

# An Analysis of Factors Impacting Investment Decisions of the Investors in Ghaziabad

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## ABSTRACT

For the occasion of any nation capital markets plays a basic and noteworthy job. The created capital markets give different advantages like high monetary procedure, high work, infrastructural advancement and created money related areas. Created markets benefits a provincial as well as offers abundant chances to retail financial specialists for riches age and expansion. The vast majority of the reserve funds in India are in physical resources like gold, land yet now the tendency is expanding towards value and it's developed considerably. Retail investors' who are putting resources into little increase, methodology setting cash in continually intriguing widely recognized roads in individuals contribute. Ghaziabad additionally, we attempted to search out which is that the most smoking method of investment. The objective is to search out which age gatherings of financial specialists are effectively taking an interest inside the stock trade, people's observation and inclination towards value advertise in Ghaziabad. The financial specialists additionally vary in hazard taking capacity. The goal is to discover in Ghaziabad financial specialists are having forceful methodology or preservationist approach. So as to get more significant yields individuals, want to put resources into the value advertise. Despite the fact that they're daring people yet their significant venture isn't in Value. Watchwords: Value, Forceful methodology, Traditionalist Approach, Risk.

## I. INTRODUCTION

For the occasion of any nation capital markets plays a basic and noteworthy job. The created capital markets give different advantages like high monetary procedure, high business, infrastructural improvement and created budgetary divisions. A created market benefits a rural as well as offers abundant chances to retail speculators for riches age and augmentation. The complete market

to pitfall the Indian organizations is practically 65% of the Gross domestic product today when contrasted with the US at about 90% as reflected during an investigation titled Extending of capital markets by the Boston Counseling Gathering and Confederation of Indian Industry in December 2012.

In India the family investment funds rate is expanding and right around one-portion of the reserve funds resources, land and thusly one-half budgetary resources. The estimation of private value interests in the nation developed in excess of multiple times in under 10 years. The exhibition of Market has enrolled a major upward pattern lately. Retail financial specialists who are putting resources into little frame addition, methodology they put her cash in quality stocks. The NSE has determined that it's seen retail financial specialist investment increment significantly over the most recent one year, with Maharashtra recording the most noteworthy pace of increment. On the NSE stage, Maharashtra had the most number of individuals exchanging the most recent one year (up 38 percent) while Gujarat saw the most elevated bounce in esteem terms, by more than 50 percent.

Maharashtra, Goa and Gujarat together saw 32 percents pray in the quantity of individuals effectively exchanging the most recent one year. India has around 2.5 Crore enlisted customers across trades, as per the NSE explanation. It is continually intriguing to know the most well-known roads in which individuals like to contribute. In Ghaziabad additionally, we attempted to discover which the most famous method of speculation is. The goal is to search out which ages gatherings of speculators are effectively part asking inside the financial exchange, people's recognition and inclination towards value advertise in Ghaziabad. The speculators additionally contrast in hazard taking capacity. The goal is to discover in Ghaziabad speculators are having forceful

methodology or moderate methodology. A Forceful financial specialist esteems boosting returns and is happy to just acknowledge significant hazard. A speculator accepts amplify long haul returns is a higher priority than ensuring head. Forceful financial specialists are those speculators which are make a venture where, there is probability of exceptional yields. A second type if investors are conservative investors. That is not investing their investment in high risky securities. They also believe in protecting their principal. These investors are approaching those securities which gives lower returns they comfortably adopt that. A Value speaks to proprietorship in the firm and comprises of held benefits and offers gave either secretly or through a securities exchange. Equity is shows the ownership of a firm and it consists a two more things that is retained earnings Share issued privately or through a stock market. In a balance sheet an equity share capital represents the funds contribute by the owner or we say that stakeholders of a firm plus retained earnings or deducting the accumulated losses bear by the firm.

## II. LITERATURE REVIEW

### 2.1 Venture Roads in India

For an every nation a saving plays an important role in an economy. A savings refers to that amount which is remaining after payment of all expenses or consumers spending a given period of time. A saving amount is used by the people for investment to earn a more income. Cash is treated as a driving force for growth of an any country. In India there are a various alternatives investment avenues are available.

Different options for investment like-

- **Equity Shares**
- **Dentures or Bonds**
- **Public Provident Funds (PPF)**
- **National Pension System (NPS)**
- **Senior Citizen's Saving Scheme (SCSS)**

An Indian government also provides a tax deduction when the investors make an investment in like PPF, LIC, NSC, etc.

### 2.2 Speculation Choices in India

**A. Non attractive resources:** These are such budgetary resources which gives decently exceptional yield yet cannot be exchanged market.

- **Bank Stores**
- **Mail Station Plans**

- **Organization FDs.**
- **PPF**

**B. Equity shares:** An equity shares represents the ownership of a company. Those shares receive a dividend against her capital that they invested. A dividend is given after the payment of all liabilities. An amount of dividend is not fixed that can be fluctuate according to the profit amount. They have also given a vote in board meeting. These shares cannot convertible. Equity shares are classified as follows-

- **Blue chip Shares**
- **Growth Shares**
- **Income Shares**
- **Cyclic Offers**
- **Speculative Shares**

**C.** The capital market instruments. In this as investors received a fixed. That as compare than equity shares. Generally a time that There are different alternatives available under the debentures and Bonds that are-

- **Government Protection Securities**
- **Saving**
- **Unit**
- **Preference Shares.**

**D. Currency Show Case Securities:** It is another type of investment platform which is growing very fast. It is managed by the professional's portfolio managers. In a mutual funds a so many numbers of investors pool their investment together diversified their securities. These mutual funds are managed by AMC (Assets Management Company). They have a transparency that they quarterly disclosure of holdings. A government also gives a tax reduction form a king an investment in mutual funds. It involves a different types of schemes like-

- **T Bills**
- **Certificate of Deposit**
- **Commercial Paper**
- **Repurchase Understanding**
- **Bankers Acceptance**

**E.** These also treated as a good investment portfolio. It helps in protecting the life of insurer. A main of that to protect for the A life insurance is mostly taken by the individual and general insurance taken by the corporate. That involves a different types of policy like-

- **Endowment**
- **Term policy**
- **General Insurance Policy**

**F. Extra security:** Presently a-days life coverage is likewise being considered as an investment avenue. Protection premiums speak to the penance and the guaranteed total the advantage. Under it various plans are:

- **Gift confirmation Strategy**
- **Cash Back Strategy**
- **Entire Life Strategy**
- **Term Confirmation Strategy**

**G. Real Estate-**In India at every investor individual or corporate wants to invest her investment in real estate because they always give profit. Real estate investment options are-

- **Farm:** A involved like. A so many investors are also investing her savings in paintings, ancient coins.

**H. Derivatives-**A derivatives is a financial instrument whose value is derived from the value of other assets, which we called as

underlying. A derivatives means making an indirectly investment in assets. A derivatives market is growing very fast in our nation. A main objective of derivatives is that is helps in reducing the risks. It includes

- **Forward Contract**
- **Future Contract**
- **Options**
- **Swaps**

### III. RESEARCH METHODOLOGY

#### 1.1 Research Problem:

- A main objective of that project report is in Ghaziabad and the level of risk people can undertake in Ghaziabad.
- An object of this report to find out the major factors that affect the investor's behavior while taking a decision regarding the investment.

**1.2 Data Type:** The research is based on primary data a questionnaire was framed and got it filled by 50 respondents.

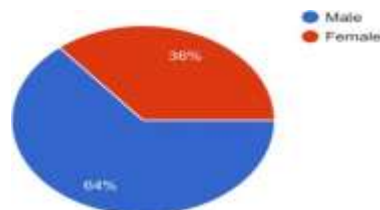
**1.3 Tool:** individual

**1.4 Sample Size:** Fifty respondents were contacted who provided the details through the questionnaire.

**1.5 Sampling Technique:** Convenience

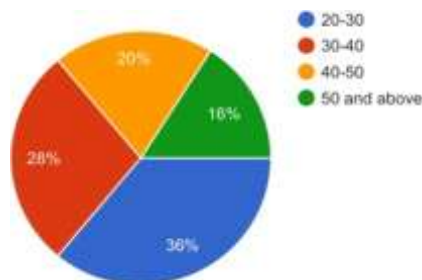
### IV. ANALYSIS AND INTERPRETATION

#### 1.6 Gender



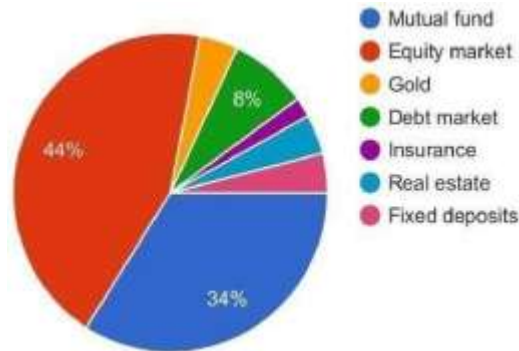
**Interpretation:** Out of the total respondents, 32% are male and 18% are female.

#### 1.7 Age group



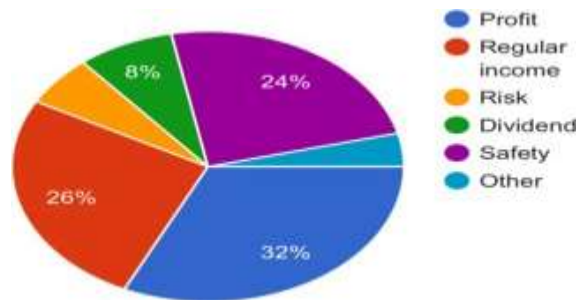
**Interpretation:** 18 that is 20-30, second that 14. Which are 40, 50 there is only 20% and after 50 investment that is 16%.

1.8 What kind of investment preferred by you?



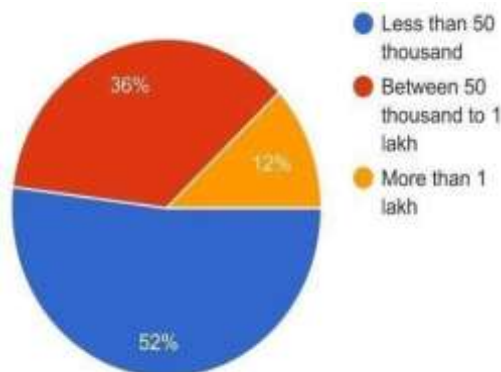
**Interpretation:** Ghaziabad in market that is 44% in a equity market and 34% are investing in mutual funds, Estate price are increasing according to chart a people prefer that market which gives more return, they doesn't fear about risk

4.4 What aspect behind making Investment?



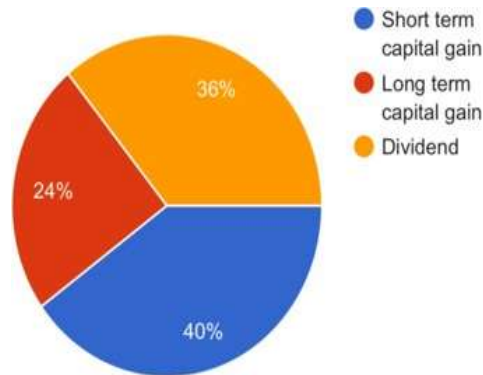
**Interpretation:** According to above chart, focused to that is 32% that is 8%. Ghaziabad.

4.5 What amount of investment invested yearly?



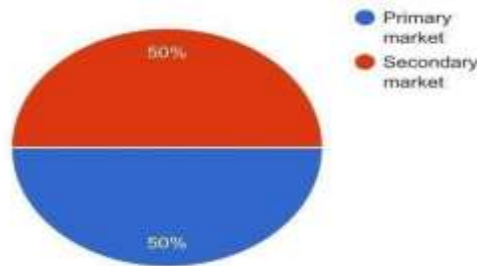
Interpretation: less than 50,000 that is 52% 1 that is 36% between 0.5 to 1 lakh that is 12%. Folks don't take a position.

#### 4.6 Motive of investment



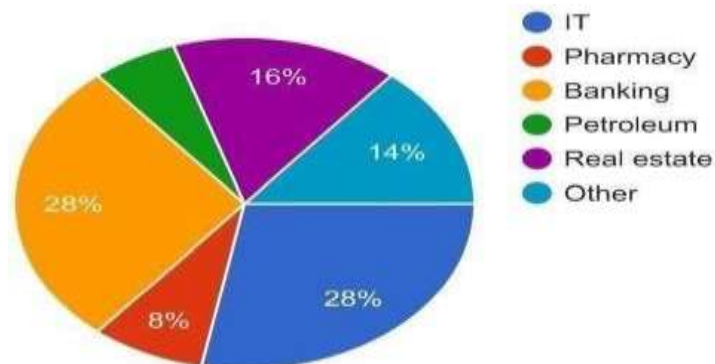
**Interpretation:** Out of the total respondents, 40% investors believe in short term capital gain, 36% believe for dividend receiving and remaining 24% believe in long term capital gain.

#### 4.7 Market preference



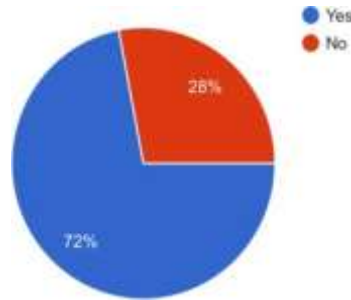
**Interpretation:** There are two types of market available for investing money that is primary and secondary market. So out of 50 respondents they approach both market equally that is primary market is 50% and secondary market is also adapted 50% respondents

#### 4.8 Type of sector you preferred?



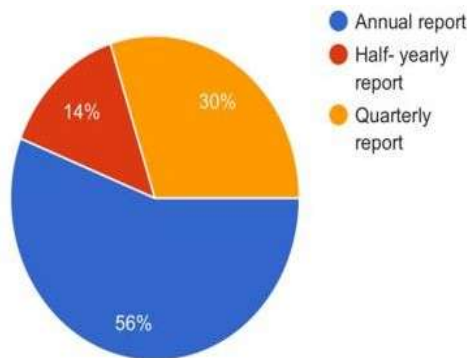
**Interpretation:** 28%, that is 16% also a 6% need to take a position during How many years you trading?

**4.9 Loss incurred during past years?**



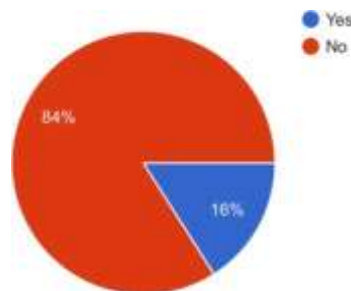
**Interpretation:** According to above chart there is 72% investors are bearing losses and 28% are not bearing lost. While investing in shares do you go through prospectus?

**4.10 Do you go through the following before making investment in accompany?**



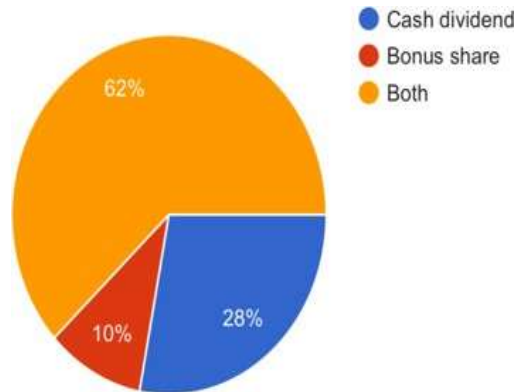
**Interpretation:** Out of the respondents, there is a 56% investors are checking an annual report of the company, 30% go for quarterly report and 14% are checking half yearly report.

**4.11 Are you a member of investment forum?**



**Interpretation:** According to above chart there is a good thing that 16% are the member of forum but 84% are not member of any forum.

#### 4.12 Specify form of dividend?



**Interpretation:** Out of respondents, 62% investors believe in both cash dividends and bonus share, 28% believe in cash dividend and 10% believe in bonus share, Taking advice of stockbrokers?

#### V. RECOMMENDATIONS & CONCLUSION

- For the small investors having capital less than Rs.1,00,000 should chose the option to transact some of their investment in delivery mode as relying entirely on intraday mode could provide constructive.
- For the large investors, who clearly chose to transact in the delivery mode should also consider the option to transact in intraday as their huge capital may generate huge number of sums in shorter period of time.
- It is recommended for the individual investor to be in contact with a good broker and be upgraded with latest news about the stock market before investing in to it.
- The investors should rely on fundamentals and take the decision of investment in equity after a detailed study of various accounting as well as non-accounting variables.
- Small investors should not be indulging into speculative activities

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