

A Review Based Study On The Perception Of Individual Investors In Indian Share Market

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1. Introduction:

Saving and investment are two most crucial aspects which decide the health of an economy to a considerable extent. The aspect of saving and investment becomes even more significant and contextual in the case of a vast economy like India. Saving and investment are intricately related as savings ultimately get converted into the investment. Proper investment keeps the economy live and kicking. India is a vast economy and at the same time the leading democracy with vast population. In terms of mobilization of savings; India is advantageously placed as it has vast middle-class population with huge potential of savings. Some other contemporary developments are also worth mentioning here and one such is the leaps and bound progress of the size of Indian economy during last one decade. At present India is Fifth largest economy in the world. This increase in the size of Indian economy is supposed to reflect in the increase in productive activities in the economy and the incomes also. This income will in turn will translate to further savings. It is high time to mobilize as well as capitalize on the huge saving potential which India presents. In current circumstances almost all sections of the society and professionals of various fields undergo investment in various avenues available. The investment avenues comprise of several alternatives ranging from real estate, gold to share markets etc.

2. Investment Behavior: Individual Vs Institutional

A broad classification of investors can be done into two broad categories namely individual and institutional investors. They both differ in their features and there are certain conceptual differences in the approach and pattern of their investment behaviors. It is often said in the context of individual investor that an individual investor is generally risk averter. The liquidity preference is high on the list of an individual investor's criteria. Individual investors are large in numbers but the amount of investment per head by them is usually not much. It will not be unfair to say that these lakhs and crores of individual investors give true colour and vibrations to the investment market particularly the share market. In the context of individual investors one more aspect becomes quite contextual and it is with reference to the culture. This aspect gains even more significance in the context of India as the cultural and prevailing traditions in our society are at great variance from rest of the world particularly with respect to the western world. The investment pattern and behavior of a typical Indian individual irrespective of his or her profession is at great variance with respect to that of an individual in the west or developed nations.

In India we find that family bondages are still very strong and many a times the investment of an individual is motivated by the requirements of the family and family members. The family bondages are not so strong and pronounced in the west and many a times, we find that the motives of an individual investment are solely guided by the own interests of an individual. For example, we can see that in case of a typical Indian, his investment motives are guided by the stage in the life he is. A young individual many a times may undergo investment to fund his studies and other requirements. It may be possible in most of the cases that such expenses are being incurred by the parents of the individual concerned and to meet such expenses the parents of this individual may incur certain investments in advance so that the returns from such investment can help fund the study expenses of an individual. Similarly funding of certain other eventualities like the marriage of the daughter may act as a motivation for an individual to invest the savings so that the returns from such investments can be capitalized to fund this event.

There can be cited many other events of the life cycle of an individual Indian investor which guide his investment motives. There are many peculiar features which are associated with an individual investor. In comparison to institutional investors, there number is very large, however, the corpus invested by the

individual investor is far less than the institutional investors which usually invest in bulk and they have large amount of investible funds.

3. Review of Literature:

This section of the study presents an overview of the review of past studies conducted in the context of the investment behaviour and pattern of the individual investors. After presenting the review of literature, the summary of the same will be presented in the nutshell. This will be followed by the identification of research gap. This section presents a review of literature to present the overview of the past studies in a chronological order so that a clearer perspective of developments in the subject area related to the study.

DSanjay(2012) in the study conducted by him focused on the behavioral aspects in the context of the decisions related to the stock selection by the small investors. The nature of the study was qualitative and it concentrated on the factors influencing the investment decision of small investors like social, economic, demographical and latitudinal as they leave an impact on the investment decision of such investors. The study identified thirty- eight variables and it was conducted on the basis of the survey conducted with the help of a structured questionnaire. The sample size comprised of the 100 small investors. Five districts of assam were selected for the purpose of conducting the survey related to the study connected with the then Guwahati stock market. As per the study outcomes, the small investors were found to put more emphasis on the factors such as company's financial statements, references drawn from other persons and the information which is publicly available in relation to the profitability of the companies. Among the factors which were given least priority by the small investors included government policies, ascertainment of risk and analysis of economic factors and variables and discounted cash flows etc. The study revealed that though individual investors have a significant role in the Indian stock marker but still, they fail to leave much impact on share prices.

JKartasova(2013) in his study investigated the irrational individual investment behavior in the Lithuanian stock market at Vilnius, Lithuania. The study tried to find out the relationship between demographic factors of an individual and his investment decisions. After conducting the pilot study, the survey was conducted online. 404 respondents responded out of many who were sent the online Questionnaire responded to it. The study outcomes revealed that female investors are more confident than their male counterparts. The investors who were having enough financial education were found to believe that they have a good expertise. The single investors and the ones who are in their initial phase of investment are found to take higher risk. Individual investors were found to suffer from different critical prejudices prime among them being over confidence, anchoring, mental accounting along with the group behavior. Personal demographic factors of an individual were found responsible for their irrational behavior. Factors like publicly available information, weather conditions, sport events results had a deep impact on investment decision process of investors.

S Aren et al (2015) in this study the researchers attempted to enquire into the influence of factors including personal, investment parameters related and awareness about financial aspects related which these factors leave on the investment alternatives as preferred by the individual investors. The study was carried out in Turkey. Personal factors considered in the study comprised of such factors like age, gender, education and marital status. Investment decisions factors considered in the study included the factors like risk bearing capacity, repayment capacity, corporate data and society. At the same time the basic and advance level of the financial literacy was also considered in the study. In terms of the most preferred investments in Turkey fall stocks, bonds. Financial currency, bank deposits and mutual funds. The survey conducted for the purpose of the study included 112 respondents. The respondents selected were such that either they had enough savings for the purpose of investment or they were employed in the financial services sector. The outcomes of the study confirmed that factors including marital status, age and society leave no impact on the investment alternatives selection by the individuals. As per the study outcomes, the choice and preference of various alternative investments is influenced by these factors at different levels and stages. The study outcomes revealed that investment in foreign currencies was the most preferred destination for the low risk-taking individual investors. Interestingly enough as per the outcome of the study, it was found that with the increase in education level, the individual investors were found to have more preference to invest in bonds. It can be seen from the above discussion that a host of factors influence the investment alternatives preference and selection in the context of the small individual investors.

RRabeca et al (2015) in their study the authors considered the factors including financial awareness, accounting data, organisation size, wealth maximisation along with the personal characteristics of the investors in the context of their investment decision making. The survey area of the study included the Rawalpindi and Islamabad cities of Pakistan. A diversified group of respondents was considered for the purpose of conducting the survey. It included executives, managers, administrators, teachers, students and also the home makers. The size of the sample taken was of 120 respondents. The study outcomes revealed an association between investment preferences and personal profile of investors. Factors like liquidity and accounting information related to securities was found to influence the investment behavior of the individual

small investor. Age and income earned Among the most significant factors in relation to the personal profile of investors were found to be age and income.

Religious beliefs, family members and gender were found to be among the least influencing investment decision factors of individual investors., As per the study outcomes, the investors tend to invest less in risky avenues with the increase in their knowledge base and age. Most of the investors were found to be inclined towards regular income in the form of dividend and they were found to be least bothered about the aspect like maturity period. It was further found in the study that in general a common man is not much financially aware and have not much knowledge and understanding about the proper and viable investment alternatives, options and decision making.

MNtsando et al (2016) in their study the researchers considered the relation between monetary attitude and investment behaviour of the individual investors. The respondents selected for the purpose of conducting the survey for the study comprised teaching professionals in the countries of Switzerland and South Africa. The study enquired into whether savings are directly related to the income and the deviations to this believe and view point. A field survey was deployed in the study aiming at the collection of both qualitative along with the quantitative data. The respondents covered in the study comprised of the teachers of primary schools located in the Switzerland. The size of the sample was of 304 respondents. The sampling method deployed in the study was based on cluster sampling. The statistical tests used in the testing of the hypotheses of the study were F-test and t- test. The outcomes of the study reflected that money as a medium of power and status was assigned least mean value. The responding teachers were found to be positively as well personally involved in the finance as well as investment related decisions and matters. The responses of the respondents reflected lower ranking accorded to financial affairs related knowledge along with the related awareness. Preferred investment avenues by the responding teachers were found to be low risk avenues in comparison to the long-term investments, equities as well as foreign exchange instruments. It was revealed in the study respondents were found to be unable to save much from their incomes. The study gave the recommendation that educational programs based on personal finance must be organised in the schools. The study also suggested to withdraw the retirement investments. In order to discourage withdrawal of money on a continuous basis from the accounts meant for investment purposes, the study suggested there must be tax benefits.

KKapil (2016) in his research made a comparison between the approach towards investment and preferences. The respondents included the rural as well as urban investors in the region of Moradabad district of Uttar Pradesh. The size of the sample comprised of fifty rural and urban customers each. For the purpose of conducting the study and deciding the sample, convenience sampling was deployed. ANOVA and mean scores were the statistical tools used for the purpose of testing the hypothesis of the study. The outcomes of the study revealed that in comparison to urban investors, rural investors were seen to be relatively less conscious and aware about the investments in financial securities. Rural investors were found to be preferring to invest in post office savings schemes and bank deposits. Risk involved in these investment avenues is less.

SJeet et al (2016) in their research focused on both male as well as female investors. The respondents of the study comprised of both male and female investors. The respondent selected for the purpose of conducting the study belonged to the cities of Jaipur belonging to the state of Rajasthan and Moradabad from Uttar Pradesh State of India. Capital market investment by both male and female investors was analysed in the study. Hypothesis of the study was subjected to t- test and mean in order to draw the evidence in connection with the acceptance and rejection of the hypothesis. The study focused on the number of investment alternatives available to the male and female investors. Social, cultural, emotional and economic, these four factors were considered in conducting the research.

Male and female both type of investors was found to be more inclined towards regular dividends and as a result regular dividends were found to be the preferred investment option among the investors. Both male and female investors are found to have liking and inclination towards investment in the high paying dividend shares. Financial ratio-based analysis was found to be carried out by the male investors before deciding and finalising their investment plans and the preferred company shares. Contrary to it their female counterpart investors were found lacking these tendencies and were found to have low financial literacy as well as awareness. On the same line it was found that stock market and stock performing reports were found to be analysed by the male investors before arriving at the final investment alternative to invest in. Moreover, male investors were found to check out the aspects like the company management, CEOs profile, Director's background and experience before finalising their investment scheme. On the contrary to it the advice of friends, relatives and associates were found to be most preferred and consumed informational inputs by female investors in deciding their investment options, alternatives and plans. For female investors, the safety of their investment was the most sought-after consideration.

In a nutshell thus it can be seen that as per the outcomes of the study the male investors are seen to be

somehow more progressive and well equipped with financial knowledge to decide their investment schemes. On the other hand, their female counter part investors are found to be not much versed in all these aspects and understanding of the financial aspects related to the investment. They were found to rely mostly on the traditional means in order to decide their schemes and plans related to the investment including the investment in the share markets.

J R Bodaet al (2018) in their study the researchers analysed the research works by the other researchers and performed a review of literature-based study with respect to the investment behaviour in the context of the retail and small investors. The small and retail investors were studied in the context of psychological and emotional factors and their influence on the market trends. Both domestic and foreign markets related factors have an impact on the financial markets. Among such factors we can cite the factors related to the business and economic environment, political stability, availability of information and the attitude as well as the approach of the investors. These situations and aspects along with their understanding is an extremely critical factor related to the investment decision of the investors. The study reflected upon the psychological and emotional aspects and how they influence the small and retail investors and their investment decisions. The outcomes of the study revealed that individual investors have the tendency of drifting away from logical decisions and considerations in investment decision making due to their behavioural prejudices.

The study pointed that the proper reading and consideration of the mind-set, outlook along with the aptitude of the investors in order to add precision to the understanding and reading of the market trends with improved precision and accuracy. The study further revealed that emotional and mental prejudices of the investors need to be capitalised and materialised into the financial gains and profits. Further it was the suggestion of the study that the awareness and understanding of the investment decision making in adequate quantity can go a long way in correcting the errors in the judgement process related to the investment.

AayatF et al (2018) in their study the researcher focused on the pattern of investment behaviour in the context of the home makers in and the level of their financial literacy. The study also focused on the challenges which are faced by the homemakers in their investment related decision making. The survey area of the study had been the district of Srinagar, Jammu & Kashmir. The size of the sample comprises of the 157 home makers. Securities which offer high returns and less fluctuations in prices at the same time are found to be most preferred investment avenues by the responding home makers. Standard of living is found to be adversely impacted as a result of the increase in the prices of goods and services. The availability of new options of investing and alongside the possibility of increased incomes is the automatic motivation for investors to invest. Bank deposits and gold were found to be the most preferred investment options of the home makers as per the study outcomes.

It was found that very few home makers preferred to study in the share market. Even among the few home makers which were found to show preference towards in the share market were found to confine and limit their investment plans to low risk securities. Remaining mostly preoccupied in house making activities, these home makers were found to be reluctant in long term basis. The investment alternatives which offer higher growth coupled with higher returns attract the home makers for investment. It was suggested in the study that there must be a provision for organising the financial education related programs organised by university of Kashmir in collaboration with the regulatory authorities of the government specifically for the home makers. It was further opined and suggested by the study that in order to further promote the culture of investment among home makers in particular and other individual scholars in general, both Public and private sector agencies need to collaborate in a planned and thoughtful manner.

KrishnamoorthiK. (2018) in his study focused on the investigation of attitudes along with the approaches of the individual investors with respect to the various investment alternatives available at their disposal. The main focus of the study was to establish the relationship which exists between different dependent factors. The survey area selected for the purpose of conducting the study has been the Erode district of Tamil Nadu. The study was conducted on the basis of a structured questionnaire administered to the respondents and their responses are collected and analysed. The insurance policies were found to be preferred investment avenues for the individual investors due to their role in tax savings on one hand and providing a shield against the uncertainties on the other hand. Moreover, it was found that the investment pattern of investors is influenced by their income levels.

Investors having high income are found to have more inclinations and interest in investing activities in shares. At the same time, the investors who were having the moderate-income level were found to be keen to invest in insurance policies and in bank deposits. The interest rate differentials in the government securities and private funds with government securities paying less dividends prompted to show their preference in investing in the private funds rather than the government securities. Among the suggestions and recommendations of the study, it was suggested that awareness and education among the investors is one of the major factors to motivate them for investment and spread the investment culture among them. Study

further opined that there is a need for organising regular awareness camps and seminars by the concerned organisations.

Sureh, S. et al (2019) in their study the researcher focused on the different factors which have instrumental in promoting the individual investment. It was found in the study that such factors are a mix of many interrelated factors which include availability of various investment alternatives, income increase, expectancy of long life, tax burden which is getting unbearable etc. The outcomes of the study reflected that investors at time do not rely on the existing theory base in investment decision making like the efficient market hypothesis and resort to their own norms, logic and understanding of the investment related aspects. The study focused on individual investors particularly teachers and their investment behaviour and pattern in mutual funds markets in the context of behavioural finance. The survey area of the study had been the district of Thanjavur. The study considered the impact of demographic factors in the context of the investment pattern of investors. The size of the sample included 400 respondents and the survey was conducted on the basis of a structured questionnaire. Chi-square, ANOVA and Garrett ranking techniques were the techniques utilised in the study to draw the outcomes.

Disha P. et al (2019) in their study focused on the investment decision making of the rural and urban investors and compare the investment pattern and behaviour of these two categories of the investors. The survey area of the study has been the district of Gandhinagar in the state of Gujarat. The factors on which the study carried out this comparison included income, saving and investment related decisions. The study also explored the status of financial knowledge along with the risk bearing capacity of rural as well as urban investors. One hundred each from rural and urban investors were included in the sample which was selected for the purpose of conducting this study. Sampling technique utilised for the purpose of deciding the sample size of the study had been the quota sampling. Study deployed a well-structured questionnaire to collect the input data for the purpose of the conducting the study.

This suggestion and recommendation of the study has been quite significant and contextual in the context of the Indian economy as India presents a vast prospective and potential base of rural investors and if their savings gets properly channelized into the investment, the economy will vastly gain out of it. Invest thus fostered through vast saving potential of rural population will go a long way in promoting the developmental activities in the country.

KrishnaG. et al (2019) in their study the researchers focused on the investigations about the perceptions of the investors about the primary and popular investment proposals in front of them. The study area had been the Kurnool district of Andhra Pradesh. Demographic information along with the investment related objectives of the investors were collected to conduct the study and collect the inputs related to the study and its hypothesis testing. These inputs were collected in order to draw the relationship between the demographic variables and the investment objectives of the investors. The study had also explored about the investment decision making of the investors in the context and reference to investment alternative available to them. Different reasons behind different investment preferences were found to be associated with the different avenues for the investment. Investment objectives of the investors is found to be in tune with the nature of investment avenues and reasons behind their investment preferences. Risk-return, safety and liquidity factors related to the investment avenues concerned are among such investment objectives. The study outcomes further revealed that the risk averting investors found in mutual funds there most preferred investment destination, option and alternative.

Metawa, N., (2019) in their study focused on the relationship between the demographic factors and investment decisions by making use of behavioural factors as mediator variables. Among the demographic factors are included age, gender, education level and experience. The behavioural factors on the basis of which this relationship is attempted to explore are sentiment, confidence, overreaction and underreaction and herd mentality-based behaviour. The study was conducted at the stock exchange of Egypt. The structured questionnaire was deployed in the study and survey was conducted with the size of sample of respondents taken to be as 384 belonging to local Egyptian citizens, foreign individual as well as institutional investors. The impact of the demographic factors on their investment decisions were studied on the basis of partial multiple regression method with behavioural factors considered as the mediating variables. The study revealed that sentiments of investor, their over and under reaction and herd mentality-based behaviour has significant on investment decisions. At the same time study revealed that age, gender as well as the education level show a significant positive impact on the investment decisions of the investors. Moreover, the study outcomes revealed that experience has not much role to play in the investment decision making but with the investors acquiring more experience, the investors are found to weigh less to the emotional factors in their investment decision making. The study is supposed to make inroads in understanding the behavioural pattern of investors and also to help grow the Egyptian market further.

K Bala Ji, A Vaneeta (2019) in their study the authors focused on the impact of financial literacy on the investment decisions of the individual investors. The study is conducted on the basis of a systematic review of

literature of the past studies. There are emotional and cognitive biases to which the investors are subjected to are also responsible to influence their investment decision. The study analysed the role which the financial literacy can play in checking such unbiased investment behaviour of individual investor. The study pointed that with proper financial literacy, the investment decisions of the investors will improve and well informed. It will result in the financial wellbeing of the individual investors.

Shehata, S.M et al (2019) in their study focused on the perceived risk in the context of the financial knowledge. For the purpose of conducting the study the financial knowledge is considered as objective knowledge and subjective knowledge. The study attempted to analyse the relation between financial knowledge and intervention to invest in the market. The study is conducted at the markets of the Saudi Arabia. A sample of four hundred Saudi Arabian participants were included in the sample considered for the purpose of conducting the study. The study revealed that as far as the formation of financial knowledge is concerned the total effect of subjective knowledge is more in comparison to the total effect of objective knowledge. Further it was revealed in the study that there exists a positive relationship between financial knowledge and perceived risk as well as between financial knowledge and intention to invest.

L Alaknanda, MNarsee (2023) in their study focused on the contrast between the real aspects of individual decision making and the theories prevailing in this regard. The traditional theories which we encounter in the literature work on the assumption that an ordinary investor is rational in investment decision making and such theories believe that the factors suggested by them dictate the investment decision making of the investors. The reality is however other way round and it is seen that human behaviour has its own stake in the decision making of the individual and it influences their investment decisions. The study focused on the impact of behavioural biases like overconfidence, conservatism and herd behaviour on the investment decision making. The study area has been the city of Mumbai of India and the survey was conducted on the basis of a structured questionnaire and the respondents of age 18 and above are administered this structured questionnaire. The study outcomes revealed that the biases like overconfidence, herding have an impact and influence on the investment decision making. The study outcomes reflected that the psychological factors play an important role in the investment decision making of the investors. In a nutshell it can be said that the outcomes of the study are in the favour that behaviour has an important role to play in the decision making of the investors.

Abdulrasool, H.D et al (2023) in their study the researchers focused on the review of the past studies to analyse the investment behaviour of individual investor. The sample collected for the purpose of conducting this study has been taken from the Web of Science and Scopus data bases. A total of 156 papers are included in this systematic review of literature based study. The study revealed that there has been a tendency among the applied theory to ignore the fact that often individual investors commit mistakes in investment decision making. The study revealed that there is requirement for more theoretical explanation in order to evaluate the individual investor's decisions. The individual investment decisions are often affected by their behavioural biases.

4. Summary of Review of Literature:

In this section of the study the summary of review of literature is being presented. An effort has been made to include the diversified studies in the review of literature. The studies included range from 2012- 2023. It means the studies are taken approximately from last one decade.

The studies have focused on the issues like behavioral finance in the context of its impact on the investment decision making of individual investors. It was found that the small investors were found to put more emphasis on the factors such as company's financial statements, references drawn from other persons and the information which is publicly available in relation to the profitability of the companies. Government policies, ascertainment of risk and analysis of economic factors and variables were among the least considered factors by the investors. Demographic factors and their influence on individual decision making is also considered in some of the industries. As per the studies, female investors were found to be more confident in comparison to their male counterparts.

Investors who were having enough financial education were found to believe that they have a good expertise. The single investors and the ones who are in their initial phase of investment are found to take higher risk. Individual investors were found to suffer from different critical prejudices prime among them being overconfidence, anchoring, mental accounting along with the group behaviour. Personal demographic factors of an individual were found responsible for their irrational behaviour. Factors like publicly available information, weather conditions, sport events results had a deep impact on investment decision process of investors. The outcomes of the study confirmed that factors including marital status, age and society leave no impact on the investment alternatives selection by the individuals. According to the outcomes of the studies, choice and preference of various alternative investments was found to be influenced by such factors at different levels and stages. It can be seen from the above discussion that a host of factors influence the investment alternatives preference and selection in the context of the small individual investors.

It has been found in some of the studies that there is an association between investment preferences and personal profile of investors. Factors like liquidity and accounting information related to securities was found to influence the investment behavior of the individual small investor. Age and income earned by investors were found to be among the dominating factors deciding the investment pattern of individual investor. Religious beliefs, family members and gender were found to be among the least influencing investment decision factors of individual investors. As per the study outcomes, the investors tend to invest less in risky avenues with the increase in their knowledge base and age. Studies on teachers as individual investors are also included in the review and they were found to prefer low risk avenues in comparison to the long-term investments, equities as well as foreign exchange instruments. It was found that in comparison to urban investors, rural investors were seen to be relatively less conscious and aware about the investments in financial securities. Rural investors were found to be preferring to invest in post office savings schemes and bank deposits since risk involved in these investment avenues is less. They were found to rely mostly on the traditional means in order to decide their schemes and plans related to the investment including the investment in the share markets. Emotional and mental prejudices have also been the part of many studies and it was found in the studies that emotional and mental prejudices of the investors need to be capitalised and materialised into the financial gains and profits. It was pointed out that the awareness and understanding of the investment decision making in adequate quantity can go a long way in correcting the errors in the judgement process related to the investment.

Financial literacy has also been considered in the review of studies. Among different types of investors, the home makers are also considered in the context of the financial literacy. Securities which offer high returns and less fluctuations in prices at the same time are found to be most preferred investment avenues by the responding home makers. The availability of new options of investing and alongside the possibility of increased incomes is the automatic motivation for investors to invest. Bank deposits and gold were found to be the most preferred investment options of the home makers as per the study outcomes. It was found that very few home makers preferred to study in the share market. Even among the few home makers which were found to show preference towards in the share market were found to confine and limit their investment plans to low risk securities. There have been studies which focused on the factors infusing the individual investment and promoting the culture of individual investment. Investors at time do not rely on the existing theory base in investment decision making like the efficient market hypothesis and resort to their own norms, logic and understanding of the investment related aspects. Investment objectives of the investors are found to be in tune with the nature of investment avenues and reasons behind their investment preferences. Risk-return, safety and liquidity factors related to the investment avenues concerned are among such investment objectives. The outcomes of the study further revealed that the risk averting investors found in mutual funds there most preferred investment destination, option and alternative. The impact of the demographic factors on the investment decisions of individual investors was studied in some of the studies and it was found that sentiments of investor, their over and under reaction and herd mentality-based behaviour has significant impact on investment decisions. It was also found that age, gender as well as the education level show a significant positive impact on the investment decisions of the investors. Experience was found to play not much role in the investment decision making but with the investors acquiring more experience, the investors are found to weigh less to the emotional factors in their investment decision making.

The review also focused on the theories related to investment decision making in relation with the biased behaviour of an individual investor. The traditional theories which we encounter in the literature work on the assumption that an ordinary investor is rational in investment decision making and such theories believe that the factors suggested by them dictate the investment decision making of the investors. The reality is however other way round and it is seen that human behaviour has its own stake in the decision making of the individual and it influences their investment decisions. The impact of behavioral biases like overconfidence, conservatism and herd behaviour on the investment decision making were also considered in the review. The study outcomes revealed that the biases like overconfidence, herding have an impact and influence on the investment decision making. It was also found that the psychological factors play an important role in the investment decision making of the investors. It was found that behavior has an important role to play in the decision making of the investors. Some of the studies revealed a positive impact of factors like risk tolerance, herding behaviour and social interaction on stock market intervention. Stock market participation was found to be influenced by the stock market intervention. It was also found that risk tolerance and overconfidence bias get mediated by the stock market intervention.

5. Conclusion:

It will not be unfair to say that saving and investment are two prime functions of an economy. To a great extent the symphony between savings and investment dictates the health of the economy. The investment in an economy is a multifaceted function and in this context, the investors are at times are classified as individual and institutional investors. There are conceptual differences in the investment strategies and patterns of

these two different kinds of investors. Quantity wise individual investors are more in numbers. They present a diverse array of investors. The investment per head by these individual investors is not much but together they contribute to sizeable investible funds in various investment avenues including the share market. The individual investors in general are risk averters and they prefer liquidity as the foremost aspect of their investment alternatives. In the context of individual investors, the financial literacy is often a much debated and focused issue in the researches related to the investment behavior of individual investor

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