

INVESTMENT BEHAVIOUR OF INDIVIDUAL INVESTORS IN CAPITAL MARKET

M. Tamilselvan^{*1}, Navaneetha Krishnan Rajagopal², Manjula Veerabhadrapa³, Vinod Repalli⁴ & A. Jayakumar⁵

^{*1,3,4&5}Faculty, College of Economics and Business Studies, University of Technology and Applied Science, Ibri

²Faculty, College of Economics and Business Studies, University of Technology and Applied Science, Salalah

Abstract:

This study examines the investor's awareness level towards equity investment in capital market. The main objective of the study is to measure the impact of socio-economic factors on the investor's choice of investment and to analyze the decision of the investors towards equity investment. The study is conducted in Coimbatore city of Tamil Nadu with a sample size of 100 respondents. The descriptive research design was adopted for the study and the primary data was collected through the schedule method. Which comprised of a structured questionnaire method and the sampling technique adopted was convenient for sampling technique. Data was analyzed and interpreted with the help of statistical tools like weighted average and regression. The study concluded that the investor's socio-economic profile like educational qualification, occupation, income level and experience in capital markets are influencing factors in equity investment before they make decision for investment. However, the age factors are not influence the equity investment. At the same time, the individual investors are highly aware of rights equity investor, stock market operation, rules and regulations of SEBI, investors' protection fund factors in equity investment.

Keywords: Capital Market, Investment portfolio, Primary market and Secondary Market and Socio-Economic Factors.

DOI: [10.24297/j.cims.2022.2.1](https://doi.org/10.24297/j.cims.2022.2.1)

1. Introduction

Capital markets of any country play a pivotal role in the growth of economy and meeting the country's socioeconomic goals. They are important constituent of the financial system which has given their role in the financial intermediation process and capital formation of the country. The importance of capital markets cannot be under-emphasised for a developing economy like India which needs a significant amount of capital for development of the strong infrastructure.

Among the big emerging market economy, India plays a vital role besides other countries like China, Indonesia, Brazil and Russia. A study by the World Bank determines that by 2020 the share of these five biggest emerging markets will be doubled 16.1 percent from 7.8 percent in 1992. This rush in growth has been supported by proliferation of middle-class population, and an increase in public and private investment. India has a strong middle class of 250-300 million populations expected to be doubled in the next two decades.

The view of the capital Markets differs from 2020 onwards. The feedbacks from investors, it is evident that the fall on concerning, over-regulation and the fall of traditionally powerful financial centers such as London and New York. However, we have a different vision for 2020 – one of a New Equilibrium. This New Equilibrium consists of: receding impact of the government on shareholders, financial axis, determine their positions at the top. The world is sought stability and predictability in the context of riskier and more uncertain geopolitical situations. Hence, we find the significant change in the landscape where financial institutions operate will change significantly. This metamorphosis will come from economic and government policies, from innovation, operational restructuring, technology, from smarter and more demanding clients, companies harnessing powerful data, and from continued growth of the shadow banking system.

Recent Trends in Indian Capital Market

The establishment of SEBI in 1988 regulates the security market, to protect the interest of investors, control the mutual fund companies, promote stock exchange activities etc. The extensive capital market reforms were undertaken during the 1990s includes legislative regulatory and institutional reforms. The policy of liberalization in India 1991 encourages the Indian capital market. Statutory market regulator, which was created in 1992, was suitably empowered to regulate the collective investment schemes and plantation schemes through an amendment in 1999. Further, the power of SEBI has been administrated with compliance and enforcement powers including search and seizure of powers through an amendment in SEBI Act in 2002. The following are the newly boomed trends in Indian capital market with the technology and capital market development, online trading, growth of derivative market.

Objectives of the study

The study analyses the following objectives:

- To analyse the investors socio economic profile of the individual investors.
- To examine the awareness level of individual investors in equity investment.

2. Literature Review

Singh (2020) this study indicated that an analysis on the functioning and recent developments of capital market in India. India's economic development depends on the securities market

growth also. So, it necessitated to ensure that securities market was developed efficiently, transparently and safely. So as to achieve accelerated industrial development and faster economic growth in the country.

Boitan (2020) this study reviewed that, Sustainable stock market indices: A comparative assessment of performance. This study results indicated that the sustainability indices which included companies from Europe, Japan, US, World developed countries and World best-in-class exhibit correlated price returns, and hence are synchronized while DJSI for emerging countries were far apart. Therefore, the first five categories of indices may act as a substitute for each other. A second conclusion was that both the emerging market's sustainability index and any of the five indices may be included in investors' portfolios for the purpose related to risk diversification and hedging.

Agrawal et.al, (2019) the paper analyzed the retail investors' awareness towards equity investment. The main objectives of the study were to analyze the factors that dominated the retail investor in the equity market. This study referenced by predictive skills; purchase price of stock is most dominant factors of retail investor while decision making on investment. In addition, the retail investors are more confident at past trading.

Kalyango (2018) this study reveals that, assessment of students' awareness about the investment in capital market in Uganda. This study obtained information from 120 respondents who were targeted mainly through a questionnaire. From this study it was found that most of the respondents who were of course students, not familiar with the capital market investment products. It also concluded that the education background of respondents affects their level of awareness about the capital market investment and the most source of information about investment in capital market was schools and internet.

Bhattacharjee, J. and Singh, R. (2017), this article indicates that awareness about equity investment among retail investors. This study found that the important determinants of equity awareness are demographic, socio-economic and psychological factors. Financial well-being is attributable largely to financial awareness. Growth of the financial market can be credited to equity awareness. Equity awareness enables an investor to make better financial decisions, to appreciate their rights and responsibilities and to understand and manage the risk as an investor.

Siva Sakthi, William Robert (2017) this article reveals that the awareness of the investors in stock market on age levels begins with 40, occupation levels of the investor of business people are highly aware comparing to the other groups. The Mean Analysis of the investors consist of the dimension of investors awareness level with the higher rank in seeking financial advice, deal with licensed brokers, intermediaries or financial services companies. The investors awareness level comprises the least rank in trust with trading on BSE. Therefore the investors are highly

aware of investing in stock markets and the company earns the profit and they also collect money from the financial institutions to develop the organisation.

Sarkar & Sahu (2017) this study reviewed that an enquiry in to the behaviour of individual investors in stock market. This study used for primary data that have been collected from 500 randomly selected individual stock market investors from different districts of West Bengal through a structured questionnaire. The study has found that there has been significant effect of awareness and perceived risk of attitude on investment behaviour of individual investors of the stock market. The individual investors are more aware on stock market regarding the perceived risk attitudes of individual investors. It is mainly based on cognition component of the perceived risk, attitude in comparison to affect component of perceived risk attitude.

Mukund (2016) this study indicates that, a study of awareness about various investment avenues of teachers of management institutes affiliated to shivaji university, Kolhapur. The main objective was awareness level of different investment avenues and collected the data through interview, structured questionnaire method. In this study concluded that most of the respondents are highly aware about traditional avenues of investment. But they are not high aware about modern investment avenues.

Vaddadi & Pratima (2016) this study showed that, investor behaviour in secondary market, a study online investors in greater Visakhapatnam city. This research also aims to develop a socio- demographical profile of online investors in Visakhapatnam city. The research was exploratory in nature and survey method was used to conduct the study. The research is based on primary data and convenience sampling technique was used, a sample size of 500 respondents was covered. The findings reveal that majority of online investors' trade on a daily basis. The findings also reveal that equity is the most preferred investment avenue among online investors in Visakhapatnam City

Kavitha (2015) this study indicates that, investors attitudes towards stock market investment. The study was guided by objectives with a purpose of tracking investor's attitudes and perceptions towards stock market investments. A sample of 125 respondents was used and cross-sectional survey design and with application of quantitative and qualitative data. This study recommended among which to increase investor awareness as a means of encouraging local investors to list on the stock exchange. The regulatory authorities should improve on their performance in order to increase the confidence of the local investor. This study found that investor incentives to boost the volumes traded on the exchange with a review of the stock market regulations with a view to make them stronger and more attractive to local investors.

Gandhi (2015) this study reviewed that, investment preferences of investors – a survey of Chennai. This survey was conducted in a metro Politian city Chennai respondent were 200 retail investors in Chennai. The result found that only 38 percent of the respondents have

invested in the stock market. Moreover, these investors invest only a small fraction of their savings in the stock market instruments.

Statement of the problem

In the capital market, there are so many investment avenues to choose, today in capital market it has involved for anyone to decide about these avenues. In majority of investors are investing their money in capital market on their own assumption and others decision. The avenue of investment and the investors' opinion based on their preferences vary from person to person. As an Individual investor mostly considered liquidity and safety aspects in their investment decision. Apart from the above factors, there are socio economic factors which influence the awareness level of equity investment in capital market. This article discusses the factors which affect the investment awareness level of individual investors in the Coimbatore city.

3. Research Methodology

The Sample sizes

The study area was Coimbatore city of Tamil Nadu. The sample size consists of 100 respondents. The respondents are categorized on the basis of different variables like age, gender, occupation, marital status, family size, educational qualification, annual savings, experience in capital market etc.,

Research Design

The descriptive research used as research design. Convenience sampling has been used.

Sources and methods of data collection

This study is based on both primary and secondary data. However, as the study is primarily information of structured questionnaire to find out investor's awareness towards the capital market

Tools for data analysis

This study has used percentage of frequency distribution, weighted average, linear regression analysis statistical tools based on the relevance of the tools on the nature of the data collected.

Limitation of the study

The sample size is limited to 100 individual investors in Coimbatore capital market. The sample size may not be adequately represent the inter-sample size may not be adequately represent the international market. This study also has the limitation of time, place and resources.

4. Analyses of Socio-Economic Profile of the Investors

Table 1.1- Analyses of Socio-Economic Profile of the Investors

S.No	Socio Economic Profile of the Investors	No., of Respondent	Percentage
1	Gender		
	Male	86	86
	Female	14	14
2	Age (in years)		
	Below 25	4	4
	25-40	46	46
	40-50	32	32
	50-60	11	11
	Over 60	7	7
3	Educational Qualification		
	12th Std.	6	6
	Diploma	25	25
	UG	26	26
	PG	33	33
	Professional	10	10
4	Occupation		
	Govt. Sector	3	3
	Quasi Govt.	31	31
	Private Sector	35	35
	Self Employed	3	3
	Unemployed	11	11
	Professional	17	17
5	Income level (in Rs)		
	Below 10000	2	2
	10001-25000	31	31
	25001-50000	43	43
	Above 50000	24	24
6	Savings		
	Below 5 percent	14	14
	5-10 percent	27	27
	10-20 percent	22	22
	20-30 percent	23	23
	Above 30 percent	14	14

7	Earning members in the family		
	1	33	33
	2	36	36
	3	18	18
	4 and above	13	13
8	Investing members in the family		
	1	68	68
	2	27	27
	3 and above	5	5
9	Investment experience in the Stock Market		
	Below 5 years	54	54
	5-10 years	34	34
	Above 10 years	12	12

Source: Primary Data

The Table 1.1: presented that the individual investors socio economic profile like gender, age, educational qualification, income level, occupation, income level, saving, earning and investing members in the family, experience in the capital market.

Gender

From the above table, it was inferred that 86 percent are 'Male', remaining 14 percent are 'Female'.

Majority of the individual investors 86 percent are 'Male'.

Age

Out of 100 individual investors, 46 percent belongs to the age group of '25 to 40 years', followed by 32 percent are in the age group of '40 – 50 years', 11 percent are '50 to 60 years', 7 percent individual investors in the age group of 'Over 60 years', and 4 percent of the individual investors in the age group of 'Below 25 years'.

Majority of the individual investors 46 percent belongs to the age group of '25 to 40 years'.

Educational qualification

Out of the 100 individual investors, 33 percent of the respondent's educational qualification in 'Post-Graduation', followed by 26 percent are 'Under Graduations', 25 percent are 'Diploma', 10 percent are 'Professional' 6 percent of investors have completed '12th standard'.

Majority of the individual investors 33 percent are 'Post-Graduate'.

Occupation

Occupation wise classification of individual investors reveals that, 'Private sector' employees have 35 percent of highly preference to invest in capital market, followed by 31 percent of 'Quasi Govt', employees' preference to invest in capital market, 17 percent, 'Professionals' preference to invest in capital market. 11 percent 'Unemployed', preference to invest in capital market and 3 percent of 'Self-employed and Govt Sector' the least preference to invest in capital market.

As many as 35 percent 'Private sector', employees have highly preferred to invest in capital market.

Income level

From the above table revealed that 43 percent of income level finds that investors are in the income group of '₹20,000 to ₹25,000', followed by 31 percent are '₹10,000 to ₹20,000', 24 percent are 'Above ₹20,000' income group and 2 percent investor income level is 'Below ₹10,000' are investor fall under the income category.

Most of the individual investors 43 percent are with the monthly income is fall under '₹20,000 to ₹25,000'.

Savings

Out of the 100 investors, 27 percent have invested their income 'up to 5 percent to 10 percent', 23 percent have invested more than 20-30 per cent. 22 percent have invested 'More than 10 to 30 percent' in the stock market, and 14 percent have invested 'Below 5 percent'

Most of the investors 27 percent have invested 'up to 5 to 10 percent' of their income in the capital market.

Earning members in the family

Out of the 100 investors, 36 percent families have '2 earning members', 33 percent have 'only one member', 18 percent families have '2 earning members. 13 percent families have 'More than four the members.

Majority of the online investors 36 percent families have '2 earning members.

Investing members in the family

Of the 100 investors, 68 percent families have 'Only one member', investing the capital market. 27 percent have '2 member' are investing the stock market, 5 percent families have 'More than three the members'.

The majority of the investors 68 percent families have 'Only one member, investing the capital market.

Investment experience in the Stock Market

Majority of the individual investors, 54 percent have 'below 5 years' experience in the capital market, followed by 34 percent have '5-10 year' experience, 10.5 percent have '3 years to 5 years' experience. Lastly, 10 percent of the investors have '10 year and above' experience in the capital market.

The majority of the investors 54 percent have 'below 5 Years' experience in the capital market.

5. Awareness Level of Equity Investment – Weighted Average method

Table 2.1: awareness level of equity investment

S.No	Awareness of Equity Investment	SA	A	Neither A/DA	DA	SDA	WA	Rank
1.	Right of Equity Investor	43	48	3	5	1	4.27	1
2.	Stock Market Operation	30	57	12	1	0	4.16	3
3.	IPO Operating Trading	19	43	36	2	0	3.79	6
4.	Stock Exchange Transaction	43	39	14	2	2	4.19	2
5.	Broking Companies	12	56	21	8	3	3.66	7
6.	Trading Contract Notes	37	28	32	1	2	3.97	5
7.	Rules And Regulations of SEBI	11	37	40	2	10	3.37	9
8.	Investors Protection Fund	40	30	23	2	5	3.98	4
9.	Trading Investment fund	11	40	36	6	7	3.42	8

Source: Primary Data

Table 2.1 reveals that the investors awareness level of equity investment towards equity investment are 43 percent of the investors are 'strongly agree on 'stock exchange transaction', 37 percent of investors are 'trading contract notes', 40 percent of investors are 'investors protection fund'. On the other hand, investors level of equity investment towards equity investment are 48 percent of the investors are 'agreed' on 'awareness about rights equity investor' 43 percent of the investors are 'IPO operating trading' 37 percent of the investor are 'rules and regulation of SEBI.

Five-point scaling technique assigns and computes the scores. Out of the 9 factors, 'the rights of the equity investor' has scored a highest mean score of 4.16 and ranked first, followed by 'stock exchange transaction' ranked second (4.19), 'stock exchange transaction' ranked third (4.16), 'investors protection fund' ranked fourth (3.98), 'IPO operating trading', is ranked the sixth (3.79),

'broking companies' (3.66), 'trading investment fund' (3.42), 'rules and regulations of SEBI' (3.37) are ranked seventh, eighth, ninth respectively.

6. Analysis of Association Between Investors Socio Economic Profile and Awareness Level of Equity Investment - Regression

This segment analyses the influence of investors socio economic profile and equity investment by using weighted average, regression

Age and Awareness Level of Equity Investment

H₀: There is no significant relationship between age and awareness level of equity investment

Table 3.1: age and investors awareness level of equity investment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.348	.121	.035	.619

Source: Computed data

Table 3.1a: Age and Awareness Level of Equity Investment (ANOVA)

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	4.871	9	.541	1.411	.195 ^a
	Residual	35.296	91	.384		
	Total	40.167	100			

Source: Computed data

Table 3.1 represents the multiple regression analysis of the impact on 'age of the investors' (dependent variable) and 'awareness level of equity investment' (predictors). The R² value at .348 states that all the independent variables 34.8 per cent influence the age of the investors and awareness level of equity investment and the p value 0.195 is greater than 0.05. It indicates that, there is a no significant at 5 per cent level. Hence the hypothesis is accepted. There is a no significant relationship between the 'age of the investors' and 'awareness level of equity investment'. The beta value was described the following table

Ta

ble 3.1B: coefficients for age of investors and awareness level of equity investment

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		

1	(Constant)	1.248	.455		2.742	.007
	Stock Exchange Transaction	.237	.095	.318	2.483	.015

Sources: Computed data

Table 3.1b shows 'stock exchange transaction' (Beta=.318, t=2.483, p=.015), is significant at 5 per cent level. It is concluded that, 'age of the investors' are aware only stock exchange transaction.

Educational Qualification and Awareness Level of Equity Investment

H₀: THERE IS NO SIGNIFICANT RELATIONSHIP BETWEEN EDUCATIONAL QUALIFICATION AND AWARENESS LEVEL OF EQUITY INVESTMENT

Table 3.2: educational qualification and investors awareness level of equity investment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.548 ^a	.300	.233	.895

Source: Computed data

Table 3.2a: Educational qualification and Awareness Level of Equity Investment (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	32.284	9	3.587	4.481	.000
	Residual	75.245	91	.800		
	Total	107.529	100			

Sources: Computed data

Table 3.2 represents the multiple regression analysis of the impact on 'educational qualification of investors' (dependent variable) and 'awareness level of equity investment' (predictors). The R² value at .548 states that all the independent variables 54.8 per cent influence the educational qualification of investors and awareness of equity investment and the p value is 0.00. It indicates that, there is a significant at 5 per cent level. Hence the hypothesis is rejected. There is a significant relationship between the 'educational qualification of investors' and 'awareness level of equity investment'. The beta value was described the following table

Table 3.2b: coefficients for educational qualification of investors and awareness level of equity investment

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.
-------	-----------------------------	---------------------------	---	------

	B	Std. Error	Beta		
(Constant)	4.731	.657		7.201	.000
Stock Market Operation	.642	.188	.342	3.410	.001
Investors Protection Fund	.217	.108	.251	2.013	.047

Sources: Computed data

Table 3.2b shows that 'Stock Market Operation', (Beta=.342, t=3.410, p=.001), 'Investors Protection Fund' (Beta=-.385, t=-6.870, p=.000), are significant at 5 per cent level. It is concluded that, educational qualification of investors are aware in stock market operation and investors protection fund.

Occupation and Awareness Level of Investment Portfolio

H₀: There is no significant relationship between occupation and awareness level of equity investment.

Table 3.3: occupation and investors awareness level of equity investment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.632 ^a	.400	.342	.819

Source: Computed data

Table 3.3a: Occupation and Awareness Level of Equity Investment (ANOVA)

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	41.907	9	4.656	6.950	.000 ^a
	Residual	62.978	91	.670		
	Total	104.885	100			

Sources: Computed data

Table 3.3 represents the multiple regression analysis of the impact on 'occupation of investors' (dependent variable) and 'awareness level of equity investment' (predictors). The R² value at .632 states that all the independent variables 63.2 per cent influence the occupation of investors and awareness of equity investment and the p value is 0.00. It indicates that, there is a significant at 5 per cent level. Hence the hypothesis is rejected. There is a significant relationship between the 'occupation of investors' and 'awareness level of equity investment'. The beta value was described the following table

Table 3.3b: coefficients for occupation of investors and awareness level of equity investment

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.592	.601		.985	.327
Awareness about Rights Equity Investors	.535	.188	.296	2.845	.005
Stock Market Operation	.638	.176	.426	3.621	.000
Rules and Regulations of SEBI	.673	.155	.560	4.348	.000
Investors Protection Fund	.428	.099	.500	4.327	.000

Sources: Computed data

Table 3.3b shows 'Awareness about Rights of Equity Investor' (Beta=-.296, t=-2.845, p=.005) 'Stock Market Operation' (Beta=.426, t=3.621, p=.000), 'Rules And Regulations of SEBI'(Beta=-.560, t=-4.348, p=.000), 'Investors Protection Fund'(Beta=-.500, t=-4.327, p=.000), are significant at 5 per cent level. It is concluded that, 'occupation of investors' are aware in equity investment, stock market operation, rules and regulation of SEBI, investors protection fund.

Income level and Awareness Level of Investment Portfolio

H₀: THERE IS NO SIGNIFICANT RELATIONSHIP BETWEEN INCOME LEVEL AND AWARENESS LEVEL OF EQUITY INVESTMENT

Table 3.4: income level and investors awareness level of equity investment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.524 ^a	.275	.205	.954

Source: Computed data

Table 3.4a: Income level and Awareness Level of Equity Investment ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	32.411	9	3.601	3.959	.000 ^a
	Residual	85.503	91	.910		
	Total	117.913	100			

Sources: Computed data

Table 3.4 represents the multiple regression analysis of the impact on 'income level of investors' (dependent variable) and 'awareness level of equity investment' (predictors). The R^2 value at .632 states that all the independent variables 63.2 per cent influence the income level of investors and awareness of equity investment and the p value is 0.00. It indicates that, there is a significant at 5 per cent level. Hence the hypothesis is rejected. There is a significant relationship between the 'income level of investors' and 'awareness level of equity investment'. The beta value was described the following table

Table 3.4b: coefficients for income level of investors and awareness level of equity investment

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.387	.700		.553	.581
Investors Protection Fund	.334	.115	.368	2.903	.005

Sources: Computed data

Table 3.4b shows 'Investors Protection Fund' (Beta=.368, t=2.903, p=.005), is significant at 5 per cent level. It is concluded that, 'income level of investors' are aware in investors protection fund.

Investment experience and Awareness Level of Investment Portfolio

H_0 : There is no significant relationship between investment experience and Equity Investment

Table 3.5: investment experience and awareness level of equity investment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.576 ^a	.331	.267	.861

Source: Computed data

Table 3.5a: Investment experience and Awareness Level of Investment Portfolio ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	34.542	9	3.838	5.178	.000 ^a
	Residual	69.679	91	.741		
	Total	104.221	100			

Sources: Computed data

Table 3.5 represents the multiple regression analysis of the impact on 'investor experience' (dependent variable) and 'awareness level of equity investment' (predictors). The R^2 value at .576 states that all the independent variables 57.6 per cent influence the experience of investors and

awareness of equity investment and the p value is 0.00. It indicates that, there is a significant at 5 per cent level. Hence the hypothesis is rejected. There is a significant relationship between the 'investment experience of investors' and 'awareness level of equity investment'. The beta value was described the following table.

table 3.5b: coefficients for investment experience and investors awareness level of equity investment

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.452	.632		.714	.477
Trading Contract Notes	.298	.135	.257	2.203	.030
Investors Protection Fund	.448	.104	.525	4.306	.000

Sources: Computed data

Table 3.5b shows 'Trading Contract Notes' (Beta=.257, t=2.203, p=.030), 'Investors Protection Fund' (Beta=-.525, t=-4.306, p=.000) are significant at 5 per cent level. It is concluded that, 'investment experience of investors' are aware in trading contract notes, investors protection funds.

7. Findings of the Study

Findings of Socio-Economic Factor of the study

Majority of the individual investors up to 86 percent are 'male'

Majority of the individual investors up to 46 percent belong to the age group of '25 to 40 years.

Majority of the individual investors up to 33 percent are 'post-graduation'.

As many as 35 percent 'private sector', employees have highly preferred to invest in capital market.

Most of the individual investors up to 43 percent monthly income is fall under '₹20,000 to ₹25,000'.

Most of the investors up to 27 percent have investing '5 to 10 percent' of their income in the capital market.

Majority of the investors up to 36 percent families have '2 earning members'.

The majority of the investors 68 percent families have 'only one member', investing the capital market.

The majority of the investors 54 percent have 'below 5 years' experience in the capital market.

Findings of Awareness Level of Equity Investment – Weighted Average method

This study reveals investors' awareness level of equity investment is 43 percent of the investors are 'strongly agree on 'stock exchange transaction', 37 percent of investors are 'trading contract notes', 40 percent of investors are 'investors protection fund'. On the other hand, investors' level of equity investment is 48 percent of the investors are 'agreed' on 'awareness about rights equity investor' 43 percent of the investors are 'IPO operating trading' 37 percent of the investor are 'rules and regulation of SEBI.

Five-point scaling technique assigns and computes the scores. Of the 9 factors, 'the rights of the equity investor' has scored a highest mean score of 4.16 and ranked first, followed by 'stock exchange transaction' ranked second (4.19), 'stock exchange transaction' ranked third (4.16), 'investors protection fund' ranked fourth (3.98), ' IPO operating trading', is ranked the sixth (3.79), 'broking companies' (3.66), 'trading investment fund' (3.42), 'rules and regulations of SEBI' (3.37) ,are ranked seventh, eighth, ninth respectively.

Findings of Analysis of Association between Investors Socio Economic Profile and Equity Investment – Regression

The result reveals that there is a no significant relationship between the 'age of the investors' and 'awareness level of equity investment'. But the 'age of the investors' are aware only on stock exchange transaction.

The result reveals that there is a significant relationship between the 'educational qualification of investors' and 'awareness level of equity investment', the educational qualifications of investors make them aware of stock market operation and investors protection fund.

The result reveals that there is a significant relationship between the 'occupation of investors' and 'awareness level of equity investment', 'occupation of investors' make them aware in rights of equity investor, stock market operation, rules and regulation of SEBI, investors protection fund.

There is a significant relationship between the 'income level of investors' and 'awareness level of equity investment', 'income level of investors' make them aware in investors protection fund.

There is a significant relationship between the 'investment experience of investors' and 'awareness level of equity investor', 'investment experience of investors' make them aware in trading contract notes, investors protection funds.

8. Suggestions

Among the total respondents' female investors are in a least proportion of 14 percent. So they should be educated to invest in capital market.

The total respondents the Government Sector employee's only 3 percent showing priority in the capital market. So, SEBI initiate to introduce new schemes and motivates them to invest in capital market. SEBI conducted more awareness programs regarding capital market trading, capital instruments, new technology adopted through online / offline media.

The Government has to provide market protection to the small investors not to misguide/deceive the brokers in the stock market.

To increase the availability of sources of investment information from different means to reach the investors properly.

Investors should try to make fundamental, technical and financial analysis before making investment.

Most of the investors are not aware about the trading contract notes, IPO operating trading

9. Conclusion

The study consists of 100 samples randomly selected in Coimbatore region revealed the investor awareness level of the capital market. It efficiently investigates the effect of socio-economic factors of individual investor and investor awareness level in equity investment on the capital market in Coimbatore city. Most of the investors are aware about the equity market but they do not have sufficient knowledge about capital market investment. So the stock broking limit must create knowledge and guidance to the potential investors and the existing investor about the capital market investment through appointing personal advisors and proper advertisement channels. Most of them are curious in investing in the equity market during the time of availing proper guidelines. This study determines that people of ages between 25 years to 40 years invest most in the equity market in Coimbatore city. This study concluded that the investor's socio-economic profile like educational qualification, occupation, income level and experience in capital markets are influencing factors in equity investment. However, the age factors are not influenced the equity investment. At the same time, awareness about rights of equity investor, stock market operation, rules and regulations of SEBI, investors' protection fund factors are influenced the individual investor while decision making of equity investment.

References

1. Singh, D. A. (2020) An Analysis on The Functioning And Recent Developments of Capital Market In India. *Studies in Indian Place Names*, 40(56), 2110-2123.
2. Boitan. (2020). Sustainable stock market indices: A comparative assessment of performance. *Journal of Research in Emerging Markets*, 2(1), 7-14.

3. **Agrawal, Sakshi, and Dr Singh. (2019)** "Retail Investors Awareness Towards Equity Investment–With Reference to Bhopal City." *International Journal of Management* 10.3 (2020)
4. **Kalyango, D. (2018).** Assessment of students' awareness about investment in capital market in Uganda: a case study of Makerere University at School of Statistics and Planning (Doctoral dissertation).
5. **Bhattacharjee, J. and Singh, R. (2017),** "Awareness about equity investment among retail investors: a kaleidoscopic view", *Qualitative Research in Financial Markets*, Vol. 9 No. 4, pp. 310-324.
6. **R.Siva Sakthi, P.William Robert, (2017)** A Study On Investors Awareness Of Stock Market, Vol-3 Issue-6, *IJARIE-ISSN(O)-2395-4396*
7. **Sarkar & Sahu (2017).** Effect of Demographic Factors and Awareness on Investment Behaviour in Stock Market: Evidence from West Bengal. *Asian Journal of Research in Banking and Finance*, 7(7), 34-51.
8. **Mukund, (2016),** A Study of Awareness about Various Investment Avenues of Teachers of Management Institutes Affiliated to Shivaji University, Kolhapur. Vol-3 Issue-6 2017 *IJARIE-ISSN(O)-2395-4396*, 849-854
9. **Vaddadi, & Pratima (2016).** Investor's Attitude towards Adoption of Online Trading:(A Study on Online Investors Behaviour in Visakhapatnam City). *Asian Journal of Research in Business Economics and Management*, 6(2), 12-31.
10. **Gandhi, K. (2015).** Investment preferences of investors–A survey of Chennai. *International Journal of Multidisciplinary Research and Modern Education*, 1(1), 352-359.
11. **Kavitha, C. (2015).** Investors attitudes towards stock market investment. *International Journal of Scientific Research and Management*, 3(7), 3356-3362.
12. <https://www.karvyonline.com/knowledge-center/beginner/capital-market-and-its-types>
13. <http://princyfrancis.blogspot.com/2015/03/recent-trends-in-indian-capital-market.html>
14. <https://www.pwc.in/assets/pdfs/financial-service/indian-financial-markets-2020-fv.pdf>.