



“A STUDY ON INVESTORS PERCEPTION REGARDING INVESTMENT OPPORTUNITIES AVAILABLE IN INDIAN MARKET”

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Abstract

You spend a portion of your earnings and save the remainder for future needs. You might want to use the savings for future profits rather than holding them in reserve. We refer to this as investment. Investment is "the act of committing money or capital to a business with the expectation of obtaining additional income or profit." The market offers a wide variety of financial instruments for investment, each with unique qualities. It's not always simple to invest money in financial instruments. That requires careful research on where to invest in order to ensure both the safety of your money and its growth. Everyone wants to invest money in the current environment, but everyone has different objectives. It might be growth in capital, minimizing taxes, saving for retirement, managing inflation, ensuring security, etc. Investors frequently undermine these objectives by causing uncertainty about where to invest, which trend to follow when making decisions, what factors affect their decisions, how to organize their portfolio, and whom to choose. all of those choices. As a result, the foundation of this study is how investors view their investments. It includes their thoughts at the time of investing, the different considerations they make, and the factors that influence their decisions.&Choosing the ideal investment path is a challenging task for an individual, and this report takes into account the risk-taking and awareness characteristics of different groups of people. This study aimed to determine the factors that people took into consideration before making investments and the degree of awareness that people have about different types of investments.

Keywords: *Investors perception, Objectives, Different kinds of financial instrument, Risk & Returns.*

Introduction

An asset that you invest in with the expectation that it will increase in value and yield a larger sum of money is known as a financial investment. In today's financial markets, investing has become a very complex task, and most investors are unaware that it is both an art and a science. The majority of people are fascinated by investments, regardless of their background, occupation, status, etc. Everyone participates in investment in one form or another as an economic activity. While generating a profit is the primary goal of investing, not everyone who makes an investment gains from it. Those who lose money haven't handled their money sensibly; instead, they've just followed suit. Since risk and return are correlated, all investments carry some level of risk. Finding the best returns with the least amount of risk is the art of investing. Purchasing an asset, making a loan, or holding money in a bank account with the intention of earning returns in the future is referred to as investing. Investing is the concept of deferred consumption. It is said that investing is the act of "sacrificing something now for the prospect of getting something later." According to our definition, an investment has three dimensions: the time invested in producing assets or trading assets for cash. It is the application of money to get more revenue or make it more valuable. Investing protects your funds from spontaneous and needless purchases. Additionally, it shields your funds from the effects of inflation. Your money loses value due to inflation unless it is invested in something that generates interest. You can therefore automatically keep up with inflation by investing. Most people's lives are made up of ups and downs.



Sometimes you have a good income and save money, and other times you have to have a big emergency fund. Creating investment pools comes in handy during these wet days. Study the different financial opportunities available for investment. Study the perception of investors about the different investment opportunities available in the market. Understand the effect of demographic factors affecting investment choice. Know the perception of investors on the dimensions of security, liquidity and high profitability. The purpose of the study is to ascertain each investor's level of risk tolerance as well as how they perceive different investment opportunities, including the kinds of financial instruments and areas in which they would like to invest.

Review of Literature

1. Shinki K Pandey, Abhishek Vishwakarma (2020) "A Study on Investment Preferences of Young Investors in The City of Raipur Chhattisgarh, India"

This Study's main objective was to examine the investment preferences of the young people in Raipur. The study's findings indicate that, in order to maximize their capital, young investors are more inclined to invest in mutual funds and the stock market, though some of them are also interested in less risky options like bank deposits and post office deposits. Other investors also use these tools because of their safety. It was also discovered that the young generation is not constrained by the long-term versus short-term time horizon factor, but rather is focused on gaining higher returns regardless of time horizon. The younger generation has stopped using the conventional methods of investing and is willing to take good risks in exchange for good returns.

2. Adil Mehraj (2021) "Impact of Behavior on Investment Decisions: An Empirical Study of Jammu and Kashmir"

The study shows that the reasons the financial behavior of individual investors has a connection with the various available investment options, preference and selection. "Safety of principle would be most critical factor which is considered most before investment followed by low risk, high returns and maturity period. Returns is the main reason for investment, future expenditure, tax savings and wealth creation. There are lots of considerations while investing such as tax planning, future needs, safety of investments, recurring income, etc. So as per the requirement of individual investor, he or she should consider these variables. Knowledge is the key power to invest in, therefore by conducting several Investors' awareness programs can remove fear in the minds of potential investors."

3. Malaya Journal of Mathematic (2020) "A study on investment analysis"

The analysis of this topic most of the investors are very sensitive about safety of their investment. They want more safety and reliability. Current trend and easy access are not affected the investor as much as safety and reliability. Most of the earning people invest their income up to different level in any sector, so investment company have also very much scope of gaining business. Equity market is also popular among investors due to higher return, but due to uncertainty and lack of proper knowledge investors do not invest in that sector. But investors who have proper knowledge and willingness to take risk up to some extents are investing in Equity market.

4. Vijay. S, Dr. Ch. Balanageswara Rao (2018) "A Study on Investors Perception Towards Sharemarket in Sharekhan Ltd"

This study has seen - One of the oldest stock markets in Asia is in India. It has a history that goes back almost 200 years. The earliest documentation of securities transactions in India is meager and mysterious. "The East India Company" the primary organization at the time and business in its loan securities were traded in the direction of the final years of the eighteenth century. The character of



Investment varies from person to person and is each individual because it depends on different parameters like the present, the future, and the potential income model, risk tolerance, and current requirements, among other things. As a trader, as his or her life stage and financial situation change. Goals fluctuate, and the particular investor profile does too.

Need of the Study

A study on investors' perception of investment opportunities in the Indian market is crucial for informed decision-making, risk assessment, and market development. It empowers investors to make better choices, assists financial institutions in managing risks, aids policymakers in crafting effective regulations, and guides businesses in raising capital. Understanding behavioral aspects and preferences also contributes to academic research and economic indicators. Furthermore, it promotes diversified portfolio strategies, enhances investor education, and supports industry innovation, ultimately fostering a more robust and informed investment landscape in India.

Objectives

1. To study the various investment options available in the financial sector.
2. To study how investors' perceptions the various investment options that are available in the market.
3. To understand the effect of demographic factors affecting investment choice.
4. To find out how investors feel about security, liquidity, and high profitability.

Analysis and Findings

According to the data, the majority of investors allocate of their income for savings could be attributed to varying financial goals, risk tolerances, and individual circumstances influencing their saving behaviours. Among respondents, have invested their savings, while the remaining have not engaged in investments. The survey results highlight respondents' awareness of different financial instruments, with recognizing Bank Deposits, and identifying Shares as another prominent option. According to the respondents' preferences, banks and the post office are their top picks, and gold is another popular investment option. Many respondents opt for monthly investments, while some prefer less frequent intervals such as quarterly, half-yearly, or yearly. The data highlights various investment habits among respondents, with of them choosing to allocate up to of their annual income to securities. It is observed that family and friends are comparatively advising more and influencing the investors in choosing investment and taking decisions. Most respondents have a short- to medium-term time horizon for their investments, According to the data, respondents have a wide range of investment risk tolerances. The majority investors opted with a moderate level of risk. The information reveals that respondents' levels of investment satisfaction varied widely. Smaller groups display varying degrees of dissatisfaction, including dissatisfied and highly dissatisfied, along with a notable count of highly satisfied participants, while a significant number are content and a majority remain neutral .

Conclusion

In conclusion, the study on investors' perceptions regarding investment opportunities in the Indian market underscores the significance of understanding investor sentiment and preferences. This research has shed light on the crucial role of perception in shaping investment decisions, risk management, and policy formulation. The findings provide valuable insights for individual investors, financial institutions, policymakers, and businesses, enabling them to make more informed choices and contribute to the development of a resilient and investor-friendly market. Additionally, this study



highlights the importance of ongoing investor education and the need for innovative approaches in the financial industry to meet the evolving needs and expectations of Indian investors.

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