Investment Avenues Choices of Indian Retail Investors: An Empirical Investigation

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Abstract
This study looks into investor behavior to identify the finest investment possibilities in India. The goal of the investment portfolio is to help investors choose a portfolio of investments that will allow them to reach their financial goals within a given time frame. Investing can lead to more significant economic growth and prosperity by boosting individual wealth. Companies that can raise funds through financial markets benefit from the investing process. Some investments kinds offer additional advantages to the investor, the company, and society. The ideas of portfolio holdings, risk, and investment growth are familiar to Indian investors. The investment's guiding principle is "Prevention is better than Cure," which is predicted to result in higher earnings but lower risk. This essay will make the pertinent discovery that retail investors behave differently regarding financial investments. However, it will also highlight how their preferences for investment options regarding receiving a return on the invested amount vary depending on their knowledge and awareness of those options. The researcher had considered Indian retail investors know different investment avenues choices of Indian retail investors and found that investors choose recurring deposits, life insurance policies, and certificates of deposit with financial institutions and banks. Most Indians limit their investing options to risk-free ones like bank accounts and Individual investors continue to select investments with predictable returns and physical assets.

Keywords: Investment Avenues, Retail Investors, Principles, Investment Avenue Choices, Retail Investors.

INTRODUCTION
Retail investors require a broad knowledge of the financial events occurring in the economy, an understanding of the behavior of the securities market, and specialized knowledge of the companies whose securities are being considered for investment. Investors also need information on the new issues that the firms are releasing, financial advice and recommendations for buying, holding, and selling particular securities, as well as details about rights issues, dividends, bonuses,
record dates/book closures of their holdings, etc.

The finance press, stockbrokers' literature, business publications, and the advice and guidance of investment counselors are where the essential data is acquired. Investors must assess and comprehend the information offered in the financial community, stockbrokers' literature, and company materials to make an informed decision. All the investors need to gain the knowledge and experience necessary to comprehend the information provided to them. Inaccurate investment information might cause investors to burn their fingers. To motivate investors, dishonest stockbrokers and promoters falsify the facts and employ flowery rhetoric (Parimalakanthi & Kumar, 2015). Because of this, investors must exercise caution before choosing to avoid falling for the vested interests' manipulations. Savings are a crucial component of any country's economy. Savings serve as the country's growth engine by being invested in various possibilities available to the populace. The Indian financial scene offers investors a wide range of opportunities. It has reasonable possibilities for an average guy to invest his savings while not being the best or deepest market in the world.

Investments are advantageous to the economy and society. It is a byproduct of advancing economic conditions and the development of contemporary capitalism. Aggregate investment approved during the present period plays a significant role in determining aggregate demand and, consequently, the level of employment for the economy as a whole (Bashier et al., 2013). Long-term economic productivity and, eventually, a rise in the standard of living are determined by current investment. Investing can contribute to more remarkable overall economic growth and prosperity by boosting individual wealth. Investing contributes to the development of financial markets where businesses can raise funds. Also, this results in increased affluence and economic progress.

Particular investment kinds also provide further advantages to society. Investors have access to the stock market, via which they can trade various derivatives and securities. The stock market's most significant benefit for businesses is the ability to raise vast sums of money through public investment and trade. It enables investors to purchase shares, debentures, bonds, etc., and concurrently sell them. The inside and outside contexts both have an impact on how investors are perceived. Their understanding of the stock market via analyzing and evaluating the situation explains their conduct. (Devanathan & N.Suresh, 2012).

LITERATURE OF REVIEW

İslamoğlu (2015) Those who are financially literate are those who have sufficient knowledge of financial services. They are more likely to investigate the goods and services banks provide and use them to their advantage. This quickens the process of financial inclusion by enabling everyone to use essential banking services rather than depending on outdated financial practices.
like borrowing from money lenders. This raises people's standards of living and contributes to the creation of the economic growth engine that drives economic development.

Parimalakanthi and Ashok Kumar (2015). Indian retail share trading has developed into a sizable material market focusing on investors' safeguards and established disclosure standards. The market has evolved into an automated, transparent, and self-driven system. With Indian corporations looking to list on foreign stock exchanges, offshore capital flowing to India, and foreign mutual funds launching their schemes, it has included the global markets, bringing capabilities to our markets. Investors today receive information more swiftly than their forerunners did yesterday.

Obamuyi, T. M. (2013). Indians are renowned for favoring conserving. However, Saving money is a beautiful habit, but it must be done in a way that meets people's expectations. Most Indians limit their investing options to risk-free ones like bank accounts. To sum up, the view of young people about their choice of investment avenues depends on several of the previously described elements. The strategy of a new investor differs from that of an existing investor. New investors need much time to grasp the investment. As children and young adults will support the Indian stock market in the future, it is crucial to comprehend how they think. People might fulfill their financial needs by using investment channels. It serves as a conduit for the surpluses to reach the financial markets.

Viswanadham et al. (2014). It is hypothesized that the review has captured how Indian investors behaved about the stock market and various other platforms, including bank stores, gold, post office schemes, and the securities exchange. However, to gain a more comprehensive understanding of the choices made by small investors, an effort might also be made to focus on the risk elements reflected in stock market investment decisions. According to the survey, small retail investors perceive the stock market as a place where prices fluctuate depending on the situation, carefully weighing all available information before making an investment decision, with return serving as the primary driving element.

Panday (2004) In summary, the poll demonstrates that, despite the enormous expansion of the securities market, individual investors continue to select investments with predictable returns and physical assets. Investors choose recurring deposits, life insurance policies, and certificates of deposit with financial institutions and banks, as well as those with governments and non-government organizations. A substantial share of investors was drawn to growth-oriented mutual fund schemes. The amount of money spent by households on material goods has remained high.

Saravana Kumar (2010). The financial market offers plenty of investment
alternatives. Because they account for a significant portion of the nation's gross savings, individual investors are significant players in the financial market. This study aims to comprehend how individual investors behave in the financial market. Many factors, including social, social, behavioral, and demographic, impact individual investors' buying decisions. Benefits and money support individual investors' investments. Individual investors still prefer financial products that offer risk-free returns.

Hussein A. Hassan Al-Tamimi (2006). This study discovered that investing objective and asset familiarity affect investor behavior, with asset identification having the most impact. In turn, investor behavior affects the portfolio that investors choose. Although this is accurate, as we previously indicated, the concept has yet to be investigated in an island economy like Singapore. In order to improve the selection of the portfolio and its performance, investment planners, financial advisors, and individuals should consider the findings of this study. The results show that the portfolio selection heavily depends on the investment purpose and asset familiarity.

Attri et al. (2012). The current article aims to understand better how individual investors make their decisions regarding whether or not to invest in stock. This research created a framework that can be used as an investment tool. Advisors should be aware of their retail clients' different equity investment preferences. It was found during the endeavor that while demographic and economic factors are important, the decision to invest in stocks is mainly influenced by natural factors. Even though the conclusions are generalized and the constructed framework in the article is based on the views of a small number of domain experts. Although more research into the observed perceptions is likely to assist investment planners in better understanding the investment process and, as a result, help them tailor their services to meet their clients' needs better.

Faisal (2010) This study supports past findings regarding the correlation between individual investors' age and income level. The results of the current study have significant investment management implications as it has emerged with some significant characteristics of an individual investor. Financial assets that provide risk-free benefits continue to be preferred by individual investors. A sizable portfolio may only sometimes represent a wise investment. The ideas of portfolio holdings, risk, and investment growth are familiar to Indian investors. The two finest investment options in India are purchasing gold and real estate. It is well-liked and offers a good return.

**OBJECTIVE**

To know different investment avenues choices of Indian retail investors.

**METHODOLOGY**

The researcher had considered Indian retail investors know different investment avenues choices of Indian retail investors. The survey was conducted with the help of a structured
questionnaire. The researcher had collected the primary data through convenient sampling method and Data was analyzed and evaluated by mean.

FINDINGS OF THE STUDY:

Table 1 Investment Avenues Choices of Indian Retail Investors

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Statements</th>
<th>Mean Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Investors choose a portfolio of investments that will allow them to reach their financial goals within a given time frame</td>
<td>3.12</td>
</tr>
<tr>
<td>2.</td>
<td>Most Indians limit their investing options to risk-free ones like bank accounts</td>
<td>3.16</td>
</tr>
<tr>
<td>3.</td>
<td>Individual investors continue to select investments with predictable returns and physical assets</td>
<td>3.15</td>
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<tr>
<td>4.</td>
<td>Investors choose recurring deposits, life insurance policies, and certificates of deposit with financial institutions and banks</td>
<td>3.19</td>
</tr>
<tr>
<td>5.</td>
<td>Substantial share of investors was drawn to growth-oriented mutual fund schemes</td>
<td>3.13</td>
</tr>
<tr>
<td>6.</td>
<td>Individual investors still prefer financial products that offer high returns</td>
<td>3.14</td>
</tr>
</tbody>
</table>

Figure 1 Investment Avenue Choices of Retail Investors

Table 1 shows different investment avenues choices of Indian retail investors. The respondent says that investors choose recurring deposits, life insurance policies, and certificates of deposit with financial institutions and banks with mean value 3.19,
Most Indians limit their investing options to risk-free ones like bank accounts with mean value 3.16 and Individual investors continue to select investments with predictable returns and physical assets with mean value 3.15. The respondent shares that individual investors still prefer financial products that offer high returns with mean value 3.14. Substantial share of investors was drawn to growth-oriented mutual fund schemes with mean value 3.13 and Investors choose a portfolio of investments that will allow them to reach their financial goals within a given time frame with mean value 3.12.

CONCLUSION

You can find information on many topics necessary for trading equity investments in various sources. Regular investors need more expertise and understanding to apply sophisticated analytical tools when making investment decisions. People generally decide if they will invest in equity securities using simple and expedient processes. The personal judgment of the educated, experienced investors who were surveyed is discovered to be the primary motivator for making investment decisions. These elements are crucial because they can influence whether or not an investment is made. Although the conclusions are generalized and the article's constructed framework is based on a few domain experts’ views. However, additional investigation of observed perceptions is expected to aid investment planners in gaining a profound grasp of the investing process and subsequently assist them in tailoring their services to meet their clients' needs better.

Financial research is currently paying a lot more attention to behavioral finance. It illustrates that a person's investment decision is not based on a single element alone but is affected by several other factors. The most important decision they must make is investing; although they make rational decisions, they frequently rely on instincts and emotional biases. According to many academic works, no one characteristic or factor determines how an individual invests; instead, it varies from person to person, location to location, security to security, etc. This study concludes that an investor's behavior depends on how the information is provided to them and how much risk they are willing to take when making decisions, with each variable of the elements having a substantial impact on how an investor chooses to invest.

The study had explored different investment avenues choices of Indian retail investors and found that investors choose recurring deposits, life insurance policies, and certificates of deposit with financial institutions and banks, Most Indians limit their investing options to risk-free ones like bank accounts and Individual investors continue to select investments with predictable returns and physical assets.

REFERENCES


