



“A Study on Investors Awareness of Stock Market”

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ABSTRACT

The study entitles consists of Investor Awareness of Stock Markets in Stock Broking Firm. The objective is to study the impact of the investors’ awareness in the Stock Markets. To study the influence of stock and investment strategies in Zero Brokerage Bidar. To study the influence of demographic profile on investors awareness on stock market in Zero Brokerage Bidar. Primary data is collected from structured Questionnaire with 100 respondents. Descriptive Research Design is used in this study. Primary data is collected from Convenience Sampling technique. The collected data were classified and tabulated and analyzed using the tools, Standard deviation and coefficient of correlation.

Key words: Stock broking, NSE, investor behavior, share market.

INTRODUCTION

The term equity means security. It is the ownership interest in the business. The equity investment means the buying and holding of shares of stocks on a stock market by a company to get income and capital gaining. It refers to the amount of capital contributed by the owners or the difference between company’s total assets and its total liabilities. It is the security available in private company and is called the private equity.

STOCKHOLDERS’ EQUITY

It means the shareholders equity. It functions as a capital which is used to buy the assets. The main sources are the money initially invested in a company along with the additional investments made later. The other source is retained earnings the company is able to build the business. The stock exchanges list shares of common equity as well as other securities types. The stock exchange is the place where the stocks are traded.

REVIEW OF LITERATURE

Mohammad Noor Alam, Md. Shabbir Alam, Kavita Chavali (2020): In his study “Stock Market Response during COVID-19 Lockdown Period in India an Event Study” The study finds the evidence of a positive AR around the present lockdown period and confirms that the lockdown has a positive impact on the stock market performance until the situation improves in the Indian context. The result of this study will benefit investors as it may help them better understand and evaluate the impact of the lockdown on stock markets caused by COVID 19.

D. V. Lokeshwar Reddy “Impact of Inflation and GDP on Stock Market Return in India” (2012): In his seminal work has argued that specifically, the findings suggest that RDGP (Real Domestic Gross Product) was the most important variable influencing stock prices. Conclusively, government should implement policies that will reduce inflation rate and poverty level through infrastructural development and improved standard of living. Also, interest rates should be made moderate in order to encourage investment and transactions in the stock market.

Adarsh Tom “Stock Market: NSE and BSE” (2021) I Examined here Indian stock market now grown into a great material with a lot of qualitative inputs and emphasis on investor protection and disclosure norms. The market has become automated, transparent and self-driven. It has integrated with global markets, with Indian companies seeking listing on foreign capital markets exchange, off shore investments coming to India and foreign funds floating their schemes and thus bringing expertise in to our markets. India has achieved the distinction of possessing the largest population of investors next to the U.K., perhaps ours is the country to have the largest number of listed companies with around several equity fund management avenues and National Fund managers most of them automated. India now has world class regulatory system in place.



OBJECTIVE OF THE STUDY.

1. The objective is to study the investors’ awareness in the Stock Markets.
2. To study the influence of stock and investment strategies.
3. To study the influence of demographic profile on investors awareness in stock markets.

HYPOTHESIS DEVELOPED FOR THE STUDY

The hypothesis developed to achieve the stated objective are:

Null Hypothesis: There is no significant difference between Investors with respect to Investment awareness about investment in stock.

Alternative Hypothesis: There is a difference between Investors with respect to Investment awareness about investment in stock.

RESEARCH METHODOLOGY

To study the investors’ awareness about investment in Stock Market, a structured questionnaire was prepared and was administered on the investors of the stock market in Bidar. The questionnaire was distributed through personal contacts, the executives of the participating broking agencies. The questionnaires were distributed to the clients of various stock broking agencies in Bidar and 100 responses were ultimately received.

RESEARCH METHODS USED FOR ANALYSIS

The study used two major tests viz., Mean, Median and Standard deviation Rank.

DATA ANALYSIS

Primary data

It is the first hand information, which is being collected by the researcher, or assistant is called primary data. In this study, the primary data was collected through structured questionnaire. Questionnaire was employed to collect the primary data from 100 selected sample respondents in organization.

Table 01: Analysis of Gender

| Gender | Frequency |
|--------------|------------|
| Male | 85 |
| Female | 15 |
| Total | 100 |

From the table 01, it is found that the analysis of Gender displays the frequency results of Gender. It is clear that majority of the investors are 85% are Male, 15% are Female.

Table 02: Analysis of Age

| Gender | Frequency |
|--------------|------------|
| Up to 30 | 24 |
| 31-40 | 36 |
| 41-50 | 22 |
| Above -50 | 18 |
| Total | 100 |

From the table 02, it is found that the analysis of Age displays the frequency results of Age. It is clear that majority of the investors are 24% are Up to 30, 36% are 31-40, 22% are 41-50, 18% are Above 50.



Table 03: Analysis of Marital Status

| Marital status | Frequency |
|----------------|------------|
| Married | 82 |
| Single | 18 |
| Total | 100 |

From the table 03, it is found that the analysis of Marital Status displays the frequency results of the Marital Status of the investors are 82% are Married, 18% are Single.

Table 04: Analysis of Education

| Marital status | Frequency |
|----------------|------------|
| Up to school | 16 |
| Graduate | 20 |
| Post graduate | 34 |
| Other | 30 |
| Total | 100 |

From the table 04, it is found that the analysis of Education displays the frequency results of the Education of the investors are 16% are Up to School, 20% are Graduate, 34% are Post Graduate, 30% are others.

Table 05: Analysis of occupation

| Education | Frequency |
|--------------|------------|
| Public | 20 |
| Private | 24 |
| Business | 30 |
| Other | 26 |
| Total | 100 |

From the table 05, it is found that the analysis of Occupation displays the frequency results of the Occupation of the investors are 20% are Public, 24% are Private, 30% are Business, 26% are others.

Table 06: Analysis of Monthly Income

| Marital status | Frequency |
|-----------------|------------|
| Up to 25000 | 16 |
| 25000 Rs 50000 | 34 |
| Rs 50000 -75000 | 24 |
| Above Rs 75000 | 26 |
| Total | 100 |

From the table 06, it is found that the analysis of Monthly Income displays the frequency results of the Monthly Income of the investors are 16% are Up to Rs.25000, 14% are Rs.25000– Rs.50000, 24% are Rs.50000 – Rs.75000, 26% are Above Rs.75000.



Table No 07: Questioner analysis of the awareness level of the investors:

| SI No | Dimension of investors awareness level | Mean (In %) | Rank |
|-------|------------------------------------------------------------------------------------|-------------|------|
| QA 1 | I usually visit the BSE website | 45 | 1 |
| QA 2 | I am somewhat knowledgeable about stock market | 5 | 6 |
| QA 3 | I clearly understand the role of brokerage firms in listing on the BSE | 22 | 2 |
| QA 4 | I Usually follow the stock market through financial news on TV and newspapers | 12 | 3 |
| QA 5 | The return on investment in stock market is higher than those of other investments | 8 | 4.5 |
| QA 6 | I always have trust when trading on BSE | 8 | 4.5 |
| | Standard Deviation = 5.3 | | |

From the table 07, it is found that the dimension of investors awareness level having the higher rank is QA 1, followed by QA3, followed by QA 4, followed by QA 5, followed by QA 6, followed by QA2.

SCOPE OF THE STUDY

The study is restricted to the investing in equity shares and stocks in the market which provides the customers the higher return and lower risk of stocks.

The study also helps the investors in taking good decisions when investing in equity shares and also ascertains the behavior of share returns in the stock markets.

The study is confined to Bidar region and shares purchased from other regions.

LIMITATIONS OF THE STUDY

1. The study is restricted to 2 months.
2. It is difficult to gather data using questionnaire.

FINDINGS OF DEMOGRAPHIC PROFILE

Gender

Majority of the investors 85% are Female and 15% are Male.

Age

Majority of the investors 24% are Up to 30 Age, 36% are 31-40, 22% are 50, 18% are Above 50.

Marital Status

Majority of the investors 82% are Married and 18% are Single.

Education

Majority of the investors 16% are Up to School, 20% are Graduate, 24% are Post Graduate, and 30% are others.

Occupation

Majority of the investors 20% are Public, 24% are Private, 30% are Business, and 20% are others.

Monthly Income

Majority of the investors 16% are Up to Rs.25000, 34% are Rs.25000 – Rs.50000, 24% are Rs.50000 – Rs.75000, and 26% are Above Rs.75000.

FINDING AND SUGGESTIONS

1. The Age levels of investors up to 30 year are aware of investing in stock market with compare to other level of group. Hence awareness should be provided to other age.



2. The Marital Status of investors those who married are aware of investing in stock market with compare to Unmarried. Hence awareness should be provided to those who unmarried.
3. The Education of investors of Post Graduate is highly aware of investing in stock market with compare to other level. Hence awareness should be provided to other educational level.
4. The Occupation of investors of Business is highly aware of investing in stock market with compare to other level. Hence awareness should be provided to other occupational level.
5. The Monthly Income of investors is highly aware of investing in stock market with compare to other level. Hence awareness should be provided to other income level.
6. The Mean Analysis of the investors consist of the dimension of investors awareness level having the higher rank is QA 1, followed by QA 3, and followed by QA 4, followed by 4.5 twice and followed by QA 2.

CONCLUTIONS



The Awareness of Investors in Stock Market tells about Age levels of investors above 30 are highly aware compare to other groups. The marital status is highly aware. The education levels of investor are highly aware and there is a significant difference between them. The occupation levels of the investor of business people are highly aware compare to other. The investors of the income level are highly aware and of investing in stock markets. The Mean Analysis of the investors consist of the dimension of investors awareness level having the higher rank is QA 1, and the investors awareness level having the least rank is QA 2. Therefore the investors are highly aware in investing in stock markets and the company earns the profit and they also collect money from the financial institutions to develop the organization.

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