



## Systematic Investment Plan (Sip) Among Working Employees In Pumo Technovation India Private Limited Coimbatore

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Date of Submission: 08-05-2024

Date of Acceptance: 21-05-2024

**ABSTRACT:** Systematic investment plan (SIP) among working employees in large number of investors interested in high returns but less risk with investments in instalments. The purpose of the study is to find out the motivating factor to invest in systematic investment plan and the problem in this scheme. Sample of 124 respondents who are SIP holder belonging in Pumo Technovation India Private limited in Coimbatore has been taken for the purpose of the study. Data have been collected from primary sources using questionnaire method. Collected data were analysed using various statistical tools. Results of the study found that for higher return with low risk the investor motivates to invest in systematic investment plan on the other hand knowledge and operational platform is one of the main barrier that investor are facing of scheme.

**Keywords:**

Investment, Portfolio, Systematic Investment Plan(SIP), Awareness, Investors

### I. INTRODUCTION:

A systematic investment plan (SIP) is good tool that retail investors can utilize to optimize their investment strategy. SIP is nothing but a simple method of investing a fixed sum of money in a specific investment scheme. On a regular basis, for a pre-determined period of time. A recurring deposit with the post office or a recurring deposit with a bank also a SIP. Systematic investment plan was already famous and proven in mutual fund context but now SIP has also come directly into equity stocks which is essentially individual stocks. equity SIP is a new facility through which you can buy a script for a regular interval over a period of time for specified amount or for a specified quantity. Investing in mutual fund is not everybody's cup of tea. Being dependent on factors such as a fluctuating stock market and risking your hard-earned money for a meagre profit does not really help. If you are a disciplined investor however, and are interested in mutual

funds, then the equity systematic investment plan (SIP) would work well for you.

SIP requires you to invest a particular amount in a specific mutual fund scheme. In comparison, it functions must like a recurring deposit. You can plan a savings scheme for yourself and commit a particular sum of money each month on a pre-fixed date to the scheme. You can begin with as low as Rs 500 in ELSS (equity linked saving schemes) schemes and move on to Rs 1000 a month for other diversified schemes. SIP follows a simple mantra – buy when high and sell when low. This is a simple way to win in the stock markets.

However, the market needs to be timed well and this will take some time to figure out for the novice or busy player. That's where SIP with its monthly pay scheme comes into the picture. Putting in a sum of money each month will ensure that you have something in when the market is high, and when it is low securing your position in an unstable market.

### II. LITRATURE REVIEW:

**Reema Dominic et.al., (2023)** "A study on investors perception about systematic investment plan (SIP): An alternative investment option: with special reference to salaried employees in ernakulam district" This study tries to analyze the use of mutual funds under a systematic investment plan (SIP). The study's goal is to identify the driving forces behind SIP investment. Through the use of a well-written questionnaire, respondents were interviewed in order to explore their demographic profiles and their mutual fund investments under a systematic investment plan.

**Deepak Gupta et.at., (2023)** "The preception of Investment in SIP (Systematic Investment Plan) among individual investors" the research is done to determine the percentage of bank clients who invest in mutual funds, particularly through SIP, with particular reference to individual investors



living in Lucknow, India. According to the results of the current investigation, higher income individuals have a tendency to take more risks, and employees typically favor investments in fixed deposits, bonds, and post offices.

**Vishva Gangani et.al.,(2022)** “A study on comparing investor behavior toward traditional investment plan & mutual fund in Surat” in this study Indian mutual fund industry is growing at a good pace. But large segment of investors are still outside the umbrella of the industry. The aim of study was preference about various schemes for asset in mutual fund and factors considered by the investors while making invest in mutual fund. Safety, high return, tax benefits, and low risk are the factors that you feel are important while making investment in mutual fund or traditional investment plan.

#### STATEMENT OF PROBLEM

Investment funds have drawn a large number of investors and played a significant role in the growth of the Indian economy. The prevailing perception among investors is that all investing possibilities on the financial markets are dangerous. Investors select several investing options based on their goals and risk tolerance. Mutual funds appear to be the most universally appealing investment option since they are regarded as a safer option, particularly when used as part of a systematic investing plan. Market for mutual funds is favored as the most profitable market for Indian investors as it offers diverse investment structure options with varying levels of risk. A major challenge in the mutual fund industry today is raising investor awareness. Since then, the need for research has been raised to know investor preferences, perceptions and perceptions of investment patterns for SIP.

#### OBJECTIVES

- To analyze the perception of employees investment decision in Systematic Investment Plan
- To identify the investment patterns of working employees regarding Systematic Investment Plan
- To compare the Systematic Investment plan with other types of investment
- To know how socio-economic factors influence the participants and effectiveness of SIP's among working employees
- To understand the Systematic Investment Plan is helping working individuals achieve their long term financial goals

#### III. RESEARCH METHODOLOGY:

The research methodology adopted for this study was primarily descriptive, aiming to offer a detailed, accurate, and succinct depiction of Systematic Investment Plan (SIP) among working employees with a specific focus on Pumo Technovation India private limited. To gather the requisite data, primary data sources were utilized. Primary data were collected through structured interviews with the employees of Pumo Technovation India private limited. The interviews comprised both open-ended questions, allowing respondents to share their thoughts and provide detailed information beyond the scope of the questionnaire, and closed-ended questions, which included multiple choice, dichotomous, and ranking questions, along with a rating scale.

The study is conducted with working employees in Pumo Technovation India Private Limited. A sample size of 124 was selected using the simple random sampling procedure. The sample includes employed populations since they are invested in Systematic Investment Plan (SIP), their responses determine the reliability of the survey. A survey method is used for collecting data with the help of a questionnaire. The responses from the respondents were collected and analyzed using the simple percentage method.

#### METHODS OF COLLECTION

Primary data:

Primary data is collected through the administration of structured questionnaires to employees of Pumo Technovation India Private limited. It is collected with the research project in mind, directly from primary sources. The primary data was collected through a questionnaire.

The commonly used statistical tools for analysis of collected data are:

- Simple percentage analysis
- Anova
- Chi-square test
- Correlation

#### SIMPLE PERCENTAGE ANALYSIS

Percentage refers to a special kind of ratio. Percentage is used in making comparison between two or more series of data. Percentage is used to describe relationship. Percentage can also be used to compare the relationship.

#### ANOVA

ANOVA is a solid measurable method that is utilized to show distinction between at least two methods or segments through importance tests. It



likewise shows us an approach to make various correlations of a few population implies.

**CHI-SQUARE TEST**

Rate estimation, connections are the measurable apparatuses utilized for examination on this task. There are momentarily clarified in the accompanying. A rate investigation is utilized to decipher information by the utilization of rate. The information are decreased in the norm from with base equivalent to 150 which actuality offices relative examination. Straightforward rate investigation.

**CORRELATION**

There are several different correlation techniques. The survey systems optional statistics module includes the most common type, called the person or product moment correlation. The module also includes a variation on this type called partial

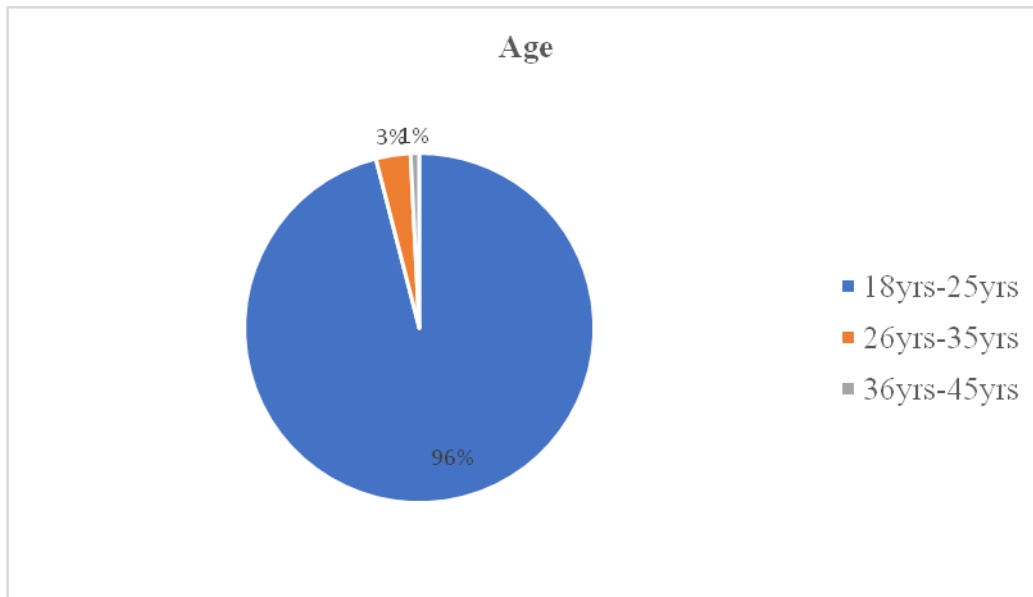
correlation. The latter is useful when you want to look at the relationship between two variables while removing the effect of none or two other variables.

**LIMITATIONS**

- Only 120 investors of Systematic Investment Plan from Coimbatore were selected for the study because only the investors in investment fund with sufficient knowledge about various forms of investment will be able to make a comparison between them.
- Lack of time because of which some of the information could not be collected.
- Unwillingness and Bias from the part of respondents limits the coverage of the study.

**IV. DATA ANALYSIS AND INTERPRETATION  
 PERCENTAGE ANALYSIS**

Age of the respondents			
		RESPONDENTS	PERCENTAGE
Valid	20-30yrs	119	96.0%
	31-40yrs	4	3.2%
	41-50yrs	1	0.8%
	Total	124	100%



**Interpretation:**

From the above table out of 124 respondents, it is clear that 96.0% of the respondents from 20yrs-30yrs, 3.2% of the respondents from 31yrs-40yrs and remaining 0.8% of the respondents from 41yrs-50yrs and 0% of the respondents from Above 50yrs. It is observed that the majority of the respondents (96.0%) are 20yrs-30yrs.



**ANOVA ANALYSIS**

Statement		Sum Squares	df	Mean Square	F	Sig.
Fixed Deposit	Between Groups	2.095	3	.698	.744	.528
	Within Groups	112.575	120	.938		
	Total	114.669	123			
Public Provident	Between Groups	5.726	3	1.909	2.598	.055
	Within Groups	88.145	120	.735		
	Total	93.871	123			
Gold Deposit	Between Groups	1.498	3	.499	.526	.665
	Within Groups	113.946	120	.950		
	Total	115.444	123			
Real Estate	Between Groups	8.200	3	2.733	3.160	.027
	Within Groups	103.800	120	.865		
	Total	112.000	123			
Insurance	Between Groups	3.784	3	1.261	1.481	.223
	Within Groups	102.216	120	.852		
	Total	106.000	123			
Investment in mutual funds under Systematic Investment Plan(SIP)	Between Groups	1.518	3	.506	.473	.702
	Within Groups	128.353	120	1.070		
	Total	129.871	123			

**Interpretation**

The f value is .744 and the significance level is 0.528. The calculated table value is greater than the table value of 0.05. Thus, the null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significance between the investment plan and mode of invested.

**CHI-SQUARE TEST**

**Age and the primary sources of knowledge about investment funds as an investment option**

Calculated  $\chi^2$  value = 39.177

Degree of Freedom = 8

Asymptotic Sig. = 0.000

Result = Significant at 5% level



### Interpretation

It is found from the above table that calculated value is greater than the table value at 8 degree of freedom. So, Null hypothesis ( $H_0$ ) rejected. Hence it is concluded that there is close significant relationship between age and the primary sources of knowledge about investment funds as an investment option.

### CORRELATION

The formulated null hypothesis was that there was relationship between the age of the respondents and the structure type of scheme to invested.

Particulars		Age	By structure in which type of scheme did you invested
Age of the respondent	Pearson Correlation	1	.079**
	Sig(2-tailed)		.385
By structure in which type of scheme did you invested	Pearson Correlation	.079**	1
	Sig(2-tailed)	.385	

### Interpretation:

It could be inferred from the Table, significance at 95 per cent confidence level is more than 0.05 so the result of correlation analysis shows that there is relationship between the age of the respondents and the structure type of scheme to invested. This means that the the age of the respondents and the structure type of scheme to invested was positively correlated. Hence the null hypothesis is accepted and concluded that there was positive association between the age of the respondents and the structure type of scheme to invested.

## V. FINDINGS, SUGGESTION AND CONCLUSION

### FINDINGS

- The majority of the respondents (96.0%) are 20yrs-30yrs.
- The f value is .744 and the significance level is 0.528. The calculated table value is greater than the table value of 0.05. Thus, the null hypothesis is accepted and the alternative hypothesis is rejected. Thus, it can be concluded that there is no significance between the investment plan and mode of invested.
- It is found from the above table that calculated value is greater than the table value at 8 degree of freedom. So, Null hypothesis ( $H_0$ ) rejected. Hence it is concluded that there is close significant relationship between age and the primary sources of knowledge about investment funds as an investment option.
- It could be inferred from the Table, significance at 95 per cent confidence level is more than 0.05 so the result of

correlation analysis shows that there is relationship between the age of the respondents and the structure type of scheme to invested.

### SUGGESTION

- People want to enjoy high rates of return instead of taking risks.
- Many investors begin the investment process without properly preparing and establishing their investment objectives.
- The greatest option to accumulate capital over time for people without a lump sum to invest is through a systematic investment plan (SIP), since our current analysis indicates that the risk of a SIP investment is anticipated to be lower than that of a lump sum investment.
- The preferences of young investors above those of older investors are systematic investment plans.
- The study indicated that investors were only moderately knowledgeable about SIP, it is possible to inform them in detail about



SIP in order to encourage them to make regular investments in SIP.

systematic Investment Plan) e- ISSN : 978-9951-437-96-7.

## CONCLUSION

The study on investor's perception towards the Systematic Investment Plan enables us to find over other investments plans, level, structure, benefits and superiority of Systematic Investment Plan level compare with other investments. This study constitutes a sample of 124 different kinds of investors they diversification of investment plans, opinion of the investors has been collected through structured questionnaire and study confined to the area of different areas in Coimbatore. Most of the investors have very good knowledge about Systematic Investment Plan investment and other investment plan and they are satisfied with the returns and with the performance of the investments scheme. Very easily long term and short term wealth can be created and investors are aware of that and this is a scheme which is disciplined and it gives good return and it protects the investors when the market falls. Systematic investment plans can be defined as monthly investment plans based on the findings of this study. It enables investors to put small amounts of capital into the market and gain big returns over time. It makes it impossible for investors to be shielded from market fluctuations. The analysis would be beneficial to small investors who want to begin investing in the stock market. SIP is a feature designed for investors who choose to invest small amounts of money on a regular basis in order to build wealth over time. To build a deeper understanding of their psychology, mutual fund companies must increase customer awareness.

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