


FACULTY ENHANCEMENT PROGRAMME


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Date of event: 16/02/2023


Faculty In-charge: Ms. Midhula Sekhar



REPORT

The Faculty Enhancement Program for the month of February was conducted on 16/02/2023, Thursday at 3:15 pm at Seminar hall, Main block. Dr. Jesney Antony of the Commerce Department presented her paper titled "A study on Investments in Stock Market". 40 faculty members from various departments attended the program. Dr Joy Joseph and other faculty members raised queries and made the session more interactive. The program concluded at 4:00 pm with a thanks note by Ms Midhula Sekhar, FEP Coordinator.

Prepared by:



Ms. Midhula Sekhar
(Faculty In Charge)

Verified by:



Dr. Sabu Varghese
(Director,IT/HRD Cell, NIMIT)

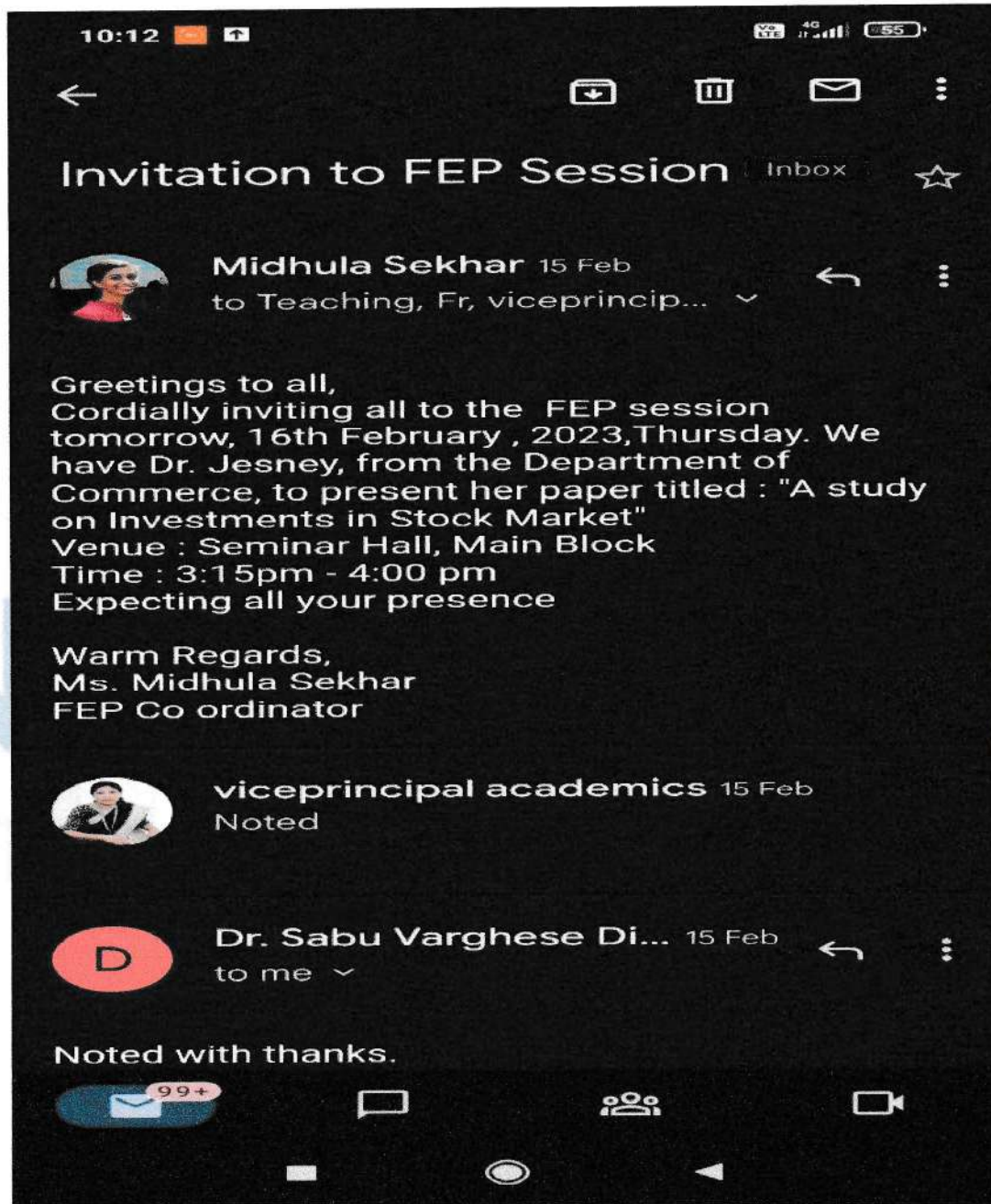
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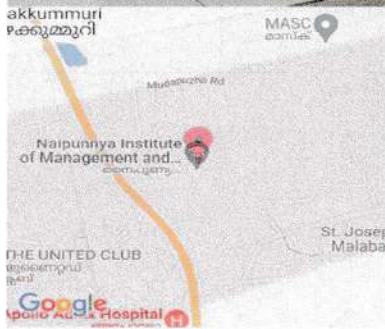
Rev.Fr. Dr. Paulachan K J
(Principal)



SCREENSHOT OF E-MAIL



PHOTOGRAPHS /SCREENSHOTS



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PARTICIPANT'S LIST

FACULTY ENHANCEMENT PROGRAMME	
16/2/2023	
TOPIC : " A STUDY ON INVESTMENTS IN STOCK MARKET "	
PRESENTER: Dr. Jesney Antony	
PARTICIPANTS	SIGNATURE
1. Jay Joseph Pulickal	Jay J
2. Jayakrishnan S	Jayakrishnan S
3. Antony George	Antony George
4. Anna Diana K.M	Anna Diana K.M
5. Stimpily Maxon	Stimpily Maxon
6. Rundu G	Rundu G
7. Dr. Boni P.M.	Boni P.M.
8. Ms. Noble Devasy	Noble Devasy
9. Ms. Anitha Mary Alex	Anitha Mary Alex
10. Ms. Rajisha K Ravi	Rajisha K Ravi
11. Ms. Juleen Jose	Juleen Jose
12. Vandana Martin	Vandana Martin
13. Agnes Beneta Dilva	Agnes Beneta Dilva
14. Elsa Jose	Elsa Jose
15. Sharon Varghese	Sharon Varghese
16. Sharmugledas K G	Sharmugledas K G
17. Ms. Varghese Paul	Ms. Varghese Paul
18. Ms. Joseph James	Ms. Joseph James
19. Jithin Scaris	Jithin Scaris
20. Liven P Wilson	Liven P Wilson
21. Anne Rahim	Anne Rahim
22. J. Sebastian	J. Sebastian
23. ROSALIND PETER	Rosalind Peter
24. Mimi Tashy	Mimi Tashy



30

25	DR TESSY PAULINE	Tessy
26	Pragy Johnson	Pragy
27	Anne Sebastian	Anne
28	Dr. Purvima S.	Purvima
29	Rinku K Vthayathil	Rinku
30	Parvathy AK	Parvathy
31	Reshma K Bhaskaran	Reshma
32	Tissmolvafler	Tissmolvafler
33	Teena Antony	Teena
34	Pranshvi Parija M G	Pranshvi
35	Dr. Farooq Ashraf	Farooq
36	Chiny Babu	Chiny
37	Reeta Babu	Reeta
38	Vandana C B	Vandana
39	Teena Pareekal	Teena
40	Midhula Sekhar	Midhula



**A STUDY ON INVESTMENTS IN STOCK MARKET
WITH SPECIAL REFERENCE TO KERALA**

Dr. JESNEY ANTONY

Assistant. Professor, Commerce Department, NIMIT

INTRODUCTION

The stability of Indian economy mainly depends on capital market because most of the industrial units depend on capital market for capital mobilisation. The Indian economy is stable that is, it can compete with the developed countries. This state of affairs for economic development is due to the most healthy and creative planning of the Government.

Our Government have succeeded to a high extent in making our nation an economically developing country by shifting our policy of depending mainly on agriculture to industry; so the reason for the vast economic development of our country is the industrial growth. Industrial development depends mainly on capital market. The stock market plays a vital role in boosting the capital market.

Investment in capital market can overcome inflation rate to a great extent and can reward high return on following a sensible, scientific and well studied investment strategy. The capital market is important from both the industry's point of view as well as the investor's point of view. Stock market affects long run economic growth through the provision of services like creation of liquidity, risk diversification, information acquisition about firms, corporate control and resource mobilization.

STATEMENT OF THE PROBLEM

The Indian Securities Market has a large investor base consisting of individuals, corporates and Foreign Institutional Investors and has been rapidly rising over the past decade after financial market deregulation and economic liberalisation. In any economy there are investors who have surplus funds and there are issuers who need funds and seek to provide a profitable return to investors. Even though investment in capital market is attractive in terms of return, safety, convenience and tax benefits, only a minority is interested in investing in capital market. The present study will be an attempt to analyse the various aspects of investment in stock market with a focus on existing and prospective investors.

This study throws light into the improvement of awareness level of existing as well as prospective investors in stock market by studying various aspects which pull back the investors from this investment avenue.

When the public gains confidence in capital market investment the present system prevailing in Indian Capital market will change completely. At present Indians, especially those from southern region are reluctant and least bothered about the investment in capital market which gives very high return. At the same time people are investing their savings in unproductive and less profitable investments. It is

now well understood that economic development requires healthy growth of a nation's financial sector.

OBJECTIVES OF THE STUDY

- i. To study the awareness level of existing investors as well as prospective investors in stock market investment.
- ii) To study the perception of existing as well as prospective investors about the benefits and high return available from stock market investment.
- iii) To study the impact of the influencing factors related to stock market investment trend.

Research Hypothesis

- Ho1: There is no influence of socio demographic variables on the awareness level of existing as well as prospective investors in stock market investment.
- Ho2: Socio demographic variables do not influence the perception of existing as well as prospective investors about the benefits and high return available in stock market investment.

Research Methodology

The present study is descriptive in nature. In the present study primary data is based on the responses from existing and prospective investors in Kerala. In order to collect the information from the respondents, samples were selected from Thiruvananthapuram, Ernakulam and Kozhikode; which represent the southern, central and northern regions respectively.

Each of the three regions - divided into Corporation area, Municipal area and Panchayat area and data was collected accordingly. The reason for this was that the financial, social, educational & employment structure is different in each of the areas and the response of the people in each area is different. However secondary data is collected on national basis from newspapers, magazines, internet service and books. Convenience sampling technique is adopted for the study.

A sample size of 300 respondents were approached based on Part – A, B and C Questionnaires. Based on the objectives, thirty five questions were framed and supplied to 180 existing respondents in Part – A twenty one questions are framed and supplied to 90 prospective respondents in Part – B and fourteen questions are framed and supplied to 30 respondents in Part – C (Regulatory authorities).

TOOLS FOR DATA COLLECTION

In the study data collection was conducted by using primary and secondary sources. Primary data collection was made with the help of structured questionnaire prepared after discussion with experts in the field of capital market investment.

Secondary data collection was done with the help of magazines, investment journals, internet, newspapers and books.

TOOLS FOR DATA ANALYSIS

For the purpose of data analysis statistical tools like percentages, cross tabulation, chi-square tests and ANOVA tests have been used. Socio demographic variables were linked with the general questions in the questionnaire.

Pilot study Report

As a part of the research work a Pilot study was conducted using Questionnaire method. The questionnaire was framed with two parts, Part – A Personal information and Part-B General information relating to existing investors and prospective investors. After the pilot study it is revealed that most of the Respondents were ignorant about the functions of various authorities related to stock market investment. Moreover, the benefits and necessity of stock market investment was unknown to many of the Respondents. The questionnaire for final study was improved and modified to a great extent with the help of the experience obtained from pilot study.

RESEARCH GAP

The need for root and branch change in the existing system related to investment in capital market especially in the functioning of all the Regulatory Authorities, NSDL, CDSL, Banks, Stock Broking firms etc. and conduct fruitful awareness programs for all concerned including existing and prospective investors by SEBI and Stock Broking firms so as to increase the number of investors and the amount of investment in capital market.

ANALYSIS OF AWARENESS LEVEL AND PERCEPTION OF EXISTING AND PROSPECTIVE INVESTORS IN CAPITAL MARKET

In the present study primary data was based on the responses from existing and prospective investors in Kerala. In order to collect the information from the respondents, samples were selected from Thiruvananthapuram, Ernakulam and Kozhikode; which represent the southern, central and northern region.

Test results showing association of socio demographic variables on the awareness level of prospective investors in capital market investment.

Since the p value is greater than 0.05 the H_0 is accepted

There is no influence of socio demographic variables on the awareness level and perception of investors in stock market.

It is an encouraging factor that almost all the details furnished by the respondents irrespective of association of socio – demographic variables are encouraging and precious in the point of view of awareness level of existing as well as prospective investors. Another important factor is that the psychological effect of the answers furnished by the respondents in almost all the questions in Part – A and Part – B are positive.

FACTORS INFLUENCING CAPITAL MARKET INVESTMENT TREND IN INDIA

- Thousands of factors influencing and affecting capital market investment is prevailing today – national and international.
- * A detailed study about these factors will throw light into the darkness prevailing at present among existing and prospective investors in capital market. The stock market index is very sensitive - like ‘touch me not plant’.
- The fluctuations in stock market index will affect the existing and prospective investors to a great extent.
- Therefore, the awareness programs conducted should help to wipe out all sorts of fear, suspicion, greed and other negative aspects which pull back the potential investors from stock market investment.
- A clear idea should be created in the minds of the investors through awareness programs that the factors adversely affecting the stock price movements are temporary and can be overcome in due course by following a sensible, talented and stable minded effort on the part of the investors in stock market.
- The year 2017 was an unforgettable year of gain in the history of stock market. The year ended with Sensex recording 27.9% and Nifty 28.6% increase.
- Both the stock market indices were brought to the highest mainly by the Foreign Institutional Investors by investing 52,000 crore rupees during 2017 in Indian stock market. Mutual funds invested 1.17 lakh crore rupees in the Indian stock market during 2017.

- **Economic factor**

Global financial crisis occurred on 15-09-2008 affected the capital market in India adversely to a great extent. The BSE Sensex fell down from 21,000 points to 8,500 points within three months.

- **Political factor**

The BJP Government headed by Mr. Narendra Modi as Prime Minister of India sworn in charge on 26-05-2014. On that date the stock price index of BSE Sensex was 24,716.88 and Nifty was 7,359.05 points.

Within four years the stock market index of BSE Sensex shoot up to the highest level of 38,896.63 points as on 28-08-2018 and that of NSE Nifty to 11,738.50 points on the same date which also is the highest.

The enhancement of BSE Sensex in four years is 14,179.75 points and that of NSE Nifty is 4,379.45 points.

- The exit poll conducted by most of the news channels unanimously proclaimed that the NDA headed by Narendra Modi Government will get majority of the seats in 2019 Loksabha election influenced stock market index to a large extent.

- BSE Sensex shoot up to the highest level of 39,352.67 points with an enhancement of 1421.90 points which was an all time record. The NSE Nifty also reached 11,828.25 points with an enhancement 421.10 points.

- The continuance of Narendra Modi Government for the next five years gives good faith to the stock market investors that they will get favourable financial support from Narendra Modi Government as was during the previous years. This is how political influence controls stock market index.

- **International Affairs**

The propaganda that the U.S. government will charge excise duty on Chinese products especially steel and aluminum which in turn will lead to trade war between United States of America and China affected the stock market indices that BSE Sensex reached the lowest in five months.

- **Reserve Bank of India (R.B.I) policies**

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R.B.I expressed its auspicious expectation that the inflation rate will be decreased. This energized stock market during the enthusiasm. BSE Sensex with an all-time increase of 577.73 points closed at 33,596.80 points and NSE Nifty with an increase of 196.75 points closed at 10,325.15 points as on 05-04-2018.

- **Policies of Federal Reserve in U.S.A**

The evaluation that Federal Reserve in U.S.A will not enhance interest rate immediately persuaded the stock markets around the world. It was the reflection of the awakening in Asian and European stock markets that happened in India. On 05-10-2015 the BSE Sensex rose by 564.60 points (2.15%) closed at 26785.55 points and NSE Nifty rose by 168.40 points (2.12%) closed at 8119.30 points.

Change in the administration and policies of the company

The financial prospects of the company have much relevance and influence in stock price movements – ups and downs of stock market indices. Eicher Motors Limited continued its progress with a high range of financial prospects.

EFFECTIVENESS OF MEASURES ADOPTED BY REGULATORY AUTHORITIES

Economic growth of the nation helps the upliftment of the people of the nation. The growth, development and achievement of Indian capital market played a vital role in the economic growth of our nation. The present study notes the same proudly. However, SEBI, Stock Exchanges, Stock Broking firms and Ministry of Corporate Affairs can contribute much more to improve the participation of domestic investors and the amount of investment in stock market.

FINDINGS AND SUGGESTIONS

- i) Awareness level and perception of existing investors and the influence of socio demographic variables on the factors identified
- Socio demographic variables such as place, gender, age , educational qualification and annual savings are linked with the factors identified in the questions.
-

8. Awareness programs should be arranged for Banking sector. Capital market investment coincides with banking sector because all the transactions relating to capital market are done through demat account.

9. Educational literacy, employment level, financial stability and social status of women in India especially in Kerala have improved much and achieved a high level at present.

This is a sign of development of the country. But women in India, especially in Kerala do not enjoy the thrill of thrift which help the economic upliftment of women. This can be achieved through high quality and fruitful awareness programmes organised by SEBI and Broking firms and conducted by eminent, efficient, highly qualified middle aged energetic persons appointed on contract basis with high remuneration and most modern facilities.

10. Half an hour news programs can be arranged once in a week in most popular T.V channels.

CONCLUSION

Lack of clear vision and knowledge about the benefits of stock market investment, fear and suspicion promulgated by some of the investors who sustained heavy loss in stock market investment pull back potential investors from investing in stock market. However, the situation is changing slowly and gradually through the admirable awareness, education and such other activities of Stock Exchanges such as BSE, NSE, Regulatory authority - SEBI and Stock Broking firms. This process has to be boosted in the near future to bring the maximum investors to the capital market investment avenue.

All the factors detailed in the study, call for a root and branch change in the functioning of all the authorities and institutions concerned with the capital market investment. The gap prevailing today between the investors on one side and the authorities and institutions concerned on the other side should be minimised through fruitful awareness programs.

So there is ample scope for awareness programs for all concerned including regulatory authorities, existing and prospective investors so as to increase the number of investors and amount of investment in capital market tremendously, which will be the best solution for the unemployment problem in India especially among the youth.

