

Impact of Ponmagan Podhuvaipu Nidhi Scheme

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Abstract: *The Ponmagan Podhuvaipu Nidhi Scheme is a savings scheme introduced by the Government of Tamil Nadu to promote financial security for male children. The scheme encourages parents to invest regularly for the future needs of their children. The present study aims to analyse the awareness, benefits, and impact of the scheme among the public. Primary data was collected from 110 respondents using a structured questionnaire. Statistical tools such as percentage analysis, Likert scale, and chi-square test were used for analysis. The findings reveal that the scheme helps improve saving habits and provides financial security, but lack of awareness and procedural difficulties affect participation.*

Keywords: Government Savings Scheme, Financial Security, Savings Behaviour and Awareness Level

I. INTRODUCTION

Savings schemes introduced by the government play an important role in promoting financial security and long-term investment among families. The Ponmagan Podhuvaipu Nidhi Scheme is one such initiative launched by the Government of Tamil Nadu to encourage parents to save money for the welfare of their male child. Under this scheme, parents deposit money regularly so that a large amount can be accumulated for future needs such as education and other expenses.

The scheme also aims to create financial awareness and develop a habit of systematic savings among families. However, the success of such schemes depends on the level of awareness, accessibility, and satisfaction among beneficiaries. Therefore, it is important to study the impact of the Ponmagan Podhuvaipu Nidhi Scheme and understand how it influences the savings behaviour of the people.

STATEMENT OF THE PROBLEM

Government savings schemes are designed to improve financial security and encourage long-term savings among the public. Although the Ponmagan Podhuvaipu Nidhi Scheme provides attractive benefits and government support, many people are still not fully aware of the scheme and its advantages. Some individuals also face difficulties related to procedures, documentation, and service delivery.

Due to these issues, the level of participation in the scheme may be affected. Therefore, it is necessary to analyse the awareness, benefits, and challenges associated with the Ponmagan Podhuvaipu Nidhi Scheme and evaluate its overall impact on savings behaviour among the public.

OBJECTIVES OF THE STUDY

- To study the level of awareness about the Ponmagan Podhuvaipu Nidhi Scheme.
- To analyse the benefits and features of the scheme.
- To examine the impact of the scheme on savings behaviour.
- To identify the challenges faced by the beneficiaries.
- To provide suggestions for improving the effectiveness of the scheme.



METHODOLOGY OF THE STUDY

The present study follows a descriptive research design to analyse the impact of the Ponmagan Podhuvaipu Nidhi Scheme.

Primary data was collected from respondents through a structured questionnaire. Secondary data was collected from books, journals, websites, and government reports related to savings schemes and financial planning.

The sample size selected for the study is 110 respondents and convenience sampling method was used to select the respondents.

The statistical tools used for analysis include:

- Simple Percentage Analysis
- Chi-Square Test
- Likert Scale
- Mean Ranking Method

These tools were used to analyse the awareness, benefits, and impact of the scheme among the respondents.

SIMPLE PERCENTAGE ANALYSIS

Variable	Category	Percentage
Age	Below 25 years	33.6%
Gender	Male	73.6%
Educational Qualification	Undergraduate	48.2%
Occupation	Private Employee	42.7%
Monthly Income	₹25,000 – ₹50,000	50.9%

Source: Primary Data

The table shows the demographic profile of the respondents. The majority of respondents belong to the below 25 age group (33.6%). Most respondents are male (73.6%). A large proportion of respondents have undergraduate qualification (48.2%). Most of them are private employees (42.7%). The majority of respondents earn a monthly income between ₹25,000 and ₹50,000 (50.9%).

CHI-SQUARE TABLE SHOWING THE RELATIONSHIP BETWEEN AGE OF RESPONDENT AND THEIR LEVEL OF AWARENESS

NULL HYPOTHESIS (H₀): There is no significant relationship between age and their awareness level.

ALTERNATIVE HYPOTHESIS (H₁): There is a significant relationship between age and their awareness level.

Age	Level of Awareness					Total
	Very High	High	Moderate	Low	Very Low	
Below 25	3	18	6	8	2	37
25-35	10	14	4	6	1	35
36-45	1	13	9	3	1	27
46-55	2	6	3	0	0	11
Total	16	51	22	17	4	110

Source: Primary data

TABLE SHOWING CHI SQUARE TEST

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	16.618a	12	0.165

INFERENCE

Degree of freedom = (r-1) (c-1) = (4-1) - (5-1) = 12



Chi- square 5% significance 12df = 16.618

Since the calculated value of chi-square value (16.618) is less than the table value (21.026) at 5% level of significance. It is significant and null hypothesis accepted.

Hence there is no significant relationship between age of respondent and their level of awareness.

LIKERT SCALE ANALYSIS – OPINION ON SAVINGS BEHAVIOUR

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The scheme encourages regular savings	32	46	18	9	5
My savings have increased after joining the scheme	28	40	22	12	8
The scheme improves financial planning	35	41	17	10	7
The scheme provides financial security	30	44	20	9	7
I prefer this scheme for long-term savings	27	38	25	12	8

Source: Primary Data

The table shows the opinion of respondents regarding the impact of the Ponmagan Podhuvaipu Nidhi Scheme on savings behaviour. The majority of respondents agree that the scheme encourages regular savings and improves financial planning. This indicates that the scheme positively influences the saving habits of the respondents.

MEAN RANKING METHOD

Particulars	Sum	Mean	Rank
Improved financial planning	388	3.53	1
Prefer for long term savings	376	3.42	2
Feel financially secure	371	3.37	3
Savings increased after joining	363	3.30	4
Scheme encourages regular saving	353	3.21	5

Source: Primary Data

The table shows the ranking of factors influencing savings behaviour. “Improved financial planning” has secured the first rank with the highest mean score of 3.53. “Prefer for long-term savings” obtained the second rank, followed by “Feel financially secure” in the third position. “Savings increased after joining” secured the fourth rank, while “Scheme encourages regular saving” obtained the fifth rank.

FINDINGS

- The majority of respondents belong to the below 25 age group.
- Most of the respondents are male.
- A large number of respondents have undergraduate educational qualification.
- The majority of respondents are private employees.
- Most respondents earn a monthly income between ₹25,000 and ₹50,000.
- Many respondents are aware of the Ponmagan Podhuvaipu Nidhi Scheme through media and friends.
- Most respondents invest in the scheme because of financial security and government support.
- The Likert scale analysis shows that the scheme encourages regular savings and improves financial planning habits.
- The mean ranking method indicates that improved financial planning is the most important benefit of the scheme.
- Some respondents reported procedural difficulties and lack of clear information about the scheme



SUGGESTIONS

The government should conduct **awareness programs** to improve public knowledge about the scheme.

The **application and deposit procedures should be simplified** to avoid difficulties for beneficiaries.

More **promotion through banks, post offices, and media** should be carried out.

The government should provide **clear guidelines and information about interest rates and maturity benefits**.

Online facilities should be introduced to make **registration and deposits easier**

II. CONCLUSION

The study concludes that the Ponmagan Podhuvaipu Nidhi Scheme plays an important role in encouraging savings among families and providing financial security for the future of children. The scheme helps improve saving habits and supports long-term financial planning. However, lack of awareness and procedural difficulties reduce the effectiveness of the scheme. Therefore, increasing awareness and simplifying procedures will help improve participation and make the scheme more beneficial to the public

REFERENCES

- [1]. Directorate of Small Savings (2023) reported the annual performance of Ponmagan Podhuvaipu Nidhi Scheme. The report provided data on deposits and enrolment growth. It highlighted higher participation in semi-urban regions. Beneficiary satisfaction levels were examined. The findings showed steady improvement in savings mobilization.
- [2]. Reserve Bank of India (2023) reviewed trends in household savings in India. The report examined the impact of government-backed savings programs. It highlighted increased preference for secure investment options. Growth in small savings collections was analysed. The study concluded that such schemes improve financial stability.
- [3]. Government of Tamil Nadu (2022) evaluated the implementation of the Ponmagan Podhuvaipu Nidhi Scheme. The study focused on its objective of encouraging long term savings. Enrolment trends across districts were analysed. Government support and guaranteed returns were emphasized. The report concluded that the scheme strengthens household financial security.
- [4]. Tamil Nadu State Planning Commission (2022) reviewed the performance of state welfare savings schemes. The report examined financial inclusion among low-income groups. It highlighted the contribution of Ponmagan Podhuvaipu Nidhi Scheme to state savings growth. Regional differences in participation were studied. The findings supported inclusive economic development.
- [5]. Murugan (2022) examined the role of state savings schemes in improving financial planning. The study compared Ponmagan Podhuvaipu Nidhi Scheme with other schemes. It found higher preference due to safety and better returns. The research emphasized disciplined savings habits. It concluded that the scheme supports long term stability.
- [6]. Ministry of Finance (2021) analysed the role of small savings schemes in promoting financial inclusion. The report discussed government initiatives to increase public participation. Safe investment options were highlighted as important factors. The scheme encouraged long-term deposit behaviour. The study emphasized its economic contribution.
- [7]. Rajendran (2021) analysed awareness and participation levels in rural Tamil Nadu. The study found income and education influence enrolment. Lack of awareness was identified as a key issue. The research suggested improving financial literacy. It concluded that awareness programs can increase participation.

