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A STUDY OF INVESTMENTS IN STOCK MARKET BY WORKING WOMEN

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ABSTRACT

The stock market investment is a highly dynamic area as per as investment decision is concerned. There are so many studies in the area but in current scenario so much contribution is made by the retail investors now a day in stock market. This paper present the factors affecting investment decision of working women and this category of respondent first time introduce in this study because participation of women in all the areas are increasing a lot. The study aims to find out the attitude of working women investor towards stock market investment giving important to the above fact. This paper also tries to find the perception and preference of investment by working women.

For this purpose the data collected through structured questionnaire based on demographical variables and 5 point Likert scale. Simple statistical tools, graph, percentage and ranking are used to analyzing data. Mainly demographic variables as well as market factors of working women highly associated with the attitude towards stock market investment.



KEY WORDS: Investment, Stock Market, Working women, economy, Investment Avenues, attitude.

INTRODUCTION:

Indian economy is the second largest economy in the world and in terms of the fastest growing economy the whole world identifies India as the best investment opportunity. Indian stock market is one of the fastest growing markets in the world. It has grown massively during the recent years in tune with the global financial markets. The participation in the stock market is a very important and attractive economic outcome not only for the institutional investors but also for a retail and small investor. Savings and investments are the most important as per as Indian economy is concern and stock market plays a vital part in terms of overall growth. There are lots of investment avenues are available in the market like Banking, Insurance, PPF, Bonds, Money market instruments, Gold, Silver, Real estate and others but globally the Equity return is the best among all as per as past experience is concern.

The investment in stock market are growing very fast now a days, specially the participation of retail and small investors are massively grown in last 3-4 years. There are so many research studies have been done on this popular area but from the review of literature it was found that most of the studies related to investment pattern, behavioral aspects of different kinds of investors and companies, men v/s women investment behavior. The present study is very much unique in this field. India is witness a positive

transformation in women empowerments and economic development and they make a very large part of our workforce and contributing to the development of our country as equal as men. The passion of Indian women for taking up jobs, economic independence and recognition in the society are sharply increasing a lot. Now a day's women are working in all the sectors of economy but their contribution or investment in stock market is very less.

It is necessary to increase saving and investment, especially in inflation beating instruments like equity market for the development of the economy as well as individual wealth. In this study demographic variable of working women and their attitude towards stock market has been studied. We have examined the factors that mostly effect the investment decision of working women in India and also try to give the conclusion on it for Sustainable Growth point of view of Indian economy.

REVIEW OF LITERATURE

A Brief Review of the Work already done in the Field:-

Desigan et al. (2006) conducted a study on women investor perception towards investment selection. Accordingly, women investors generally avoid mutual fund, the main reason is lack of awareness, investment procedure, entry and exit moves.

Dwyer et al. (2002) find that the gender gap in risk taking decreases significantly once controls for a variable related to advanced financial literacy is included. The risk taking behavior of mutual fund investor is correlated with gender. The study found that women take risk more than men in the largest and riskiest mutual fund investment decisions.

E.Bennet et al. (2011) analyzed the "Investors' attitude on stock selection decision" The average value of the top five highly influential factors, according to the sample retail investors were Return on Equity with a mean value of 5.71, Quality of Management with a mean value of 5.58, Return on Investment with a mean value of 5.50, Price to Earnings Ratio with a mean value of 5.48, and various ratios of the company with a mean value of 5.40. According to sample retail investors, there were four factors with the lowest priority or which had low influence on the Stock Selection Decision. They were Recommendation by Analyst, Broker and Research Report with a mean value of 3.59. Recommendation by friend, family and peer also influenced moderately with the mean value of 4.46. These results are based on factors analysis technique of Statistics.

Jaspal Singh and subhash chandler, (2011), in their article, "Investors' preference for investment in mutual funds: An empirical evidence", since interest rates on investments like PPF, NSC, bank deposits, etc., are falling, the question to be arise that What investment alternative should a small investor adopt? Certainly one of the alternatives is to invest in capital markets through mutual funds. This protect the investor avoid the risks involved in direct investment.

Kannadhasan.M (2006) examined the factors that influence the retail investors' decision in investing. The decision of retail investors are based on various dependent variables viz., Gender, age, marital status, educational level, awareness, preference and risk bearing capacity.

Manjula.V (2013) studied in "social dynamics of gender and risk in stock markets" of a sample of stock brokers and investors from Bangalore identify the variation risk aptitude due to gender. Women are typically less risk taking than men. Final analysis of this paper shows that only **30%** women are having risk attitude while men are **70%**. Women are less likely to participate in stock market but they are also more educated. Financial literacy is lower and less risk taking than men.

Ranjan Raja (1998) examined several investors and found that there is a impact of demographical variables such as age, gender, income etc.

Shanmugham (2000) made a survey of 201 individual investors in Coimbatore and found that psychological and sociological factors have more influence on the investor's decision towards any financial assets.

AMFI (Association of Indian Mutual fund industry), (2009)

AMFI published a report about the fact that MF investing by households has more than doubled from 3.7 % in 2006 to 7.8% in 2008 which shows a shift of investors from traditional investment to MF to earn better returns.

Merrill Lynch: (2015) Women and investing-A Behavioral Finance Perspectives

The gender difference that seems to have the most significant impact on investor behavior is the level of financial knowledge. More than half of the women investors fear losing principal amount.

OBJECTIVES OF THE STUDY:-

The main objective of the study is to analyze the women investors' perception of the various factors that influence the Stock market investment decision.

1. This study focuses on to find the investment behavior of working women who normally invest in traditional investment avenues instead of stock market.
2. To study the effect of demographic variable of the working women investor in the stock market.
3. To determine the perception and preference of investment by working women investors.

HYPOTHESIS:-

H01:-"Demographic variables-age, income, educational qualification, affect the investment decision of women investor."

H02:-"Stock market factors affect the investment behavior of women investor."

RESEARCH METHODOLOGY:-

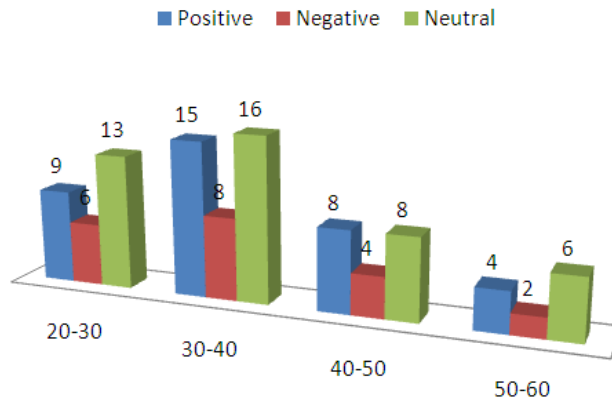
Convenience sampling technique has been used for collecting the data from 100 working women. The area of the research is Indore city. This study has been based on primary as well as secondary data. Primary data has been collected from the working women only through questionnaire. Secondary data has been collected from various journals, business reports, news papers, magazines, survey and websites.

The simple category scale and Likert scale have been used in the questionnaire. The data has been classified in the tabulation forms where required. The data analysis and interpretations have been based on developing summaries and tables, percentage and ranking for testing of hypothesis.

DATA ANALYSIS AND INTERPRETATION:-**Table1. Age v/s Attitude of stock market investment decision**

Age	Positive responses	Negative responses	Neutral	Respondents
20-30	09	6	13	29
30-40	15	8	16	39
40-50	08	04	08	20
50-60	04	2	06	12
Total	36	20	44	100

Age & Attitude of Respondents

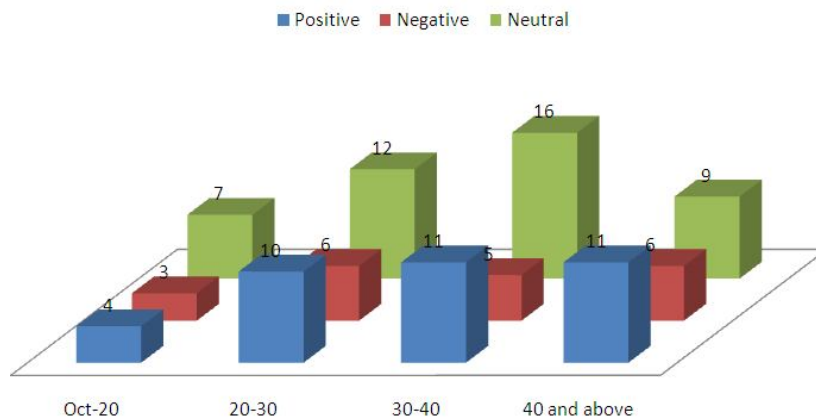


The above table shows that there is some relationship between age and the attitude towards stock market investment by working women .Out of 100 respondents **36%** have invested in stock market positively and among all positive responses maximum positive responses have shown by the working women in the age group of **30-40** which is **41.66%** of positive responses.

Table2. Income v/s Attitude towards stock market investment decision

Income P.M(000)	Positive	Negative	Neutral	Respondent
10-20	04	03	07	14
20-30	10	06	12	28
30-40	11	05	16	32
40 and above	11	06	09	26
Total	36	20	44	100

Income & Attitude of Respondents

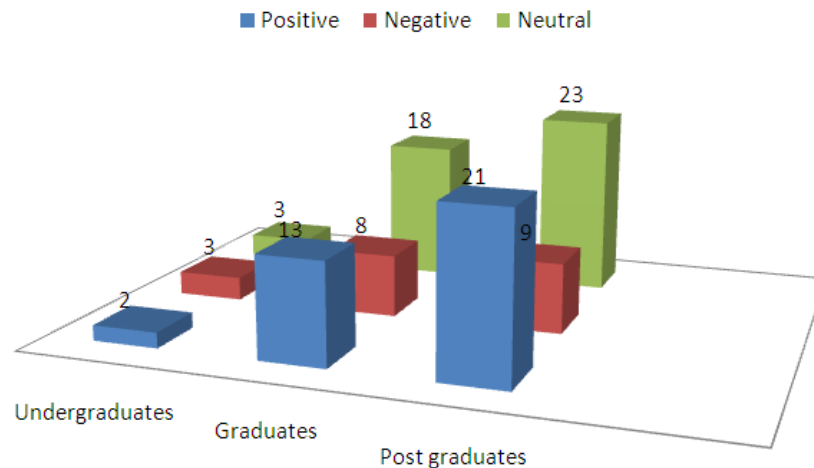


The above table shows the relationship between income and the attitude towards stock market investment by working women. It is clear that out of positive responses maximum **61.10%** in the income group of **30000 p.m. and above**. As income increases working women try to invest in stock market positively.

Table3. Education v/s Attitude towards stock market investment decision

Education	Positive	Negative	Neutral	Respondent
Undergraduates	02	03	03	08
Graduates	13	08	18	39
Post graduates	21	09	23	53
Total	36	20	44	100

Education & Attitude of Respondents



The above table shows that there is an association between education and the attitude towards stock market investment by working women. Among all positive attitude towards stock market maximum **58.33%** of them are post graduates. So it is clearly reveals that postgraduates have encouraging attitude towards stock market and explain the association between education and stock market attitude of working women.

Table4. Perception and Preferences of investment by working women

Attributes	Positive	Negative	Neutral	% of Positive	Rank
Safety & Securities	70	5	25	70	1
Return on investment	64	0	36	64	2
Capital Appreciation	60	10	30	60	3
Liquidity	56	20	24	56	4
Risk & Time	55	10	35	55	5
Tax Benefit	45	05	50	45	6
Inflation	45	25	30	45	6

Above table reveal that out of total 100 respondent **70%** given top priority to **Safety and security** feature of their investment followed by rate of return 64%,Capital appreciation 60%,liquidity 56%,risk & time 55%,tax benefit 45% and inflation at the end with 45% .

Hence the hypothesis in this research paper taken about demographic variables and market factors are accepted because these attributes significantly linked. So above study proves the relationship between stock market investments and the demographic variables as well as market factors.

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