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Abstract

When it comes to investing in India, investors are only given few options like Real estate, fixed deposits or go According to several surveys, just 2.5 percent of the country's 1.3 billion people are aware of investment possibiliti other than the above, meaning that investment options are only available to those who live in metro areas. This stud aims to find out how much youth know and understand about different investing possibilities, as well as the attitudes on stock market investment. This study will help us establish how well-informed a youth is about the many investment options available in India, as well as the various factors that influence a person's decision to invest the money. The significance and relevance of this study is that it will reveal how youth invest and save money in order to PD[LPLVH WKHLU SURILWV 7KLV VWXG\ ZLOO UHYHDO WKH IDFWR This study will also look at some students who have only been working for 1-2 years to see how they feel about investing and what degree of knowledge they have.

Keyword: Investment, Stock Market, Decisions, Options, Maximises Profit

Introduction:

During the last 10-20 years, the growth Indian economy has done in pace, with the corporate sector playing a key role in this development. During that time, India has experienced a substantial funds by way of foreign investment as well as the establishment of Indian multinationals on the global corporate arena. During the current decade, the capital market and its expansion have played a significant role in boosting corporate sector growth.

With the expansion of the capital request, certain Indian pots now have request capitalizations that place them among the top companies in the world. The minimum engagement of retail investors in the commercial frugality, on the other hand, remains a source of concern. The overall number of retail investors in India has been estimated to be lower than one chance of the total population. In India homes are fleetly shifting their investments to threat-free, low-yielding fixed- return instruments or non-financial means.

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भारतीय प्रतिभूति और विनिमय बोर्ड
Securities and Exchange Board of India

What is the Structure of SEBI?

SEBI Board consists of a Chairman and several other whole time and part time members. SEBI also appoints colourful panels, whenever needed to look into the pressing issues of that time. Further, a Securities Appellate Tribunal (SAT) has been constituted to cover the interest of realities that feel GLVSOHDVHG E\ 6(%,¶V GHFLVLRQ 6$7 FRQVLVWV RI D Presiding Officer and two other Members. It has the same powers as vested in a civil court. Further, if DQ\ SHUVRQ IHHOV GLVSOHDVHG E\ 6$7¶V GHFLVLRQ RU order can appeal to the Supreme Court

What are the Powers and Functions of SEBI?

SEBI is a quasi-legislative and quasi-judicial body which can draft regulations, conduct inquiries, pass rulings and put penalties.

It functions to fulfil the conditions of three categories:

Issuers – By furnishing a business in which the issuers can increase their finance.

Investors – By icing safety and force of precise and accurate information.

Intermediaries – By enabling a competitive professional request for interposers.

By Securities Laws (Amendment) Act, 2014, SEBI is now suitable to regulate any plutocrat pooling scheme worth Rs. 100 cr. or further and attach means in cases of non-compliance. SEBI Chairman has the authority to order" hunt and seizure operations".

SEBI board can also seek information, similar as telephone call data records, from any persons or realities in respect to any securities sale being delved by it.

SEBI perform the function of enrolment and regulation of the working of adventure capital finances and collaborative investment schemes including collective finances. It also works for promoting and regulating tone-supervisory associations and proscribing fraudulent and illegal trade practices relating to securities requests.

Major Stock Exchanges in India:

❖ National Stock Exchange (NSE): The National Stock Exchange of India (NSE) is India's largest stock exchange, where you can purchase and sell shares in publicly traded companies. It is a Mumbai-based company that was founded in 1992. NIFTY50 is the flagship index of the NSE. Based on trading volume and market capitalization, the index includes the top 50 companies. This index is frequently regarded as a barometer of the Indian capital markets by
❖ investors in India and throughout the world.
❖ Bombay Stock Exchange (BSE): %6(LV $VLD first and old stock exchange in India. It was established in 1875 and is located in Mumbai BSE Sensex is the flagship index of BSE. It measures the performance of the various most liquid and financially stable companies across key sectors.

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Types of Financial Intermediaries in the Stock Market:

- Stock Broker: A stock broker, also referred to as a dealer, is a professional who buys and sells stocks on behalf of clients. A stock broker has a stock broking licence and is a registered trading member with the stock exchange. SEBI has established some regulations for them to follow. To trade in the financial market, one must first open a trading/DEMAT account.
- Depository and Depository Participants: A Depository is a financial intermediary that provides Demat account services. All of an investor's shares will be stored in an electronic format in a Demat account. An investor cannot open a DEMAT account directly with the depositary. He must name a Depository Participant (DP). Banks, financial institutions, and members of stock exchanges registered with SEBI can become DPs, according to SEBI guidelines.
- Banks: Banks assist in the movement of funds from one account to another. At the time of opening the trading account, the client must specify which bank account will be linked to the trading account
- National Security Clearing Corporation Ltd (NSCCL) and Indian Clearing Corporation Ltd (ICCL): NSCCL and ICCL are 100% subsidiaries of National Stock Exchange and Bombay Stock Exchange respectively. They ensure that stock exchange transactions are settled in a timely manner. The clearing corporation assures that neither the buyers nor the sellers default.

Introduction To Investment:

“Investing is the intersection of economics and psychology” – Seth Klarman

Generally, investment is the operation of funds for earning further fund. According to economics, investment is the application of funds in order to increase income or product affair in the future. A quantum deposited into a bank or ministry that's bought in expectation of earning income in the long run. Although there's a general broad description to the term investment, it carries slightly different meanings to different artificial sectors.

On the other hand, finance professionals define an investment as money employed for buying fiscal means, for illustration stocks, bonds, bullion, real estate and precious particulars. According to finance, the practice of investment refers to the buying of a fiscal product or any valued item with an expectation that positive returns will be entered in the future. The most important point of fiscal investments is that they carry high returns.

Characteristics of Investment:

1. Return: It's the money made or lost on an investment over some period of time. The difference between the trade price & the purchase price is capital appreciation. The dividend or interest earned from the investment is the yield. Different types of investments promise different rates of return. The return from an investment depends upon the nature of investment, the maturity period & other factors.
2. Risk: It's the chance of failing to arrive at the targeted destination; this variation from the asked outgrowth is risk. The terms risk and uncertainty are used interchangeably in finance. Risk is defined as the difference between the anticipated and factual outgrowth. The possibility of not entering the anticipated return is appertained to as risk. Risk is the chance for variability in returns. There are three types of investment situations high risk, low risk, and medium risk.

3. Safety: The term" investment safety" refers to the assurance of a capital return with no loss of funds or time. Another aspect that an investor seeks in his investments is safety. Every investor expects to receive his money back at the end of the term, without loss or detention.
4. Liquidity: It refers to the effectiveness or ease with which an asset or security can be converted into ready cash without affecting its request price. The most liquid asset of all is cash itself.

Why To Invest:

1. Fight Inflation – By investing, one can prepare for the unavoidable - rising living costs, sometimes known as inflation.
2. Create Wealth – By investing, one can hope to have a larger corpus at the conclusion of the time period specified. The time period in the preceding example was from birth to retirement, but it could be anything - children's schooling, marriage, home buying, retirement vacations, and so on.

How to Invest in the Share Market:

1. To start investing, one should register with a broker or a stock brokerage platform to start a trading account. You can put buy or sell orders in a trading account.
2. A demat account is opened for you by your broker or stock brokerage platform. The financial securities in your name are held in a demat account.
3. After that, the bank account is linked to these two accounts.
4. To open a trading and demat account, you must present Know Your Customer (KYC) documentation, which includes verification using government-issued identification cards such as your PAN card or Aadhar card.
5. Most brokers and brokerage platforms now feature an online KYC process that allows you to open an account in a matter of days by electronically submitting your verification information.
6. When your account is opened, you can trade with your broker or brokerage firm online through a portal or over the phone.

Investment Options For Investors:

- Equity
- Mutual Funds
- Bonds or Debentures
- Bank Fixed Deposits
- Public Provident Fund (PPF)
- National Pension System (NPS)
- Real Estate
- Gold
- Treasury Securities
- Recurring Deposits (RD)
- Corporate Deposits (CD)

Findings:

- 55 % of the respondents are Males and 45 % are Females.
- 63% of the participants are from the age group of 21-50 years.
- In respect of occupation of participants in this survey, 67 % of the participants are from students and around 33 % are from Direct Employees, Business & service industries.
- With regards to monthly income of the participants, 58 % of the participants are having monthly income below INR 20000, 23 % of the participants are having income between INR 20000 - INR 40000 and 19 % of the participants are having income between INR 40000 - INR 80000.
- 55 % of the participants are preferred to invest in equity market over non-equity instruments.
- In respect of preferred investment options, 62 % of the participants preferred to invest in equity shares, 28 % in through mutual funds and 10 % through IPO.

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- The major factors motivated to invest in equity market are:
  1. 49% of the participants based on Returns
  2. 26% of the participants based on Capital Appreciation
  3. 20% of the participants based on Liquidity.
- In respect of what percentage of income one would invest in equity market, 44% respondents would spend between 5% to 10% in equity market and 28 % of the respondents are spending between 10% to 20% of their income is in equity market.
- With regard to trading strategy 37% preferred to invest on Delivery (cash) basis, 33% preferred to invest through intraday and 22% through speculation.
- Most of the respondents preferred their investment to keep for a short term duration. 46% of the respondents preferred to keep their time horizon for investment below 1-3 months, 10% preferred to keep investment less than 1 month, only 18% of respondents preferred the time horizon for investment for more than 12 months.
- Most of the respondents expected a return of 15% to 20% from equity market, 28% of respondents expected a returns of 15-20% from equity market. 32% of the respondents expected a return between 10%-15%.
- In respect of satisfaction with the current performance of equity market, 42% of the respondents were satisfied, 14% of the respondents were fully satisfied and 44% were Neutral.
- With regard to basis of influencers who influence them to enter into the equity market, 44% of the respondents influenced through Friends, 24% influenced through Media, 14% influenced through Media, 8% influenced through Advisers, 10% influenced through Research Reports and magazines.

Suggestions:

- Youth should preferred long term investment that provides maximum return with minimum risk.
- Portfolio of investment should be selected by the investors.
- Reliable information about the investment Avenues should be given to the investors frequently.
- In order to improve financial literacy webinars, seminars, advertisements should be done for the betterment of society.
- Financial literacy should be given to everyone without any discrimination.
- Youth should always allocate their capital in a diversified manner and should not put their capital in one asset.
- Youth protection should be taken seriously by the Government authority.
- Youth should always invest after exploration and making discussion with experts.

Conclusions:

According to the survey, the majority of youth participate in the stock market for the high returns and to hedge their risk by investing a large portion of their income in the stock market. The majority of youth here speculate in the stock market and invest for one to three months. In general, investors that invest for a long time, say more than a year, benefit greatly from the equities market. Most investors are encouraged to invest in the stock market by their friends and the media, and they expect more return from the stock market. The majority of youth prefer the Infrastructure sector for their investments because of the market trend, profitability, industry condition, and economic condition. Investors also consider Price Earnings Ratio, Earnings per Share, and Dividend as the most important factors when selecting a company within these selected sectors. As a result, the majority of youth are delighted with the equity market.

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