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are the available opportunities for investment. This study revealed and reviews the pattern of investment of diverse class of people on the basis of previous research. Focus of this paper was on pattern of investment of "working women", "salaried employees" and "teachers". Data were gathered from various "journals", "websites" and "research articles". Finding of the study shows that investor's behaviour on investment of one class varies from other class of people and the reason behind it can be of "risk perception level", "awareness" of various investment opportunities. "Bank deposits" are the one of the preferred opportunities of investment among all class of people. This reveals that in India, still people depend on traditional investment opportunities. Knowledge and awareness is the main power in stock market investment decisions. Hence, by making various awareness programs for investors can decrease the fear from the brain of future investors.

CONCLUSION

This paper discusses the investment patterns of small investors in India. Patterns of Investment have its consequence on different sectors of the economy. In India, growth rate of industries are very rapid and influence the investment pattern at the sectoral composition and structure of the economy to greater extent.

Investment patterns by small investors is largely influenced on the behavioural and psychological decisions, and involves its own set of risks and strategies, As there are lot of investment options, both traditional and modern the choice is difficult so one can consider based on their knowledge, education and experiences etc, lot of factors also influence the investment decision, also the scenario is largely different in India and other countries due to varied economic condition, also within India the investment patterns differ a lot. Finally why people choose investment over savings or savings over investment is discussed in this paper.

It is important for Investors to look beyond the traditional opportunities of investment by "sensitization" and "education". Holders of accounts are totally in favour of individuals and "asset holding" is in favour of companies. Banks or FIs do not have extra funds to invest in money/liquidity" money market funds etc. Companies or corporate have some short term "surplus funds" and they put such efforts in "liquid/money" market funds. It can be concluded that all retail investors are not very much interested in various finances. "High net worth" people has also shows interest in "mutual funds" that are debt based investment.

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region and force people to move from rural region to urban regions in job search. In the post-economic reforms era, Behaviour of Indian investor's has been changing significantly in activities of investment, fondness in choosing from different "financial instruments", analyzing and evaluating of investment opportunities. Study shows that internals with "high investment" awareness and knowledge confirm successful "investment behaviour". It was found that women were more willing to take risk as compare to men. As age of individual increases, ability to take risk declined and as level of education increases, level of risk aversion decreases.

Sridevi (2019) examined the behaviour of investors towards investment specifically for mutual funds. Data was collected from 150 "individual investors" from northern region of Kerala in this study. "Percentage Analysis", "Chi-Square Test" and "Garrett Ranking Technique" were used as a statistical tool to analyze the data. Finding shows that the main purpose of investors to invest in "mutual funds" was to earn better returns with low risks comparatively. "Mutual Fund" is consider as an investment intermediate that attracts funds from different types of investors and invests the money in "stocks", "bonds", "short-term money-market instruments", "other securities" or "assets" or some grouping of these investments. For uncertain reward in future, investment is a sacrifice of some current value. Enhancement of financial awareness and knowledge can stimulate investors to invest in activities of investment mainly "mutual fund" investment.

Manivannan & Rajalakshumi (2017) found that "Investment behaviours" includes the investors "judge", "predict", "analyze" and "review the procedures" for making decision, that includes investment "psychology", "information gathering", "defining and understanding", "research and analysis". This whole process involves as "Investment Behavior". Many theories of economics are based on the principle that all individuals behave rationally and all existing information is implanted in the process of investment. This hypothesis is the base of the efficient market assumption. Researchers are now pointing this hypothesis and uncovered proof that rational behaviour is not always widespread and common. This study attempts to explain and understand the emotions of humans and how these influences decision making process of investors. This research paper examined the influence of "demographic" features on the pattern of investment. Investors before taking investment decisions, collects information's related o investment from "internet" and consultation with "friends", "peers" and "investment experts". Decision on investment varies from investors to investors on the basis of "demographic structure". These decisions depend on the purpose and ability to take risks. Announcements from corporate also play important part in pattern of investment of the investor that causes huge change in investor behaviour.

Abhinandan, Alasbahi & Gamal (2019) explored that investors in India have lots of opportunities of investment to invest their savings. Returns and risks involved in investment opportunities differ from each other. Investors take decisions after analyzing the main characteristics of investments like "security of principal amount", "liquidity", "income stability", "easy transferability", etc. "Shares", "bank", "gold and silver", "life insurance", "postal savings", etc.

opportunities of investment were available like “Savings a/c”, “Fixed Deposit a/c”, “Government Securities”, “Corporate Bonds”, “Insurance policies”, “Real estate’s”, “Commodities”, “Shares” and “MFs”, “Chit Funds” and “Gold and Silver”. Most of the investors invest their extra or surplus money in above declare opportunities on the basis of attitude in taking risk. Risks cannot be avoided by investors but they can reduce the risks by investing their money in different types of investments that are safe so that they can afford moderate profits. Finding shows that most of the Coimbatore city investors prefer “bank deposits” followed by “gold and silver” investment. Prabhu, A.; Shilpashree, K.S. & Mahesh B.S (2017) examined that financial and investment products has become important and common to lead better life. This research found objectives of the investments by the investors. Finding shows that investors are more interested in investing “long term” and “less risk products”, “high return” and “low risk”, and much interested in good return. Investors are well aware regarding the factors influencing investment plans and consider advice from experts and self-examinations. Study shows that “Dakshin Kannda” is village and agriculture oriented and most of the people are not have much information or knowledge regarding investment opportunities. Study concluded that “Indian investment community” have exposed a lot of interest in investing different products of finance available in the market due to the escalation GDP growth, companies better performance, moderate “rules and regulations” by the authority like SEBI to guard the interest of investors and this process grows much more faster in the future.

Sarkar and Sahu (2018) analyzed the individual investment behaviour of stock market investors to examine if any there is any influence of 3 independent variables i.e. “Demographic Factors”, “Awareness” and “Perceived Risk Attitude” on dependent variable “Investment Behaviour”. Data was collected from 400 individual investors that are selected randomly from different districts of West Bengal with “structured questionnaire”. Finding shows that the level of awareness of “individual investors” was on moderate level and awareness of finance was higher than “social learning”. Analysis reveals that “Demographic Factors”, “Awareness” and “Perceive and Risk Attitude” notably have impact on individual investor’s behaviour on investment of stock market. It was observed that “social learning” on “Heuristics Bias social learning” has noteworthy relationship with all factors like “representativeness”, “over confidence”, “anchoring”, “availability bias” and “gamblers’ fallacy”. On “Prospects Bias”, Social Learning has noteworthy relationship with “regret aversion” and “mental accounting” only. On “Markets Bias”, social learning has noteworthy relationship with “price changes”, “market information”, “past trend of stocks” and “companies’ customer preference” only. On “Herding Bias”, Social Learning has noteworthy relationship with “buying and selling pattern” and “choosing stock” type only.

Mathi & Kungumapriya (2014) explored various literatures available all over the world on “individual investment behaviour”. The main purpose of the research was to understand “individual investment behaviour” and for this data was collected from referred journals. Availability and accessibility of quality “financial services” in rural regions is enormously important for economy growth. Shortage of financial aid causes obstacle the growth of many micro-enterprises of rural aspect of the investment patterns, Studies on the different types of investors over the past 20years have shown that equity market have done exceptionally level, but is not an actual way it is reflected by society, which is a paradox of this market. Financial industry is a growing industry, and for a nation to grow to grow it needs capital, the finest and best way to do this through stock marketwhich will raise the capital (Vijaya, 2018).

Some studies also have indicated that there is no structured behaviour for individual investors. There are several aspects that show impact on their decision making. It includes both understanding of “behavioural” and “cognitive psychology” along with process of financial decision making. This study on the literature from past has identified behavioural factors which influence the investment behaviour are “overconfidence”, “representativeness”, “anchoring”, “mental accounting”, “disposition effect”, “herd behaviour”, “loss aversion”, “regret aversion”, and “market factors”. Interestingly post the study which studied these factors revealed that “overconfidence”, “herd behaviour”, and “disposition effect” influence significantly and positively while the investment process is considered and finally investment is done.

According to Totala (2016) The need of investment arises from the need of household expenses, wealth creation, increasing cost of living, needs at different stages of life, regular income, and then can be a combination of all the above. Finding shows that salaried employees look for safety along with “good return on investment” that is invested on continues basis. Except female investors, respondents were very well aware regarding available investment opportunities in India.

75% of the Indians of urban class especially working class invest in real estate as it fetches them guaranteed returns and higher returns too, the usually stay off from gold and stock investment. “Small and medium sized industries” (SMEs) should have a thorough understanding of psychology of investors, its mandatory for them to know what their investors think about the risk and funds invested in their companies. For saying so they believe that investment is parting one’s fund to other for productive activity, it can be advanced loan or part of equity or debt capital of corporate and non-corporate part of industry (Rohtagi S. K et al 2019)

The developing countries, like India have adequate capital to use it in developmental process. Many other countries face difficulty during this phase to come out of the nasty circle of poverty which is widespread due to “low income”, “low saving”, “low investment”, “low employment” etc. With “high capital output ratio”, it was found that India needs very “high rates of investments” that are necessary to take a leap and for continue efforts in achieving high levels of growth (Charkha and lanjekar, 2018).

Parimalakanthi and Kumar (2015) explored the individual investor’s behaviour of city Coimbatore with opportunities available in financial market in India. Main factors following investment were “principal amount safety”, “liquidity”, “income”, “stability” and “appreciation”. Various next in shares investment. Rastogi, Kavidyal and Singh, (2019) examined that based on the different class of people,75% of the Indians of urban class especially working class invest in real estate as it fetches them guaranteed and higher returns , the usually stay off from gold and stock investment.

According to Manikandan & Muthumeenakshi (2017) the main characteristics of investment are security of "financial amount", "liquidity", "income stability", "approval", and "easy transferability". People are more confused and insecure about the various ways of traditional investments, but this trend is soon fading away and people are coming out of the darkness of the lack of knowledge, adopting newer choices which are good and safe too.

Four factors which decide the investment behaviour of the small or individual investors are; "investor related factors", "market or environment related factors", "investment related factors", and "company related factors". The factors that are considered by the small and big investors are considerably different, the small investors aim at getting more fortune in less time while the big investors aim at long term sustenance in a very dynamic and complex financial market. (Dewan.A et al 2019)

Ultimately its investor's onus to choose which kind of investment is right for them, like what is their appetite for risk, time involved etc. one good suggestion or tip for the investors would be diversifying their investments in different opportunities (Shah and Bramhabhatt, 2018).

Investment avenues which are popular and mostly used, by people from different classes of society like (I)individual investors which may be women, teachers, truck drivers etc.(II) Small investors (III) medium to large investorsare as follows; Non-marketable financial assets which includes "bank deposits", "post office deposits", "co-operative deposits" "public provident fund deposits". Bonds which includes "Govt securities", "Relief bonds", "securities", "PSU Bonds", "Debentures of private companies". "Mutual fund" schemes include "Equity shares" "Debt & balanced schemes". "Real estate" includes "Agricultural land", "Semi –urban land". "Money market" investment includes "Treasury bill", "Commercial deposits", "certificate of deposits", "LIC policies" financial assets include "Endowment assurance policy", "Money back policy", "Whole life policy", "Premium back term assurance policy".

Brief explanation of above discussed investment avenues are given below. "Bonds": which is a debt investment; it involves giving a loan to the govt or an institution in exchange to the interest rate for a specific term. "Stock": it is a kind of investment which provides a partial sort of ownership of a public company. "Mutual funds": It is an investment carrier where there is an investment of money in a professionally managed portfolio of asserts. Exchange traded fund, The ETF are funds which are referred as portfolios of securities, like the trading of stocks of exchange.Market money account;this type is similar to savings account which gives a competitive interest rate in exchange for a larger than typically "normal deposits". Looking at the historical the financial asset value. Investor invests only after understanding the market, doing a proper assessment, including what would be the other alternatives which would give them fruitful results. The decision to invest by the small investors and the big investors is based on their risk bearing ability, how they define a risk, expectancy of benefit of their return, need etc. The small investors like individual investors, invest their small fortunes based on their "judgement", "rationality" and "quotidian knowledge" of by assessing the market conditions at their own understanding level.

Small investors differ from the big investors in terms of scale and boundaries of investment like overseas investment or domestic investment. Stock market is one of the popular destinations for many small and individual investors these days. It's a very huge, unstable, volatile market where transactions of investment are done on a "quotidian basis". Even though it is associated with risk attribute associated with the investment and instability in terms of reality and has a very irrational approach, Stock market has attracted many investors off late due to the fact of abundant knowledge available readily for the people to educate themselves and take an educated decision. Books by famous people like warren buffet gave a different perspective about investment and think against the run of mill ideas of investment. There has been a big and practical shift in reality, from the "real estate" and "gold investment" market, to the market segment involving "shares", "insurance", "bonds", "mutual funds", "Govt securities", and "fixed deposits". Stock market can be clearly understood by having a clear picture of different levels of investment decisions of the investors (Dewan et al., 2019).

In the earlier times financial products were mainly offered by banks,(like savings bank account, current bank account, recurring and fixed deposit's)post uLPG there has been a large shift , The banking and financial market as an industry has grown manifolds and has offered multitude of products shares, life and non-life insurances, mutual funds , but also has created lot of confusion for investors , as expected. But with evolvement, and more increasing clarity, in the form of various knowledge imparting avenues, the clearer understandable options have emerged and made the decision making easier. (Shah & Bramhabhatt 2018)

LITERATURE REVIEW

Investments usually are considered as risky in the entire India.There is substantial amount of research which states that women are more averse to risk than men, which translates to investment in less risky investment avenues. The investment knowledge directly affects the risk taking behaviour. As per SEBI and NCAER, ranked in ascending order, "fixed deposits" in banks are considered as very safe, followed by "gold units", then "fixed deposits" in the private companies, "mutual funds", "equity shares", and "finally debentures". Kumar and Nagajothi (2018) revealed that many of the investment studies in India have been done around share market. Narayanan (2003) stated that south part of Indians are averse towards taking risk, while Gujarat is popular for investing in shares and bond market, followed by Gujarat its, Andhra Pradesh which stands

ISBN: 978-81-953844-1-9

A STUDY OF INVESTMENT PATTERNS OF SMALL INVESTORS IN INDIA

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Shreya Mishra

ABSTRACT

An investment is age old practice, presenting in different forms with times. It's a study on its own, to ensure profitable returns, as a part of study; investors research in their own ways based on their experience, knowledge and advice. Different types of investment have been identified in the financial market, what suits the best is the choice an investor. Investors also refer to the books for the investment knowledge, where they should invest. Gold and real estate are typical old school investment areas while stocks are the current age option though a little controversial one, but studies show they have got real and huge profits, stocks are especially good for both nation and individual. Behavioural finance is an emerging field, study of which is going to help the small investors as well as big investors in investment in a big way. Sometimes savings is a close choice against investment, but choosing savings on investment or vice-versa is totally based on the individual's choice.

Keywords: *Investment, Liquidity, Returns, Safety, Investment Behaviour*

INTRODUCTION

Investments have always been considered as science that deals with the study of capital market which leads to the systematic way of investment.

Investments are the commitments of "capital" or "primary" wealth by investors to purchase financial returns to reap profitable returns like "income", "interest", "appreciation" or "hike" in

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TABLE OF CONTENTS

"World Economy, Trade and Employment – Navigating the Future"

Published by:
Gaurang Publishing Globalize Pvt. Ltd.
1, Plot 72, Wadia C., P.M.M.M. Marg, Tardeo, Mumbai 400 034.
Mobile: 99693 92245
E-Mail: gpglobalize@gmail.com ● www.gpglobalize.in
CIN No.U22130MH2016PTC287238
UAN - MH19D0008178

Cover Design by : Vedant Graphic Design Studio, Dharavi, Mumbai - 400 017.

Printed at : Rajesh Printouch, 85, Modi Street, Fort, Mumbai - 400 001.

ISBN : 978-81-953844-1-9

"World Economy, Trade and Employment – Navigating the Future"

Edited by:

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Ph.D, ACMA, CS, MBA (Finance), M. Com (Gold Medalist)
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GAURANG PUBLISHING GLOBALIZE PRIVATE LIMITED, MUMBAI
CIN No. U22130MH2016PTC287238
UAN - MH19D0008178

World Economy

Trade & Employment – Navigating the Future

Edited By
CMA Dr. Kinnarry Thakkar

GAURANG PUBLISHING GLOBALIZE PVT. LTD.