

“Capitalist Approach Towards Securities Investment Plan Of IIFL” -A Empirical Study In Salem District.

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ABSTRACT

A study is made in the capitalist approach in Securities Investment Plan in India Info line. India Infoline is one of the leading Stock Broking Company. The sampling technique used in this survey was simple probability sampling. This study concentrates only on investors' attitude in Investment plan. A well-structured questionnaire has been formulated for conducting survey and the survey was conducted with the various investors. The data are collected and analyzed using simple percentage analysis, weighted average method, and chi-square analysis. The findings made out through the analyzed data .Suggestions and conclusion in this study will give the feedback about the organizational commitment and this will be useful for the organization to make suitable improvement in the India Info line. Researcher suggests that, they should reduce their brokerage charges to sustain the Investors' for a long period.

Keywords: Investors, Investment, Securities, Behaviour.

INTRODUCTION

The existing behavioural finance market studies are very few and very little information is available behavior about investor perceptions, preference, attitudes and behaviour. Our main marketing project work is providing financial advisory service to existing and new customers. Analyze the Attitudes of investors' towards Investments with respect to investing in Shares among middle class people in Salem. While investigating the possible psychological basis for investor, argue that mean reversion in NAV is an evidence of investor over reaction where investors over reaction where investors over emphasis recent firm performance in forming future expectations. The Indian investors do view Mutual funds products and AMCs to capture the market should follow the consumer product distribution model. Share Broking companies continually introduce new types of investment plan is an effort to attract investor capital and maximize assets under management the decision introduce a new type of Securities is affected by a number of variables including investors behavior. Share investors face a dilemma. Is there sufficient persistence the good performance of successful shareholders an offset the cost of chasing past performance. Investors look for safety of principal, Liquidity and capital appreciation in the order importance, Computer, Television, Magazines are the first sources of information through which investors get know about Share Market.

Objective of the study:

- To find out the investors' attitude towards securities market in India Infoline Ltd
- To identify the factors influencing investment decisions of investors.

Research methodology:

The research is Descriptive and Diagnostic in nature as it dealt with describing the market and behaviour of investor. The research is designed to discover the people's expectation from a Brokerage house and their preferences while trading in stock market. Their risk and return policy can be understood easily. The research is designed to find out potential investor for the company. The

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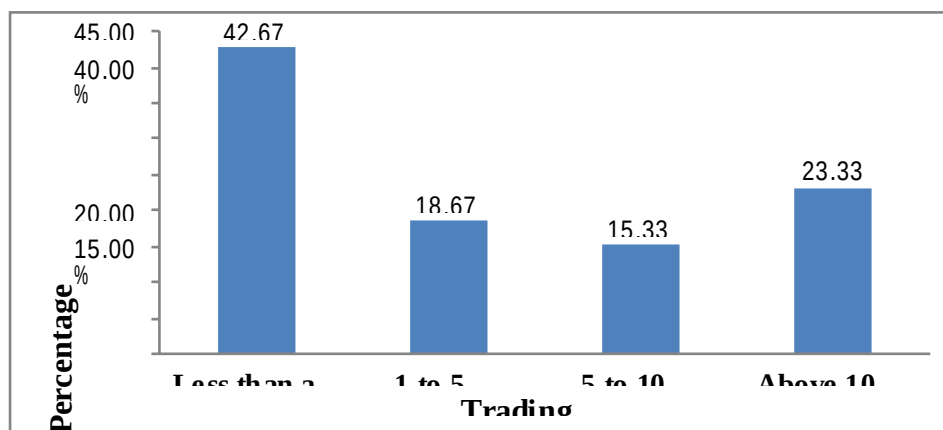
Data Analysis and interpretation

Period Of Trading By Respondents: The researcher has to find out how long the respondents are trading in the company. The researcher analyzed the how long trading in stock exchange of the respondents by using percentage analysis.

Trading In Stock Exchange	No. of Respondents	Percentage (%)
Less than a year	64	42.67
1 to 5 year	28	18.67
5 to 10 year	23	15.33
Above 10 years	35	23.33
Total	150	100

Source: Primary Data

The above table shows that 42.67% of the respondents are trading less than a year, 23.33% of the respondents are trading Above 10 Years, 18.67% of the respondents are trading from 1 to 5 year, 15.33% of respondents are trading from 5 to 10 year.



MODE OF PREFERENCE FOR TRADING

The researcher has to find out the mode of preference for trading of respondents involved in this study. The researcher analyzed mostly prefer for trading of the respondents by using percentage analysis.

Mode of Preference	No. of Respondents	Percentage (%)
Online Mode	107	71.3
Off line Mode	43	29.7
Total	150	100

The above table shows that 71.3% of the respondents are preferred to trading in online mode, 29.7% of the respondents are preferred to trading in offline mode.

MODE OF PURCHASING THE FINANCIAL INSTRUMENTS

The researcher has to find out the mode of purchasing financial instruments of the respondents involved in this study. The researcher analyzed mode purchasing the financial instruments of the respondents by using percentage analysis.

Mode of Purchase	No. of Respondents	Percentage (%)
IPO	27	18
Intraday trading	33	22
Pick up deliveries	62	41.3
Future and options	28	18.7
Total	150	100

The above table show that 41.3% the respondents are preferred Pick up deliveries for purchasing Financial Instruments, 22% of the respondents are preferred Intraday for purchasing financial Instruments, 18% of the respondents are preferred IPO for purchasing financial Instruments, 18.7% of the respondents are preferred Future and Options for purchasing Financial Instruments.

MODE OF TRADING BY THE RESPONDENTS

The researcher has to find out the mode of trading of respondents involved in this study. The researcher analyzed mode of trading of the respondents by using percentage analysis.

Mode of Trading	No. of the Respondents	Percentage (%)
Self	57	38
Broker	32	21.33
Friends	28	18.67
Relations	18	12
Others	15	10
Total	150	100

The above table show that 38% of the respondents are going for self-trading, 21.33% of respondents have chosen the Broker to trade, 18.67% of the respondents preferred by Friends, 12% of the respondents through Relations, 10% of the respondents through Others.

REASONS TO OPEN DEMAT ACCOUNT

The researcher has to find out the reason to open demat account of respondents involved in this study. The researcher analyzed the reason to open demat account of the respondents by using percentage analysis.

Reasons	No. of Respondents	Percentage (%)
Brokerage Charges	89	59.33
Annual maintenance charges	36	24
Credit policy	17	11.33
Others	8	5.33
Total	150	100

The above table show that 59.33%of the respondents are considered the brokerage charges more while opening the demat account, 24% of the respondents are considered the Annual maintenance charges, 11.33% of the respondents are considered the credit policy,

ELEMENTS LEADS TO MAKE PROFIT TO THE RESENDENTS

The researcher has to find out the elements leads to make profit of respondents involved in this study. The researcher is going to analyzed the aspects leads to make profit of the respondents by using percentage analysis.

Elements	No. of Respondents	Percentage (%)
Brokers advice	48	32
Friend advice	22	14.67
Your intuition	30	20
Suggestions by experts	15	10
Through mass media	18	12
Through researchers	17	11.33
Total	150	100

The above table shows that 32% of the respondents are consider broker advice to make profit, 20%of the respondents made profit on their own interest, 10% of the respondents through experts suggestions, 14.67% of the respondents are considered friends advice, 12% of the respondents through mass media, 11.33% of them through researchers.

**WEIGHTED AVERAGE OF RESPONDENTS OPINION ABOUT
FREQUENT INVESTING IN FINANCIAL PRODUCTS**

The researcher wants to identify the opinion of the Respondents. For this purpose data are to be analyzed and presented in the calculation with rating method.

S.N O	FACTORS	WEIGHTED SCORES	NO OF RESPONDENT	RATING	RANK
1	Risk	666	150	3.94	IV
2	Safety	603	150	3.58	V
3	Tax Benefits	538	150	4.44	II
4	Return	591	150	4.55	I
5	Offers	683	150	4.02	III

From the above table, based on their respective weighted average most of the respondent's given more weight age to Return (i.e.,4.55), followed by Tax Benefits with the weight age of 4.44, 4.02 for Offers, 3.94 for Risk and 3.58 for Safety.

**WEIGHTED AVERAGE OF RESPONDENTS OPINION FOR
INVESTMENT BASED ON RISK AND RETURN**

The researcher wants to identify the opinion of the Respondents. For this purpose data are to be analyzed and presented in the calculation with rating method.

S.NO	FACTORS	WEIGHTED SCORES	NO OF RESPONDENTS	RATING	RANK
1	Govt Securities	72	150	4.8	V
2	Stocks	70	150	4.7	IV
3	Mutual Funds	69	150	4.6	III
4	Insurance	64	150	4.3	II
5	Fixed Deposit	35	150	2.3	I

From the above table, based on their respective weighted average most of the respondent's given more weight age to Government Securities (i.e., 4.8), followed by

Stocks with the weightage of 4.7, 4.6 for Mutual Funds, 4.3 for Insurance and 2.3 for Fixed Deposit.

AWARENESS OF THE FACILITIES PROVIDED FOR DEMAT ACCOUNT HOLDERS IN IIFL

The researcher has to find out the awareness of the facilities provided for demat account holders in IIFL of respondents involved in this study. The researcher analyzed the awareness of the facilities provided for demat account holders in IIFL of the respondents by using percentage analysis.

Awareness of facilities	No. of Respondents	Percentage (%)
Yes	86	57.33
No	64	42.67
¹ Total	150	100

The above table shows that 57.33% of the respondents are aware about the facilities provided for demat account holders in IIFL, 42.67% of the respondents are not aware of the facilities provided for demat account holders in IIFL.

SATISFACTION WITH THE BROKER ADVICES IN IIFL

The researcher has to find out the satisfaction with the broker advices in IIFL of respondents involved in this study. The researcher analyzed the satisfaction with the broker advices in IIFL of the respondents by using percentage analysis.

Satisfaction Level	No. of Respondents	Percentage (%)
Highly satisfied	49	32.67
Satisfied	32	21.33
Neither satisfied nor dissatisfied	28	18.67
Dissatisfied	16	10.67
Highly dissatisfied	15	10
Total	150	100

The above table shows that 32.67% of the respondents are highly satisfied with the broker advices in IIFL, 21.33% of the respondents are satisfied with the broker advices in IIFL, 18.67% of the respondents are neither satisfied nor dissatisfied with the broker advices in IIFL, 10.67% of the respondents are dissatisfied with the broker advices in IIFL, 10% of the respondents are highly dissatisfied with the broker advices in IIFL.

MARKET CONDITION TO BUY THE FINANCIAL PRODUCTS

The researcher has to find out market condition to buy the financial products if respondents involved in this study. The researcher analyzed market condition to buy the financial products of the respondents by using percentage analysis.

Market Condition	No. of Respondents	Percentage (%)
Bullish market	23	15.33
Bearish market	127	84.67
Total	150	100

The above table shows that 84.67% of the respondents are interested to buy the financial products at the time of bearish market, and 15.33% of the respondents are interested to buy the financial products at the time of bullish market.

RECOMMENDATION OF IIFL TO OTHERS

The researcher has to find out the recommendation of IIFL to others if respondents involved in this study. The researcher analyzed the recommendation IIFL to others of the respondents by using percentage analysis.

Recommendation to Others	No. of Respondents	Percentage (%)
Yes	92	61.33
No	58	38.67
Total	150	100

The above table shows that 61.33% of the respondents are recommended IIFL to others, 38.67% of the respondents are not recommended IIFL to others.

SATISFACTION OF DEDUCTION OF BROKERAGE CHARGES BY IIFL

The researcher has to find out the satisfaction of deduction of brokerage charges by IIFL if respondents involved in this study. The researcher analyzed the satisfaction of brokerage charges by IIFL of the respondents by using percentage analysis.

Satisfaction Level	No of respondents	Percentage (%)
Highly satisfied	45	30
Satisfied	50	33.33
Neither satisfied nor dissatisfied	32	21.33
Dissatisfied	11	7.33
Highly dissatisfied	12	8
Total	150	100

The above table shows that 33.33% of the respondents are satisfied with the brokerage charges deducted by IIFL, 30% of the respondents are highly satisfied with the brokerage charges deducted by IIFL, 21.33% of the respondents are neither satisfied nor dissatisfied with the brokerage charges deducted by IIFL, 8% of the respondents are highly dissatisfied with the brokerage charges deducted by IIFL, 7.33% of the respondents are dissatisfied with the brokerage charges deducted by IIFL.

RELATIONSHIP BETWEEN GENDER AND PREFERRED INVESTMENT AREA

The researcher wants to identify the relationship between income of the respondents and preferring investment areas of the Respondents. For this purpose data are to be analyzed and presented in the calculation with percentage method

GENDER	EDUCATION QUALIFICATION OF THE RESPONDENTS					Total
	Pick Up Deliveries	Future and Options	IPO	Intrada y	Other s	
Male	33	26	17	22	5	103
Female	10	7	10	15	5	47
Total	43	33	27	37	10	150

HYPOTHESIS:

NULL HYPOTHESIS (H_0):

There is no significant relationship between Gender of the respondents and Preferring Investment Mode of the respondents by key result area.

ALTERNATIVE HYPOTHESIS (H_1):

There is a significant relationship between G

CHI SQUARE TABLE:

O	E	O-E	(O-E) ²	(O-E) ² /E
33	29.52	3.48	12.1104	0.4102
26	22.56	3.34	11.1556	0.4923
17	18.54	-1.54	2.3716	0.1279
22	25.40	-3.4	11.5600	0.4551
5	6.86	-1.86	3.4596	0.5043
10	13.47	-3.47	12.0409	0.8939
7	10.34	-3.34	11.1556	1.0788
10	8.46	1.54	2.3716	0.2803
15	11.59	3.41	11.6281	1.0032
5	3.13	1.87	3.4969	1.1172
				6.3632

CHI- SQUARE CALCULATION:

The calculated value is 6.36
Degree of freedom = (r-1) (c-1)

$$= (2-1) (5-1)$$

$$= 4$$

Significance level at 5%

Tabulated value $X^2(0.05) = 9.49$

Calculated value < Tabulated value

Thus the tabulated value is greater than the calculated value, so null Hypothesis (Ho) is accepted, hence there is no significant relationship between Gender of the respondents and Preferred Investment area of the respondents by key result area.

FINDINGS:

- Majority (25.33%) of the respondents are in the age group of 26 – 33 years.
- Majority (52 %) of the respondents are Male.
- Most (28%) of the respondents are Sole Proprietor
- Majority (42%) of respondents are earning above Rs.3,50,000
- Most (42.67%) of the respondents are trading in the stock Exchanges are less than a Year
- Most (73.3%) of the respondents are mostly preferred to trade in Online Mode
- Majority (41.3%) of the respondents are mostly preferred Pick up deliveries to invest Trading.
- Most (38%) of the respondents are going for Self Trading.
- Majority (59.33%) of the respondents are consider the brokerage charges more while opening the Demat Account
- Most (32%) of the respondents are considered broker advice to make profit.
- Majority (42.33%) of the respondents are preferred to trade in Equity and Commodity.
- Majority (28%) of the respondents said that HDFC Securities are Levying High Brokerage Charges.
- Most (40%) of respondents are satisfied with the Telephonic Support Services provided by IIFL.
- Majority (46%) of the respondents are satisfied with the mailing services rendered by IIFL.
- Most (21.33%) of the respondents are given an Opinion to India Info line is rendering effective services.

Suggestions

- The researcher suggest that Company must target to young age group from 26 to 33years.
- Share trading in Salem city seems to be good. To improve the volume of share trade in Salem city, they should reduce the Brokerage Charges and give the Credit Period, these could be implemented.

- Increase limit facility in intraday.
- The company has very good scope for expansion but still they are maintaining same level of business. So the expansion of authority structure will make the organization to grow more.
- Give proper services to the investor.
- Every products and services should try to create awareness about the product in the investors mind by conducting various activities.
- Suggest the Delivery Method more to the inventor's for protecting their Investment.

Conclusion

In the whole study the researcher felt that investor in brokerage industry have a different need. The researcher can divide their needs like credit policy, funding etc. Many investor trades in brokerage house just for the personal relationship or family terms.

The study of investors' attitude in Investment plan is high potentiality and more beneficiary as compared to other Financial institution, this study has been mutually beneficial and learning experience to the researcher, it concludes the India Infoline have more potential in current market trends and maintain the future period.

The researcher can conclude that Credit policy plays a crucial role. In other brokerage houses brokerage is not fixed, it varies from investor to investor. Basic services or facilities are same in different brokerage houses.

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