

## A Study On Awareness On Stock Market Investment By Students Of Degree Level

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### **\*Abstract:**

Aim of research is to find out how well-informed and involved students are in the stock market. Students who have some background in stock market are more probable to have good grasp of personal finance and to make prudent financial choices in the road, according to the research. Students might get a feeling of agency and mastery over their own financial destiny by investing in the stock market.

We can, however, state that students should not engage in the stock market without first fully comprehending the dangers of doing so and then proceed with extreme care and a focus on the long term. According to the research, college students would be well-served by programs that teach them about money and the stock market.

**\*Key Words** Correlation, Mean, Stock market, Standard deviation, Participation

### **\*INTRODUCTION**

An essential tool for gauging a nation's economic health is stock market. The open market for buying and selling shares by investors; sometimes referred to as the "economic mirror" or "heartbeat of the economy" "due to its reflection of the state of a country's economy.

It is often believed that investors are the most fundamental and consequential part of the securities market. Consequently, capturing and retaining their interest in the securities market depends on their education and expertise.

To fully grasp the many facets, uses, and functions of money and financial services, one must possess a solid foundation of financial literacy and have access to relevant information. People in today's world need to know how to manage their money if they want to choose the best payment option and deal with banks. The stock market, financial literacy, product attitudes, and global procurement have all been the subject of many global studies. Managing one's money, taking out loans, saving, and investing all need a certain level of financial literacy.

Less knowledge about personal finance has caused a lot of issues for today's youth. They don't know much about money, the trends in various markets, or how to make smart investments.

The overarching purpose of this research is to recognize factors which motivate students to take part in exchange programs and to compare the perspectives of individuals of various sexes and educational backgrounds on the value of such programs. to pass judgment.

The evolution of financial market together with changes in demographics, economics, and politics have raised the profile of financial education in the last few years. Both the sophistication of financial markets and the frequency of new product introductions are increasing. Numerous businesses, including online banks, brokerage houses, and community-based groups, have made a variety of savings and lending products easily accessible to customers.

If students are prepared to handle their own money that is the question the poll seeks to answer. Do they know enough about money and have enough education? Students, who are the intended audience, are underrepresented in the research on this issue. Nobody can make sound financial judgments if they aren't familiar with the financial markets, according to the research.

Since students are exposed to several financial markets on a daily basis, this study should investigate how they view the strength of the stock market. When students don't know enough about the stock market, it may affect many things. This study explains why students don't invest in the stock market and how they feel about it after discussing it. Using a methodology that takes a number of things into account, it investigates why students don't put their money into the stock market.

## LITERATURE REVIEW

**Pierre Sindambiwe (2014)**, financial literacy, views of the stock market, and capital market involvement of developing stock markets were the primary foci of this study. Financial literacy, perceptions of the stock market, and capital market involvement were investigated in developing stock markets.

**Abida (2012)**, The researcher has examined the role of investors as the fundamental support of the securities market. Hence, their education and awareness play a pivotal role in revitalizing and maintaining interest in the securities market. Stock market understanding is included within the wider idea of financial literacy. The poll aims to evaluate the attitudes of young individuals about many facets of the stock market, including ideas, goods, procedures, and institutions. The research findings revealed that the young individuals in the sample had a limited to moderate level of understanding and consciousness about the stock market. Moreover, there were no notable disparities seen across the various sample groups in relation to the specific areas examined.

**Luigi Guiso, Paola Sapienza, Luigi Zingales (2008)**, in this study, researchers examined that confidence in participating in a stock trade is an arbitrary probability that people give to the likelihood of being cheated when completing a trade. The stock market is an area where the importance of trusting how a financial institution presents itself to potential clients becomes very clear. Confidence encourages investors to participate in stock trading with the expectation of profit. It also makes clear why wealthy individuals choose not to participate in the market even if they can afford the entry fee. There is a difference between the two types of trust. There are two types of trust: generic and specific. Generalized trust refers to the beliefs that members of one group have towards members of another group, while interpersonal trust deals with the development of bonds between two specific actors.

**Luigi Guiso and Tullio Jappelli (2005)**, Researcher in this study looked at "Awareness Participation" and what factors influence people's level of awareness. They discovered that factors like education, household resources, as well as long-term bank relations are significantly correlated with people's level of knowledge about stocks, mutual funds, and investment accounts. Findings from the study highlight the significance of financial literacy in solving stockholding conundrum and calculating opportunity cost of stock market participation.

**Guiso Luigi and Tullio Jappelli (2005)**, In this research, researchers have looked at the aggressiveness with which asset providers advertise their issued products to determine the extent to which people perceive readily available financial assets. They argue that individual clients' participation in exchanges is hampered by their lack of knowledge. Thus, people learn about investment opportunities from like-minded people who are familiar with stocks often for the reasons above, knowledge drives participation because the more likely you are

To buy stock, the more likely you are to learn more. Therefore, it can be argued that awareness is an important factor in whether or not a person invests in the stock market.

## RESEARCH GAP

Compared to other parts of the world, India has remarkably few studies about stock market involvement and expertise. There had never been any student research of this kind before. At degree level student, the research was conducted. Many studies have examined the public's level of stock market knowledge, but very few have examined the level of student involvement.

### \*RESEARCH METHODOLOGY:

This study's goals were achieved by the use of the descriptive research technique as its methodology. We went out to students and had them fill out questionnaires as primary sources, which provided the information needed to accomplish the study's goals.

### The objective of the Study:

- Find out how well-informed a degree level student are about investing in the stock market.
- Recognize the extent to which students are knowledgeable about and involved in the stock market.
- To assess how the students' trading and investing habits.

### Sources of Data:

- **Primary Data**

Main purpose of questionnaire is to collect data from those who fill it out. Questions about stock market knowledge and involvement are included in the Likert scale questionnaire. There are multiple choice and closed-ended questions on the survey.

### Research Design:

In order to accomplish the aims of this research, the following measures were used. Due to its big student body and diverse student body, degree level student has been chosen for this research. We have first gathered the essential data pertaining to the school. A survey has been carried out, and a sample size has been selected. Primary data was collected via a survey questionnaire. Every one of the study topics was taken into account while designing the questionnaire. People enrolled in both undergraduate and graduate programs filled out the survey.

We used Google Forms to create the survey, and we included a QR code to direct people to it. After that, data was gathered by randomly sharing the QR code.

### Population and Sample Size:

Our sample size is 40 out of a possible 100 students enrolled at awareness on stock market investment by students of degree level. There is a good representation of both undergraduate and graduate students in this sample.

Sampling Method: Probability

Convenience

Sampling Frame: Post-graduate and Under-graduate students

### Data Collection:

Primary Data: In order to get the main data, we used a survey strategy including questionnaires and QR codes to gather information from respondents online.

The 20-item survey uses both 5-and 3-point Likert scales for data collection.

### Tools for analyzing the data:

Research relies on statistical approaches for data collection, analysis, interpretation, presentation, and organization.

Methodology Tools Used in Research Are:

### \*Limitations of Study

**Lack of response from sample:** It is also said as access to resource of information. As the method adopted was cold calling the respondent were not easily available for discussion.

**Unwilling to reveal financial position:** In technical term it can be said as access to information. Many of are not comfortable to disclose our financial affairs openly. In such a situation researcher had to convince the respondent a lot more times. Also many a time's only general discussion would take place.

**Time:** Due to lack of time availability of respondent and the period which can be used to collect data was short the research could not be conducted on a large sample size.

**Using organization (company) name:** Many a time to get access to respondent researcher had to reveal the organization identity. People thought that it was for the purpose of sales of promotional activity, which lead to negative response from many people.

**Lack of expertise:** On the side of the researcher the three was lack of in-depth information on the topic.

**\*Data Analysis & Results and Discussions**

<b>Sr No</b>	<b>Name of Parameter</b>	<b>Options</b>	<b>In Number</b>	<b>In Percentage (%)</b>
1	<b>Age</b>	18-25	25	65%
		26-45	15	25%
		46-60	00	00%
		Above 60	00	00%
2	<b>Gender</b>	Male	25	38%
		Female	15	
3	<b>Education</b>	Postgraduate	15	65%
		Undergraduate	20	
		Graduate	05	
		Other	00	
4	<b>Are you aware of capital market in India ?</b>	Yes	25	32%
		No	15	
5	<b>Are you aware of Stock Market in India ?</b>	Yes	25	42%
		No	15	
6	<b>What do you think how much Knowledge you have about Stock Market ?</b>	Yes	35	40%
		No	05	
7	<b>Do you observe stock market ?</b>	Yes	35	30%
		No	05	
8	<b>What is the frequency ?</b>	Daily	10	45%
		Weekly	05	
		Monthly	05	
		Quarterly	05	
		Semi-annually	05	
		Annually	05	
9	<b>Have you ever invested your money in stock market ?</b>	Yes	30	38%
		No	10	
10	<b>What do you think is the reason behind in the stock market ?</b>	Gain high profit	20	52%
		Grow wealth	10	
		Short term gains	10	
11	<b>What are your expectations of the return you invest in the stock</b>	Investment Goals	15	43%
		Risk Tolerance	10	
		Market conditions	05	
		Diversification	05	



	<b>market ?</b>	Historical performance	05	
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12	<b>Which according to you are risk factors invested in the stock market?</b>	Market Risk	15	40%
		Volatility Risk	10	
		Company Specific Risk	05	
		Credit Risk	05	
		Currency Risk	05	
13	<b>Are you aware of charges and taxes in the evolved stock market ?</b>	Yes	30	29%
		No	10	
14	<b>Do you think you have enough training ?</b>	Yes	35	25%
		No	05	
15	<b>Are you interested in attending stock market training in the future ?</b>	Yes	35	20%
		No	05	

## \*Conclusion

In conclusion, this study sheds light on the awareness levels of stock market investment among students at the degree level. The findings reveal a significant gap in knowledge and understanding regarding the stock market among the surveyed students. Despite the potential benefits of investing in stocks for long-term financial growth, a notable portion of the respondents exhibited limited awareness, confidence, and interest in participating in the stock market.

The study underscores the importance of financial literacy initiatives targeted at students, particularly at the degree level, to equip them with the necessary knowledge and skills to make informed investment decisions. Given the increasingly complex and dynamic nature of financial markets, it is imperative for educational institutions to integrate practical financial education into their curricula to empower students with the tools needed to navigate the intricacies of investing in stocks.

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