working women regarding Gold Ornaments rather than Gold Bonds. The researcher seeks to describe how women invest, why do they invest, how much do they invest and where do they invest. The researcher has used the primary source of data that has been collected through structured self-administered questionnaire by administering it to women employees in private companies (IT sector).

5.1 SAMPLE SIZE:

The researcher collected data from 150 respondents working in private companies (IT sector) in Bengaluru.

5.2 STATISTICAL TOOLS:

The researcher has used the following tools for analysis namely percentage analysis and charts, cross percentage analysis, Chi-Square Test.

VI. DATA ANALYSIS AND INTERPRETATION

Analysis of the collected and tabulated data helps the researcher in arriving at the pertinent findings from where conclusions and suggestions can be arrived at. The researcher has used tools like percentage analysis etc. and has made use of SPSS package for analysis.

Table 1.1

Age * Do you invest in gold ornaments? Crosstabulation				
Count				
		Do you invest in gold ornaments?		Total
		yes	no	
Age	18-30	55	36	91
	31-40	32	8	40
	41-50	13	2	15
	51-60	3	1	4
Total		103	47	150

Source: Survey Data

From the above table, we can find that nearly 68.67% of the women employed in IT sector are investing in Gold Ornaments and the maximum investment comes from the age group of 18-30 and 31-40 years i.e. nearly 84.4% which states that women in younger age group invest more on Gold Ornaments and this is a good sign for them as well as for the country.

H₁ – H₀: There is no significant difference investing in Gold ornaments rather than Gold bonds.

H₁: There is a significant difference investing in Gold ornaments rather than Gold bonds.

Table 1.2

What are the reasons for buying gold ornaments?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	religious purpose	9	6.0	6.0	6.0
	status symbol	11	7.3	7.3	13.3
	investment purpose	30	20.0	20.0	33.3
	own use	81	54.0	54.0	87.3
	gift purpose	13	8.7	8.7	96.0
	other reasons	6	4.0	4.0	100.0
	Total	150	100.0	100.0	

The above table shows that nearly 54% of women tend to invest on gold ornaments for their own use and 20% for investment purpose for future gain.

Table 1.3

Have you ever invested in gold bonds?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	26	17.3	17.3	17.3
	no	124	82.7	82.7	100.0
	Total	150	100.0	100.0	

The above table indicates that 82.7% of women are unaware of Gold bonds and its significance due to many reasons such as women tend to prefer Gold ornaments rather than Gold bonds because they can use Gold ornaments for their own purpose and might not be aware of Gold bonds. And only 17.3% of women are aware and have invested in Gold bonds because of its factors like risk, liquidity and safety because it is issued by RBI on behalf of central government.

H2 – H0: There is no significant relationship between alternative investment and age group.

H1: There is a significant relationship between alternative investment and age group.

Table 1.4

Age * Alternative investment rather than gold ornaments? Crosstabulation									
Count		Alternative investment rather than gold ornaments?							Total
		insurance	banks	post office	equities	real estate	mutual funds	government securities	
Age	18-30	13	32	8	7	10	18	3	91
	31-40	4	7	6	4	9	7	3	40
	41-50	3	3	0	2	3	3	1	15
	51-60	0	0	2	0	0	0	2	4
Total		20	42	16	13	22	28	9	150

Table 1.5

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	33.863 ^a	18	.013
Likelihood Ratio	28.107	18	.060
Linear-by-Linear Association	3.804	1	.051
N of Valid Cases	150		

Table 1.6

Alternative investment		Frequency	Percent
Valid	insurance	20	13.3
	banks	42	28.0
	post office	16	10.7
	equities	13	8.7
	real estate	22	14.7
	mutual funds	28	18.7
	government securities	9	6.0
	Total	150	100.0

Source: Survey data

Based on the above analysis, we can conclude that there is a significant relationship between alternative investment and age group. Nearly 28% of the respondents prefer banks (fixed deposit) as their other alternative investment and in that 76.2 % are of 18-30 years of age group.

H3 – H0: There is no significant difference between the monthly income and the proportion of income which they invest.

H1: There is a significant difference between the monthly income and the proportion of income which they invest.

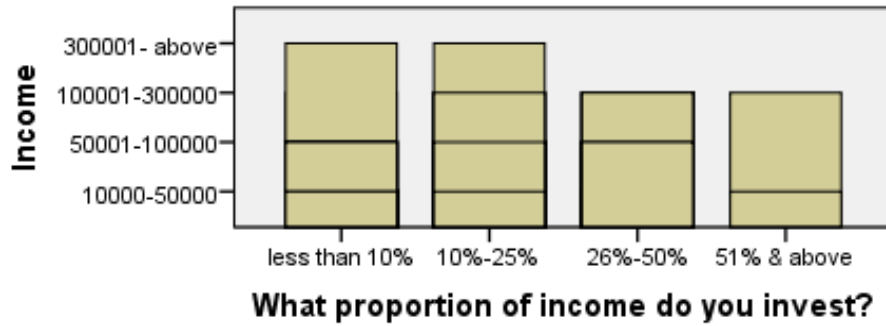


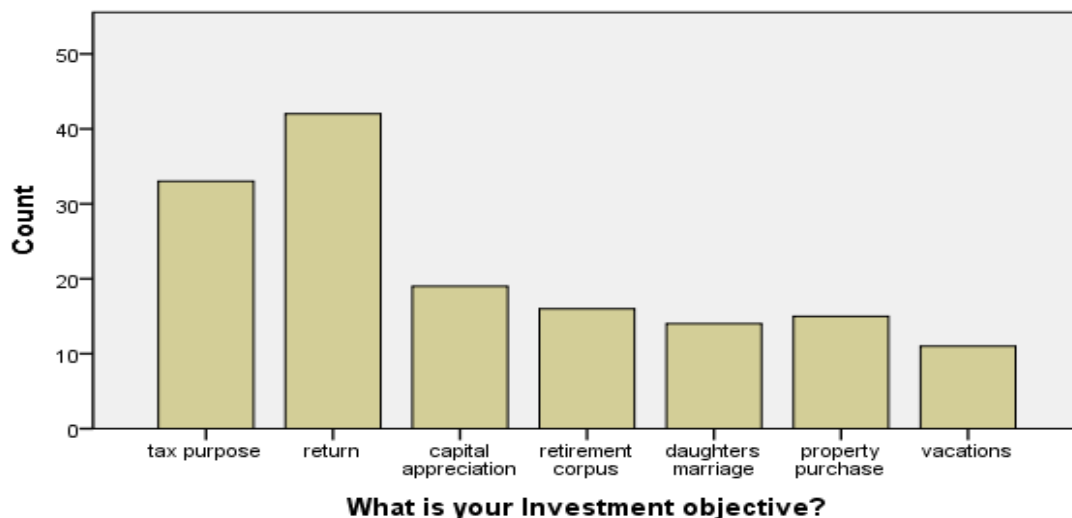
Table 1.7
Income * What proportion of income do you invest? Crosstabulation

Count		What proportion of income do you invest?				Total
		less than 10%	10%-25%	26%-50%	51% & above	
Income	10000-50000	53	32	10	1	96
	50001-100000	8	14	15	0	37
	100001-300000	1	4	9	1	15
	300001- above	1	1	0	0	2
Total		63	51	34	2	150

Table 1.8
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.725 ^a	9	.000
Likelihood Ratio	37.724	9	.000
Linear-by-Linear Association	24.321	1	.000
N of Valid Cases	150		

The above table indicates that there is a significant difference between the monthly income and the proportion of invest which they invest. Respondents have their own have perception about how much of their income must be invested in various portfolio's.



The above graph indicates the number of respondents and their investment objective. Most of the respondents have the investment objective as returns on their portfolio's. Some respondents have their investment objective as tax purpose and many more. Investment are made to reduce tax and earn more returns on their investment.

VII. FINDINGS

- 84.4% of women in younger age group (18-30 years) invest more on Gold Ornaments and this is a good sign for them as well as for the country.
- 82.7% of the women are unaware about the Gold bonds and its significance.
- 42% of the women invest less than 10% of their income and 34% have been invest from 10% -25% of their income in differ various asset classes.
- Most of the respondents have their investment objective as their returns tax purpose.
- Many respondents have their other alternative investment as fixed deposit in banks rather than Gold ornaments.
- 17.3% of the respondents have been invested in Gold bonds.

VIII. CONCLUSION

Women have become independent and are in better position to invest on their own and to know how to invest based on their risk class, how much to invest, where to invest and when to invest. Buyer's investment behavior changes depending up on their age, gender, income, occupation and their expectation level on return. The study indicates that women tend to invest more on Gold ornaments rather than Gold bonds due to many reasons and most of the women are unaware of Gold bonds. Women tend to buy more gold in order to maintain status and for future safety. Gold plays a major role as a part of investment portfolio for an individual in order to diversify risk class.

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