



---

## **FINANCIAL LIBERATION OF WOMEN –A SELECTIVE STUDY OF STATE OF PUNJAB**

**Dr. Pooja**  
**Assistant Professor of Commerce,**  
**Sector 14, Panchkula**  
**pooja18284@gmail.com**

### **ABSTRACT**

Investments in now a days are too much attractive because not only they can contribute in the decision making process but also leads to analysis of the outcomes of investment selections in terms of gains or losses. All the investments are not rewarding, as the investors do not constantly make the accurate investment judgments over the period of years; though, that is why one must concentrate on having a diversified portfolio in order to get fruitful returns. In addition, there is always an alluring excitement for attaining better returns from the successful investments, but one must also evaluate the risk related to the investment avenue. Now a days woman are also active participant in the investment avenues, so this research has been conducted on women investors and it becomes important to understand their investment behavior.

**Keywords:** Finance, Women, Financial Independence, Financial Liberation, Investment

### **INTRODUCTION**

Investment is the procurement by a person of a financial or real asset that yields a return in ratio to the risk anticipated over some potential investment period. There are constant ups and downs of the stock markets, upsurge and drop in the inflation rates, instability of the rate of interest, and evolving patterns of change from the fixed investment returns. The returns from investment options that provide the variable returns have contributed in making the decision making process much more complicated and challenging for the average investor who may be specialists in their own arenas but not in the financial context for eg all the financial investors are no well versed with the concept of Crypto currencies and its investment mechanism. With the passage of time period, the requirements of the people have grew and transformed. The significance of accurate



guidance at the precise instance is being valued and an average investor is trying to bewell informed of the progresses in the financial markets so as to accomplish their "personal finance" economically. Today, because of rising inflation, the purchasing power of money is decreasing at an accelerated pace. Earnings and savings are no longer enough to provide for the future. In order to maintain the standard of living, finance has to be actively managed.

## **INVESTMENT DECISIONS**

It is not an easy task when it comes to the investment decisions as there are a large number of investment instruments available today. In India, various investment avenues are available for the investors. Some of them are more liquid while others are less liquid and some of them may be highly risky while others are almost risk free. An intelligent investor has to choose the best option among them, depending upon his specific need, risk preference, and return expected. Investors have certain weaknesses, which may cause hurdle in the way of their investment decisions. Whether it is men or women, they have the tendency of selecting an option that leads to wrong investment decision because of indecisiveness. The various parameters such as age, income, education and marital status have a great impact on an individual's investment decision. So making an investment decision is never easy, only stability and complete awareness can help making the decision better.

## **INVESTOR AWARENESS**

Indian scenario is not at all encouraging. Though we have a strong tradition of saving even by avoiding our necessities, still average Indians can't be taken as smart investors. Sixty five percent of the Indians adopted the way of investment in liquid assets like bank; post office deposits etc. and very few in modern instruments. Moreover high earning disparity is one of the major causes behind such deterioration. It is found rural civilian could earn and save as less as 50 % as compared to urban counterpart. One research also point out that Indian's habit of saving is good but the way they save is not good as very small part of the total saving is directed towards investment. Majority of the researchers in the field of saving and investment are of the opinion that urgent steps should be taken for financial literacy and generating an awareness about

---

accurate financial planning in different life stages. Worldwide conducted survey reveals the fact that insufficient funds and lack of understanding the products are two major reasons behind inadequate insurance cover and low financial literacy.

### **GENDER DIFFERENCES IN INVESTMENT BEHAVIOR**

Society consist of both men and women and as the number of working women has increased manifold, both play an equally important role in the financial stability of family in particular and society in general. In a traditional family, the husband earns for the family and wife maintains it. A wife’s role was confined to household works. She creates life, nurtures, guards and strengthens it. She plays the role of wife, mother, sister, sister-in-law, daughter, daughter-in-law, grand-daughter etc. She is the carrier of tradition and the instrument by which the family culture is preserved.

**Table 1.1: Sex- Wise Literacy Rate in Punjab from 1961 to 2011**

Year	Total Population	Literates			Literacy Rate			Gap Between Male-Female Literacy
		Male	Female	Total	Male	Female	Total	
1961	11135069	2084556	892588	2977144	NA	NA	NA	NA
1971	13551060	2934281	1627842	4562123	42.23	24.65	34.12	17.58
1981	16788915	4214878	2645471	6860349	51.23	34.35	43.37	16.88
1991	20281969	5919225	4012891	9932116	65.66	50.41	58.51	15.25
2001	24358999	8442493	6314677	14757170	75.63	63.55	69.95	12.08
2011	27743338	10436056	8271081	18707137	80.4	70.7	75.8	9.70

*Source: Director, Census Operation, Punjab*

The figure in the table above show that literacy rate in Punjab has increased from 34.12 percent in 1971 to 75.80 percent in 2011. Male literacy rate increased from 42.23 percent in 1971 to 80.40 percent in 2011 whereas female literacy rate has also increased from 24.65 percent to 70.70 percent in 2011. Female literacy has increased by 46.05 percent points from the period 1971 to 2011 and male literacy by only 38.17 percent points during same period. Overall literacy rate has increased by 41.68 percent points from the year 1971 to 2011. The gap between male



and female literacy rates has declined from 17.58 percent in 1971 to 9.70 percent in 2011. During the last decade, the female literacy rate has witnessed much higher growth 7.15 percentage points as against 4.77 percent for males which highlights that the women are now much literate.

It has been a constant topic of discussion that always comes to light about men and women that who manages the money and investments better. Men are of the opinion that they are more experienced and skilled in the investment decision-making than women are. But in reality men and women think very differently and due to that their investment temperaments differ. Women generally are not recognized for their knowledge or skill as men are the head of the household, the breadwinners, protectors and the “brains” in the family. Women were always taught to prioritize on how to take care of the family and the household chores like cooking, cleaning and raising children. Their potential was never given any recognition and they were never given the opportunity to really have a say and manage their own funds to have a secured financial stability for the future. But the times have changed in the recent years.

Traditionally women were underserved in the money management arena. But in the recent times, with the increasing ranks of professional women in the work force, women provide a tremendous client base that cannot be ignored at any level. In 2012, in the Ministerial positions in the Central Council of Ministers, women occupied only 8 out of 74 positions. There were only 2 women judges out of 26 judges in the Supreme Court and there were only 54 women judges out of 634 judges in different High Courts. The female population really does want to know more about the various investment scenarios as they have become more conscious about investing and want to garner all the possible information so that they can take better investment decisions. Now men don't have to carry the responsibility of managing the investments alone as now women have become more active and self-confident that they can make better decisions than men and invest in the proper investment opportunities. As per 2011 census, in the age group of 15-19 years, 46% of women were not involved in any kind of decision making. In the rural sector, 23.4 % females were not involved in any decision- making while, in the urban sector, only 13.9 % of urban resident women were not involved in any decision making. It is found that 32.7% illiterate

women, 21.6% unemployed women were not involved in any decision-making. For the country as a whole, 59.6% have access to money.

As per Census 2011, the population of India is 1210.19 million comprising 586.47 million (48.5%) females and 623.72 million (51.5%) males. Females have a share of 48.1% in the urban population and of 48.6% in the rural population. Today, the number of women receiving higher levels of educational achievement has increased enormously. The following table shows the total number of males and females who enrolled for higher education in Punjab. It is evident from this table that the women getting enrolled for higher education is much higher as compared to men as in 2010, 113548 boys and 130554 girls got themselves enrolled in various streams for higher education in Punjab while in 2019, 166651 boys and 206359 girls got themselves enrolled in various streams for higher education in Punjab. It shows that women have been very conscious towards their higher education and outstand men in terms of acquiring education.

**Table 1.2: Sex-Wise Number of Students Enrolled in Higher Education in Punjab**

Year	PhD			Master Degree (MA, M.sc, M.com)			Bachelor degree (B.sc Eng, BA, B.com, BE, B. Arch., B. Tech.)			Total		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2010	402	593	995	6085	19205	25290	107061	110756	217817	113548	130554	244102
2017	598	1033	1631	20261	46290	66551	145792	159036	304828	166651	206359	373010
2018	598	1033	1631	20261	46290	66551	145792	159036	304828	166651	206359	373010
2019	598	1033	1631	20261	46290	66551	145792	159036	304828	166651	206359	373010

*Source: Statistical Abstract of Punjab*

Now there are more number of households with women as primary breadwinners for their families than have ever been in the history. Even the number of young single women has increased incredibly. Due to the number of late-life divorces and widowhood, women are taking keen interest and are getting more involved in financial matters, and ensuring for their financial security so as to be able to support themselves and their families in later life. In the last years women have made monumental strides throughout modern society. In 2009-10, the average



wage/salary received by regular wage/salaried employees of age 15-59 years was Rs. 155.87 per day for females compared with Rs. 249.15 per day for males in rural areas. For urban areas, it was Rs. 308.79 and Rs. 377.16 per day for females and males respectively. Now there are more financially independent women around the world than ever before. In 2010, the amount operated in bank accounts operated by males in all commercial banks was 487.37 crores as compared to 153.18 crore accounts operated by females. The deposit amount was Rs. 517209.74 crore for females and Rs. 1838826.25 crore for males. With the changing times there has been a significant increase in the number of women managers, directors, board members and CEO's of multinational companies than was ever seen in the history. Today women have largely outperformed men academically and are accounting for higher and higher percentages of university graduates around the world, also hold the most prestigious positions as managers, politicians, lawyers etc. professionally. As per Census 2011, 74.0% of the population is literate comprising 65.5% females and 2.1% males. The incremental increase over Census 2001 of 11.8% for females is higher than 6.8% for males.

Now, women have become more conscious of the fact that they are no way less than men and have even started making individual investments and have become financially independent. With the increase in women's involvement in business and finance, a multidisciplinary literature emerged at the intersection of sex or gender differences and corporate governance. Much of the work in this area focused on women and board of directors and executive ranks. However, it is important to focus on women not only as corporate officer bearers, but also as investors in corporates. Among other things, the identification and analysis of sex-based or gender-related differences in investment behavior may help explain or predict market phenomena and may illuminate defects or gaps in regulatory frameworks or provisions. For example, the investment attributes of female investors may show that women are better or less well protected from changes in firms, laws, or the market than their male investor counterparts and are not greatly affected by these changes that take place in the economy. It is evident that women are more stable in their investment decisions in comparison to men who make erratic decisions. This is because women

are more in touch with their feelings, they are able to control their emotions and avoid making mistakes.

Similarly in a situation of crisis, men generally respond with anger and women with fear. As men respond with anger, the world seems more certain, more amenable to control and less risky. Whereas women who respond with fear, the world appears full of uncertainty, beyond control and rife with risk. The way men react they become prone to selling furiously when markets fall, and buy with overconfidence. Women on the other hand tend to be cautious, unwilling to take risk, or act with haste in situations of uncertainty. Men might be operating from a position of overconfidence, looking forward to beating their competitor and bragging about it later. Women may instead watch out for risks, expect lower returns and be willing to settle out for the long term.

The male investors being more aggressive while making investment decisions, they take help of information available on internet and not look for more authentic information. Because of this they may take even a very risky decision with lot of self-confidence. On the other hand a woman may not use internet naturally but may seek advice of their portfolio manager in taking their investment decision. For women, investment decisions are taken more by a group of friends or with the consult of an expert than on an individual level.

As we look conventionally, women generally have been considered to be more hesitant while making financial investments. They have been thoughtful while taking a decision to invest money. Women were traditionally always dependent on their spouse's income and they had a habit to save in order to meet uncertainties for the future activities. It was majorly due to the reason that women did not possess that level of awareness about the investment opportunities and were focusing only on savings. But gradually the scenario improved because now women have become more cautious and aware, taking all initiatives for improving their economic status. Women in India now contribute in all major activities such as education, politics, media, science and technology, etc. With the rising awareness among women, they have started actively investing their surplus money, which to an extent is influenced by the various parameters such as



degree of their risk taking proficiency, influence of family members and friends and the stimulus to invest in the modern and innovative investment avenues. At present the women are not lacking behind and are equally well versed with their male counterparts as they now are equally employed, possess equal education, have equal knowledge about various investment options available and also the various characteristics of the investment avenues. It therefore helps them in choosing better investment options as they are more aware about the various investment avenues such as shares, debentures, mutual funds and bank deposits etc.

It has been noted that employed women have a better tendency to save and invest in comparison to the non-working women because they have financial independence. There is a huge impact of the peers on the working women as they are great inspirations who they like to follow while making their investments. Though they are influenced by the investment choices of their peers, they invest very cautiously as they are considered to be risk adverse, focused on safety and directed by the surety of returns. As the level of knowledge and awareness among women has gradually increased, they have started participating in the risk investment portfolios and are becoming logical in their investment behavior. In comparison to men, women have numerous advantages over men which can let them lay a rock-solid financial base. Women are not scared to ask for ways and being learners they also believe in receiving the proper assistance from their financial advisors. As women are now well versed with the financial scenario, they prefer receiving the same financial information like men do from their investment professionals. Women prefer safety and like to feel relaxed with their financial decisions and advisors. Investing for them is a thoughtful and rational process. Women are aware of the fact that they have more to lose than men if they make a poor investment decision, so they have a preference to buy what they like and what they know and are familiar with. It has been seen that women incline to be less stricken than men by overconfidence or the belief that they know more than they actually do. Women investors are more careful in exploring the particulars of investments and take their time in suitably apportioning and spreading their funds within their portfolios. They are quite contented with the choices they make in purchasing their investments. As men tend to respond with anger versus fear while making an investment decision, they generally make

---



investment decisions without thinking of the consequences of their actions. While women react with fear which makes them more nervous to make any rash decision and take their time and prefer to invest in fixed-income investments which are steadier in the long run. Their low revenue results in lower expenditures and eventually, higher returns.

### **EMERGENCE OF THE FINANCIALLY INDEPENDENT WOMEN**

Nearly 200 decades ago, women were born into a well-defined community in their particular family. Their tasks were fixed and were expected to be learn and hone the mandatory skills of household work for eg. cooking, rearing and bearing of children and were not allowed to step out of this discrete feminine and domestic sphere of activity by remaining confined to the four walls of the house. Women had to learn the virtues of womanhood and consciously inculcate culturally designated feminine roles as were assigned to her. She was trained to a lifetime of service, self-denial and to lead a life of dependency without creating any identity of her own. The presence of a woman is most importantly seen, felt and experienced in the family. The woman is most visible at home because she is a homemaker. In our country women play a pivotal role in the family as well as in the community as they shoulder all the responsibilities along with their male counterparts and even single handedly in certain cases and ensure the provision and fulfillment of the needs and comforts of the members of the family and also run the household within the limited budget. Even though women would provide these services round the clock without any payment as per the morals taught to them yet they were considered economically dependent on their husband. Women had always been given a secondary status in social life. Efforts are being made on the global level to espouse the position and status of women stronger, women started coming out of their homes and began realizing the need for them to be independent and self-reliant and they got conscious of their potential that helped them broaden their outlook and create a new meaning in their lives thereby creating a sense of independence among them. The traditional role of a housewife gradually evolved into the dual and more fulfilling role of a workingwoman as well as a housewife. They understood that the right of every individual to earn livelihood is the expression of one's economic freedom and it was not just limited to the men, even women were entitled to financial independence. Education and economic independence played a vital role in changing mindsets and attitudes among both men and women. Education

---

helped in increasing the awareness in women and lead to their overall development thereby helping the nation prosper. The table below shows that the number of women employed in Punjab is less but is still a sufficient number to emphasize that the women have now become more participative in the workforce and their number in among the employed is on an increasing trend.

**Table 1.3: Total Employment in Public and Private Sector - As on December 2020**

	District	Employed in Public Sector		Employed in Private Sector		Total Employed	
		Male	Female	Male	Female	Male	Female
1	Gurdaspur	23721	7007	1602	2036	25323	9043
2	Amritsar	38909	10169	14147	6347	53056	16516
3	Tarn Taran	8202	1838	997	796	9199	2634
4	Kapurthala	21051	5925	13537	3026	34588	8951
5	Jalandhar	45069	10177	36378	6603	81447	16780
6	S.B.S. Nagar	6911	3074	5564	992	12475	4066
7	Hoshiarpur	27660	8507	15270	4003	42930	12510
8	Rupnagar	20292	5333	2177	1197	22469	6530
9	S.A.S. Nagar	27191	6542	33173	6662	60364	13204
10	Ludhiana	35365	12178	124786	21723	160151	33901
11	Firozpur	42595	5460	1655	2045	44250	7505
12	Faridkot	8676	2306	39	536	8715	2842
13	Shri Muktsar Sahib	7315	1427	2062	681	9377	2108
14	Moga	5169	3767	1670	919	6839	4686
15	Bathinda	17504	2514	1311	1751	18815	4265
16	Mansa	4408	1325	127	453	4535	1778
17	Sangrur	543	67	6475	1666	7018	1733
18	Barnala	-	-	-	-	-	-
19	Patiala	34252	8895	12409	3433	46661	12328
20	Fatehgarh Sahib	3955	1482	7311	361	11266	1843
<b>PUNJAB</b>		<b>378788</b>	<b>97993</b>	<b>280690</b>	<b>65230</b>	<b>659478</b>	<b>163225</b>
<b>%age</b>		<b>79.45</b>	<b>20.55</b>	<b>81.14</b>	<b>18.86</b>	<b>80.16</b>	<b>19.84</b>

Source: Director, Employment Generation and Training, Punjab

## DECISION MAKING PATTERN OF WOMEN

Decision making process involves a decision maker, an environment in which the decision maker must operate, a set of actions available and goals to be accomplished. Decision making is an important aspect of daily life. It directs things to happen, instead of just letting them happen. Achievement of family goals depends upon effective decision making and task performing which involves coordination, supervision and checking of actions. In recent years, it has been observed that the role and status of women had been undergoing a continuous change in both female and male headed households, the participation of women in decision making was found increased. Women started playing an important role in decision making of home aspects and due to their increased enlightenment on the various platforms they were also consulted by their counter parts for activities related to routine matters and various monetary decisions to be made casually. In some cases where the expenditure pattern was for certain particular issues like purchasing a property, the heads of the family were the main decision makers, whereas in cases such as education of children, selection of occupation of children the whole family made the decisions. Basically men had a lead over women in the field of money related decisions. But with increase in level of education, social participation and mass media participation there is an increase in women's role in monetary decision making as well.

**Table 1.4: Women's Autonomy (States/UTs)**

State/UT	% Involved in Decision Making on				% Who Participate		% With Access to Money
	<i>Own Health Care</i>	<i>Making Major Household Purchases</i>	<i>Purchasing Daily Household Needs</i>	<i>Visits to Her Family and Relatives</i>	<i>In All The Four Decisions</i>	<i>None of The Four Decision</i>	
Andhra Pradesh	61.8	52.7	60.4	66.5	40.4	24.3	66.6
Arunachal Pradesh	68.7	74.1	86.7	90.4	53.5	2.7	57.7
Assam	80.0	72.0	70.0	80.9	60.9	11.6	38.6
Bihar	53.4	50.6	58.4	54.4	32.7	27.2	66.8
Chhattisgarh	47.9	67.3	63.4	61.2	26.8	18.4	42.4
Delhi	74.2	67.3	75.7	74.9	52.0	10.4	73.5

Goa	67.5	67.3	74.6	84.5	47.0	7.5	99.0
Gujarat	63.2	53.3	66.2	70.4	36.6	13.1	77.7
Haryana	71.7	54.7	60.8	69.2	41.7	13.2	47.9
Himachal Pradesh	66.5	56.5	61.5	58.3	39.2	17.4	51.0
Jammu & Kashmir	43.5	44.9	46.9	43.4	25.2	37.3	77.3
Jharkhand	61.2	59.8	64.7	65.5	41.8	19.5	74.6
Karnataka	53.3	50.5	56.4	55.9	35.2	26.9	82.4
Kerala	75.3	61.8	65.9	78.4	47.2	10.8	47.7
Madhya Pradesh	51.7	48.3	54.9	50.2	29.4	27.1	45.7
Maharashtra	67.8	61.2	70.6	74.2	45.4	12.7	61.1
Manipur	87.4	81.4	85.2	86.0	69.4	3.4	40.0
Meghalaya	87.5	82.5	84.1	87.3	77.3	9.3	52.2
Mizoram	91.9	79.6	86.0	89.5	70.4	2.3	27.6
Nagaland	90.7	82.1	87.2	93.7	73.1	1.4	43.9
Orissa	64.7	57.8	61.3	63.6	41.8	17.0	46.0
<b>Punjab</b>	<b>76.8</b>	<b>48.2</b>	<b>56.5</b>	<b>68.5</b>	<b>37.4</b>	<b>11.2</b>	<b>41.1</b>
Rajasthan	51.9	40.5	49.2	44.0	22.8	31.4	40.2
Sikkim	79.5	76.6	78.3	83.7	58.7	5.5	57.8
Tamil Nadu	73.2	63.3	77.8	76.7	48.8	8.2	41.2
Uttrakhand	60.8	49.4	56.4	56.0	36.0	24.6	56.2
Uttar Pradesh	64.2	52.9	55.6	50.3	33.7	22.0	73.1
West Bengal	59.6	37.5	46.9	48.4	23.9	25.7	51.5
<b>All India</b>	<b>62.2</b>	<b>52.9</b>	<b>60.1</b>	<b>60.5</b>	<b>31.6</b>	<b>24.4</b>	<b>59.6</b>

*Source: National Family Health Survey-III, 2005-06*

The above table shows that the women in Punjab were not too involved in decision-making with 37.4% participation as well as didn't have much access to the money with 41.1% in comparison to the women in the states like Nagaland where there was 73.1% participation in decision making while access to money was 43.9%. It is apparent that women in Punjab as well as in other major states and UT's were not too involved in decision making and had limited access to money.



---

## EMERGENCE OF WOMEN AS POTENTIAL INVESTORS

Women play a significant and dynamic role in the society. Even though they contributed a lot in various spheres for the development of the society but still their importance is not acknowledged. They were deprived of proper recognition and continued to be a neglected part of the Indian society. Even during the national movement, attempts were made for the first time to bring Indian women out of the restricted circles of domestic life and make them have an equivalent status as men. After independence the constitution gave equal opportunities to men and women, yet women remained secondary to men. It is evident that, for any country to prosper and grow it must fully focus on giving equal opportunities to women not only on papers but in real sense along with men who are their counterparts as they form half of the population of the country. The participation of women in Panchayati Raj Institutions was considered and emphasized not only for ensuring political participation of women in the democratic process but also for realizing the development goals for the upliftment of women. It is a general fact that women are not lower than men in terms of intelligence, thinking, imagination, attitude, courage and activities, so giving them proper status and recognition is the need of the hour. The table below shows that the women access to money and credit. It can be seen that the percentage for the women who have a bank or savings account that they use themselves is more than 50% for all age groups as 62.8% for 894 women in the age group of 30-39 years and 49% among this age group also decide how to use their money. This shows the financial independence of the women thereby making them the potential investors as they have the funds and they themselves decide where to utilize those funds.

**Table 1.5: Women’s Access to Money and Credit in Punjab**

Background characteristic	Women's access to money		Women's knowledge and use of micro credit programmes		Percentage of women allowed to go to three specified places alone	Number of women
	Percentage who have money that they can decide how to use	Percentage who have a bank or savings account that they use themselves	Percentage who know of a microcredit programme	Percentage who have taken a loan from a microcredit programme		
<b>Age</b>						
15-19	21.5	52.9	41.8	1.0	26.9	420
20-24	35.9	53.3	44.3	1.2	38.4	484
25-29	43.0	54.5	51.4	2.5	41.6	563
30-39	49.0	62.8	49.7	3.5	57.8	894
40-49	52.7	64.9	44.1	2.5	70.6.	658
<b>Employment (past 12 months)</b>						
Employed	62.0	67.8	50.2	4.7	59.3	581
Employed, for cash	63.2	68.8	50.6	4.8	60.5	559
Not employed	38.2	56.7	46.0	1.8	48.0	2,438

*Source: National Family Health Survey (NFHS-4), India, 2015-16: Punjab*

Bishop (1985) expressed that by training a man an individual is trained but when a woman is trained it contributes in building a nation, which clearly suggests that the position of women in any society can be considered as an index of its civilization. Considering the efforts that were made on a global level to strengthen the position of women not only in a particular nation rather in the whole world, the status of women improved and they started getting recognition in various fields thereby creating a niche for the financially independent women. Women are not as active as



men when it comes to investment. They generally keep themselves away from taking regular investment decisions, they either spend money or keep it idle, but hesitate to invest it for earning more. Non-working women are mostly dependent on their spouses for meeting everyday expenses. Though to a major extent, it is true that women are dependent on their spouses for finance, but now is the right time that they should also think about their future earnings through various investment options. Women should start thinking and understanding the importance of money, savings and its investment aspect to avoid critical situations at any stage of their lives. They need to develop skills to plan for their financial needs. Generally women tend to keep money idle rather than investing it commonly known as Stri Dhan. They tend to think that this “idle cash” can be easily used to meet expenses of their beauty parlours, boutiques and for buying daily consumables etc.

However, as an exception few women invest but that too in less risk avenues such as bank deposits and post office schemes. They generally avoid risky options such as equities, as they think that it is difficult to understand equity market trends, patterns.

## **RISK BEHAVIOR AND PREFERENCES IN INVESTMENT DECISION OF WOMEN INVESTORS**

Women are more stable in their decision making than men because of which their financial foundation is much stronger when compared to men. Women are always looking for more information and expect to receive the proper guidance from their financial advisors as and when they require it. For women, safety is very important and they prefer to gain all knowledge about their financial decisions from any reliable source so they can be more confident about it. For them investing is a cautious and rational procedure. As women still have limited finances they realize the importance of money and know that they have more to lose than men if their investment decisions turn out to be wrong.

The risk-averse nature of women prompts them to put their money mainly in fixed-return instruments such as bank deposits, life insurance, gold, post office deposits and bonds, the survey found. In a survey conducted by Nielsen in 2013, it was stated that the women had higher



awareness about bank savings accounts (76%), life insurance (65%), and gold (56%) as investment options compared to mutual funds (11%) and shares (10%). As women are well-founded in their decisions, they hold on to their investments for a longer time and are not overconfident nor do they overtrade. Women are less distressed than men are because of their overconfidence or their belief that they have more knowledge than they actually do. Women are level-headed and rational which helps them in becoming sound investors. Women being cautious investors will never invest in something they are unsure of as they give due importance to the risk factor. They have the ability to recognize their own limits and take an investment decision accordingly unlike their male counterparts who are always willing to take more risks than their female counterparts. It has always been observed that women prefer more conservative investment strategies because they are by nature or due to socialization more risk averse than men. The Nielsen survey also found that more than half the working women who were involved in financial decision-making anticipated around 10% return from short-term investments. In case of medium-term investments, 66% women preferred returns between 10% and 20%. And in case of long-term investments, the expected returns by a majority of the women was more than 20%.

## **CONCLUSION**

Women Investors have their own investing styles: some are risk takers by nature i.e. willing to gamble large amounts of money on highly speculative investments whereas others prefer safety and security of cash in the bank even if it means that the actual buying power of their money is slowly diminishing because of inflation. Most people fall somewhere in between these extremes, and are willing to assume some risk, with the expectation that they'll be rewarded with higher returns and women are no exception. The results show that there is a rise in women investors but the options taken up by them are still conventional and non risky.



---

References:

1. [https://link.springer.com/referenceworkentry/10.1007/978-3-030-87624-1\\_9-1](https://link.springer.com/referenceworkentry/10.1007/978-3-030-87624-1_9-1)
2. <https://clutejournals.com/index.php/JDM/article/download/342/331/1332>
3. [https://www.academia.edu/106728533/A\\_Woman\\_as\\_a\\_Decision\\_Maker\\_Exploring\\_the\\_Lived\\_Experience\\_at\\_Home\\_and\\_Outside?uc-sb-sw=35640100](https://www.academia.edu/106728533/A_Woman_as_a_Decision_Maker_Exploring_the_Lived_Experience_at_Home_and_Outside?uc-sb-sw=35640100)
4. [https://www.academia.edu/36009151/CHAPTER\\_II\\_THEORETICAL\\_VIEW\\_OF\\_WOMEN\\_IN\\_VESTORS](https://www.academia.edu/36009151/CHAPTER_II_THEORETICAL_VIEW_OF_WOMEN_IN_VESTORS)
5. <https://www.jetir.org/papers/JETIRK006106.pdf>
6. [https://www.academia.edu/43312334/Black\\_book](https://www.academia.edu/43312334/Black_book)
7. [https://www.academia.edu/34290507/FACTORS\\_INFLUENCING\\_THE\\_MUTUAL\\_FUND\\_SCHEME\\_SELECTION\\_BY\\_WOMEN\\_INVESTORS\\_AN\\_EMPIRICAL\\_STUDY](https://www.academia.edu/34290507/FACTORS_INFLUENCING_THE_MUTUAL_FUND_SCHEME_SELECTION_BY_WOMEN_INVESTORS_AN_EMPIRICAL_STUDY)
8. <https://www.slideshare.net/slideshow/a-study-on-investment-behavior-of-women-investors-at-asit-c-mehta-ltd-hassan/5387566>