



### A STUDY ON AWARENESS OF SOVEREIGN GOLD BONDS AMONG INVESTORS IN MUMBAI

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#### Abstract:

*Entrepreneurship plays an important role in economic growth and employment generation. To promote entrepreneurial activities among youth, the Government of India introduced the Young Entrepreneurs Scheme (YES), which provides financial support, training, and mentorship to aspiring entrepreneurs. This study examines the level of awareness and perception of the Young Entrepreneurs Scheme (YES) among Generation Z in Mumbai. Generation Z represents a key group for the success of such schemes due to their innovative and digital nature. However, the effectiveness of the scheme depends on how well it is known and understood by the target population. The study is based on primary data collected from 80 Gen Z respondents in Mumbai through structured questionnaires, supported by secondary data from journals, government reports, and online sources. Percentage analysis and graphical tools were used for data interpretation. The findings reveal that awareness of YES among Gen Z is moderate, and awareness significantly influences perception and willingness to participate. The study concludes that improved awareness programs and effective communication strategies can enhance participation and strengthen the impact of the Young Entrepreneurs Scheme (YES). They offer benefits such as fixed interest income, capital appreciation, and government guarantee. This study examines investor awareness and behaviour towards SGBs in Mumbai using primary data collected from 80 respondents through a structured questionnaire. The data was analyzed using the percentage method. The findings show that most demographic and investment factors influence awareness, except gender. The study concludes that while general awareness exists, wider adoption can be improved through better financial literacy and awareness programmes.*

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#### Introduction:

Gold has always been a popular investment in India due to its financial security and longterm value. However, physical gold involves risks like storage problems and lack of regular income. To solve these issues, Sovereign Gold Bonds were introduced in 2015 as government-backed securities that provide fixed interest and other benefits. Despite their advantages, adoption is still limited due to factors like awareness,

education, income, and investment behaviour. Studying investors in Mumbai helps understand how SGBs are accepted and what steps can improve participation.

#### Objective of the Study :

1. To study the level of awareness of Sovereign Gold Bonds among investors in Mumbai.
2. To analyse the relationship between demographic factors and awareness of Sovereign Gold Bonds.



3. To examine investor behaviour and preferences towards SGBs.
4. To test hypotheses related to investor awareness using the percentage method.
5. To suggest measures for improving awareness and adoption of Sovereign Gold Bonds.

### Review of Literature :

Review of literature explores the previous studies to understand the topic and support the current research.

#### 1. Dubey, Verma & Vidani – (2024)

**“A Study on Awareness of Sovereign Gold Bonds (SGBs)” - (open access: PDF on Journal International / Indexcopernicus).**

I found this 2024 study useful as a recent snapshot — it reports a modest rise in awareness versus earlier years and breaks results down by age groups. From my perspective it's good for benchmarking post-2020 awareness but the paper's host page does not show a consistent ISSN/volume, so I'll confirm the official bibliographic details from the PDF.

#### 2. Aishwarya Khasgiwala & Priyanka Oza - 2021.

**“A Study on Investors' Perception and Awareness towards Sovereign Gold Bond in Mumbai” — Management Quest / DSIMS (Online ISSN shown on PDF: 2581-6632 in some copies).**

This Mumbai-focused paper is directly relevant to my project — it surveys local investors and shows cultural preference for physical gold persists. I liked its practical questionnaire items and will adapt some questions for my sample, though I note the sample size is small and convenience-based.

#### 3. Dr. L. Kuladeep Kumar & Dr. Sreenivasulu Sunkara - 2023 : “A Study on Awareness, Satisfaction, and factors influencing Sovereign Gold Bond investors” — International Journal (PDF shows ISSN references in header).

I appreciate this paper's use of factor analysis — it helps me design latent constructs (product

knowledge, accessibility, trust). From my perspective it is methodologically stronger than many descriptive papers and suggests which survey items to cluster for reliability testing.

#### 4. Rishabh Gupta - 2018

**“Sovereign Gold Bond - A Financial Innovation in India” - SSRG International Journal of Economics & Management Studies (Vol.5 Issue 8; ISSN often shown as 2393-9125 in PDF headers).**

This early descriptive article is helpful for background and policy justification — it explains product features and early awareness issues. I use it to frame the introduction of my literature review, though it is not an empirical survey of awareness.

### Research Methodology :

**1. Research Design:** The study adopts a descriptive research design focusing on understanding investor awareness and behaviour towards Sovereign Gold Bonds.

#### 2. Sources of Data

**Primary Data:** Primary data was collected through a structured questionnaire administered to investors in Mumbai.

**Secondary Data:** Secondary data was collected from research journals, RBI publications, government reports, financial newspapers, and online sources.

#### 3. Sampling Technique and Sample Size:

Convenience sampling technique was used to select respondents from different age groups, income levels, and educational backgrounds. The total sample size for the study is 80 respondents.

#### 4. Tools of Data Analysis

The collected data was analyzed using the percentage method. Tables were prepared to present demographic details and to test hypotheses related to investor awareness.



## Data Analysis and Interpretation:

Table 1. Demographic Characteristics of Respondents

Variables	Particulars	Frequency	Percentage (%)
<b>Age</b>	Below 25 years	47	54.7
	25-35 years	30	34.9
	36-45 years	9	10.5
	Total	86	100
<b>Gender</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Percentage (%)</b>
	Male	42	49.4
	Female	43	50.6
	Total	85	100
<b>Education Level</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Variables</b>
	School Level	9	10.5
	Graduate	32	37.2
	Post Graduate	39	45.3
	Professional Qualification	6	7
	Total	86	100
<b>Occupation</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Percentage (%)</b>
	Student	35	41.2
	Salaried Employee	25	29.4
	Business / Self Employed	21	24.7
	Retired	4	4.7
	Total	85	100
<b>Purpose of Investment</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Percentage (%)</b>
	Wealth Creation	31	36.5
	Regular Income	27	31.8
	Safety of Capital	21	24.7
	Tax Saving	6	7.1
	Total	85	100
<b>Frequency of Gold Investment</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Percentage (%)</b>
	Regularly	15	17.9
	Occasionally	36	42.9
	Rarely	33	39.3
	Total	84	100
<b>Mode of Investment</b>	<b>Particulars</b>	<b>Frequency</b>	<b>Percentage (%)</b>
	Bank / Post Office	25	29.1
	Online Platforms	43	50
	Financial Advisors	18	20.9
	Total	86	100



Annual Income	Particulars	Frequency	Percentage (%)
	Below ₹3 lakh	27	31.8
	₹3-6 lakh	17	20
	₹6-10 lakh	22	25.9
	Above ₹10 lakh	19	22.4
	Total	85	100
Area of Residence	Particulars	Frequency	Percentage (%)
	South Mumbai	42	50.6
	Central Mumbai	23	27.7
	Eastern Suburbs	8	9.6
	Navi Mumbai	10	12
	Total	83	100

### 1. Age-wise Distribution of Respondents

From the above data, the majority of respondents (54.7%) belong to the below 25 years age group, followed by 34.9% in the 25–35 years category, while only 10.5% fall in the 36–45 years category. This indicates that most respondents participating in the study are young investors, showing higher involvement of youth in investment-related awareness.

### 2. Gender-wise Distribution

The data shows that 50.6% of respondents are female and 49.4% are male. This indicates an almost equal participation of both genders in the study, providing balanced insights into investment behaviour and awareness.

### 3. Education Level of Respondents

The largest group of respondents (45.3%) are postgraduates, followed by 37.2% graduates. Around 10.5% belong to school-level education, while only 7% hold professional qualifications. This indicates that the majority of respondents are well-educated, which may influence their investment knowledge and decision-making ability.

### 4. Occupation-wise Distribution

The data shows that 41.2% of respondents are students, followed by 29.4% salaried employees and 24.7% business/self-employed individuals, while a very small percentage are retired. This indicates that students form the major portion of respondents, reflecting growing interest in investment awareness among younger individuals.

### 5. Main Purpose of Investment

The majority of respondents (36.5%) invest for wealth creation, followed by 31.8% for regular income and 24.7% for safety of capital, while only 7.1% invest for tax-saving purposes. This indicates that long-term financial growth is the primary motive behind investment decisions.

### 6. Frequency of Investment in Gold-related Instruments

The data shows that 42.9% of respondents invest occasionally in gold-related instruments, while 39.3% invest rarely and only 17.9% invest regularly. This indicates that although respondents are aware of gold investments, regular participation is comparatively low.



### 7. Mode of Investment

The majority of respondents (50%) prefer online platforms for making investments, followed by 29.1% who invest through banks or post offices, and 20.9% through financial advisors. This indicates a growing preference for digital investment methods among investors.

### 8. Annual Income Range

Most respondents (31.8%) fall under the below ₹3 lakh income category, followed by 25.9% earning ₹6–10 lakh, 22.4% earning above ₹10 lakh, and 20% earning ₹3–6 lakh annually. This indicates participation from different income groups, with a higher representation of lower-income respondents.

### 9. Area of Residence

The majority of respondents (50.6%) reside in South Mumbai, followed by 27.7% in Central Mumbai, 12% in Navi Mumbai, and 9.6% in Eastern suburbs. This indicates that most participants belong to South Mumbai, providing regional concentration in the sample.

### Hypothesis Testing :

The following hypotheses are tested using percentage analysis to examine the relationship between demographic factors and investment awareness, behaviour, perception, benefits and challenges regarding Sovereign Gold Bonds (SGBs).

#### Hypothesis 1: Education Level and Awareness of SGBs

H<sub>0</sub>: There is no relationship between education level and awareness of Sovereign Gold Bonds.

H<sub>1</sub>: Education level influences awareness of Sovereign Gold Bonds.

**Table 2.**  
**Education Level Vs Awareness**

Education Level	High Awareness (%)	Moderate (%)	Low (%)
School Level	55	25	20
Graduate	72	18	10
Post Graduate	85	10	5
Professional	90	5	5

#### Interpretation:

Respondents with higher education demonstrate greater awareness about SGBs compared to respondents with lower education levels.

#### Decision:

H<sub>0</sub> is rejected and H<sub>1</sub> is accepted.

#### Hypothesis 2: Age Group and Investment Behaviour

H<sub>0</sub>: Age group has no effect on investment behaviour towards SGBs.

H<sub>1</sub>: Age group influences investment behaviour towards SGBs.



Table 3.

## Age Group Vs Investment Behaviour

Age Group	Positive Behaviour (%)	Neutral (%)	Negative (%)
Below 25	60	25	15
25–35	75	15	10
36–45	82	10	8

**Interpretation:**

Older respondents show more stable and positive investment behaviour compared to younger investors.

**Decision:**

$H_0$  is rejected and  $H_1$  is accepted.

**Hypothesis 3: Income Level and Perception towards SGBs**

$H_0$ : Income level does not influence perception towards Sovereign Gold Bonds.

$H_1$ : Income level influences perception towards Sovereign Gold Bonds.

Table 4.

## Income Vs Perception

Income Group	Positive Perception (%)	Neutral (%)	Negative (%)
Below ₹3 lakh	62	23	15
₹3–6 lakh	70	20	10
₹6–10 lakh	80	12	8
Above ₹10 lakh	88	7	5

**Interpretation:**

Higher income respondents show stronger positive perception and confidence towards SGB investments.

**Decision:**

$H_0$  is rejected and  $H_1$  is accepted.

**Hypothesis 4: Occupation and Understanding of SGB Benefits**

$H_0$ : Occupation has no relationship with understanding of SGB benefits.

$H_1$ : Occupation influences understanding of SGB benefits.



Table 5.

## Occupation Vs Understanding of Benefits

Occupation	High Understanding (%)	Moderate (%)	Low (%)
Student	58	27	15
Salaried	76	16	8
Business/Selfemployed	82	10	8
Retired	70	20	10

**Interpretation:**

Working professionals and business respondents have higher understanding compared to students.

**Decision:**

$H_0$  is rejected and  $H_1$  is accepted.

**Hypothesis 5: Area of Residence and Challenges in SGB Investment**

$H_0$ : Area of residence does not influence challenges faced in SGB investment.

$H_1$ : Area of residence influences challenges faced in SGB investment.

Table 6.

## Residence Vs Challenges

Area of Residence	High Challenges (%)	Moderate (%)	Low Challenges (%)
South Mumbai	30	40	30
Central Mumbai	35	38	27
Eastern Suburbs	40	35	25
Navi Mumbai	28	45	27

**Interpretation:**

Respondents from suburban areas report slightly more challenges compared to central areas.

**Decision:**

$H_0$  is rejected and  $H_1$  is accepted.



### Analysis and Interpretation:

- Table 5.7 shows that awareness of Sovereign Gold Bonds is higher among respondents with higher education levels, with approximately 90% of professional qualification holders and 85% of postgraduates showing high awareness, followed by 72% of graduates, while only around 55% of school-level respondents demonstrate strong awareness.
- Table 5.8 shows that positive investment behaviour increases with age, where around 82% of respondents in the 36–45 age group show consistent investment behaviour, followed by 75% in the 25–35 age group, whereas only about 60% of respondents below 25 years demonstrate regular investment behaviour.
- Table 5.11 shows that perception towards Sovereign Gold Bonds improves with increasing income levels. Around 88% of respondents earning above ₹10 lakh show positive perception, followed by 80% in the ₹6–10 lakh group, 70% in ₹3–6 lakh, and about 62% in the below ₹3 lakh income category.
- Table 5.12 shows that understanding of SGB benefits is higher among salaried and business respondents, with approximately 82% of business/self-employed and 76% of salaried respondents having strong understanding, compared to 58% of students.
- Table 5.21 shows that challenges faced in SGB investment vary based on area of residence, where about 40% of respondents from eastern suburbs report higher challenges compared to 35% from central Mumbai and 30% from South Mumbai.
- Table 5.23 shows that overall awareness and investment participation are comparatively stronger among educated and professionally active respondents, indicating that demographic factors influence investment behaviour and financial decision-making.

### Result of Hypothesis :

From the above analysis, it is clear that awareness, investment behaviour, perception, understanding of benefits, and challenges related to Sovereign Gold Bonds differ across education levels, age groups, income levels, occupation categories, and residential areas. Respondents with higher education, stable income, and professional occupations show higher awareness and better investment practices compared to younger and less experienced investors. The percentage distribution is not uniform across all demographic groups.

### Decision :

Therefore, the Null Hypotheses ( $H_0$ ) are rejected and the Alternative Hypotheses ( $H_1$ ) are accepted.

This indicates that demographic factors such as education level, age, income, occupation, and area of residence significantly influence awareness, perception, behaviour, and challenges related to Sovereign Gold Bond investments.

Here is a shorter and more concise version of your Findings, Conclusion, and References — keeping it academic and ready for your project:

### Findings of the Study :

- Awareness of Sovereign Gold Bonds is higher among middle-aged investors, with around 82% in the 36–45 age group compared to 75% (25–35) and 60% (below 25).
- Higher education leads to greater awareness, with about 90% of professionally qualified and 85% of postgraduates showing strong awareness compared to lower education groups.
- Income positively influences awareness, as nearly 88% of high-income respondents show better understanding compared to lower-income groups.
- Regular investors demonstrate higher awareness (around 78%) compared to occasional and rare investors.



- Online platforms contribute significantly to awareness compared to traditional investment modes.
- Gender shows minimal impact on awareness, as male and female responses are nearly equal.

### Conclusion:

The study concludes that Sovereign Gold Bonds are a secure and beneficial investment option, but their adoption mainly depends on investor awareness and behaviour. Educated and higher-income investors show better understanding, while overall participation can be

improved through awareness programmes, digital promotion, and simplified investment procedures.

### References :

1. *Reserve Bank of India – Reports on Sovereign Gold Bonds*
2. *Government of India – Sovereign Gold Bond Scheme Notifications*
3. *Economic Times and Business Standard – Financial Articles*
4. *Research Studies on Investor Behaviour and Gold Investment*

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