International Journal for Multidisciplinary Research (IJFMR)
E-ISSN: 2582-2160 ● Website: www.ijfmr.com ● Email: editor@ijfmr.com

Retail Investor's Perception Towards Indian Stock Market Investments: A Study of Malappuram District

Aswathy P. J

Assistant Professor
Department of Commerce
Government College Chittur, University of Calicut, Palakkad, Kerala.

Abstract:
The economic development of a nation heavily relies on the savings of its people, as these savings can be channelled into various investment options that generate additional income. This research investigates the perceptions, motives, and challenges of retail investors in the Indian stock market, specifically focusing on Malappuram District. Utilizing a descriptive and analytical research design with a sample of 50 respondents, the study examines how demographic factors—such as age, income, and occupation—influence investment choices and the perception of market volatility. Retail investor participation is growing but remains concentrated among high-income and educated groups. While the stock market offers wealth creation opportunities, market volatility and lack of financial literacy remain significant barriers. Addressing these through targeted education and better information dissemination is essential for a more inclusive investment environment. Tehe results shows that only 36 per cent of the respondents have investments in equity stock acquired through IPO, from secondary market as well as in mutual fund. The retail investors belonging to professional and NRI occupational categories and those who earns above 500000 as average annual household income have high preference for capital market products. The retail investors having risk tolerant attitude have high preference to invest in capital market products.

Key words: Indian stock market, investment options, retail investor, Perception, Stock price volatility, SPSS, ANOVA, and MANOVA and Kruskal Wallis test

INTRODUCTION

The stock market is a vital component of India's financial system, facilitating economic development by channeling individual savings into productive investment avenues. The stock market has always proven to be a promising investment option for prospective investors. These investors can be categorized as either active or passive participants. Active investors engage in the stock market through direct participation, making trades and managing their portfolios actively. On the other hand, passive investors take a more hands- off approach, often opting for strategies such as index funds or mutual funds. Regardless of their approach, retail investors play a significant role in the stock market, driving market liquidity and contributing to market efficiency.

A retail investor is someone who buys and sells equity shares, commodity contracts, mutual funds, or exchange traded funds (ETFs) through traditional or online brokerage firms or other types of investment accounts. Understanding the factors that influence retail investors' decisions to invest in the stock market is of paramount importance. These investors are generally assumed to be rational, conducting thorough analyses such as fundamental analysis (examining a company's financial health, management, and competitive position) and technical analysis (studying price trends and patterns) before making investment decisions. Factors like economic indicators, market sentiment, company performance, and industry trends

can significantly impact their investment choices.

Investment in the Indian stock market has provided individuals and institutions with opportunities for growth and diversification. With India being one of the fastest-growing major economies, the stock market offers a favorable environment for businesses to flourish, leading to potential gains for investors. Investing in the Indian stock market allows for diversification of investment portfolios, as there is a wide range of sectors and companies to choose from. This diversification helps mitigate risk and can potentially result in higher returns. Moreover, the stock market provides avenues for both short-term trading and long-term investing, catering to different investment strategies and goals. Investors can participate in initial public offerings (IPOs), purchase shares of established companies, or invest in mutual funds that hold a diversified portfolio of stocks. However, it is important for investors to conduct thorough research, monitor market trends, and consider their risk tolerance and investment objectives before investing in the Indian stock market. Additionally, staying updated with market news and developments, and seeking advice from financial professionals can help investors make informed decisions and navigate the complexities of the stock market.

The Indian stock market offers a wide range of **investment options** suited to different risk levels, objectives, and time horizons. Investors can invest in equity shares to gain ownership in companies and benefit from capital appreciation and dividends. The Initial Public Offerings (IPOs) provide opportunities to invest in newly listed companies with potential high returns. Mutual funds and Exchange-Traded Funds (ETFs) offer diversified and professionally managed investment avenues, making them suitable for both beginners and experienced investors. Additionally, derivatives such as futures and options are available for advanced investors willing to take higher risks. Stocks are also classified as small-cap, mid-cap, and large-cap based on company size, allowing investors to choose according to their risk tolerance. Overall, careful research and alignment with financial goals are essential before investing.

Stock price volatility is influenced by a combination of macro-economic factors, company fundamentals, and psychological aspects. Macro-economic factors such as changes in interest rates, inflation, unemployment, government policies, and geopolitical events create uncertainty and impact investor decisions. Company fundamentals, including financial performance, profitability, debt levels, legal issues, and product quality, also play a key role in shaping investor confidence and stock price movements. In addition, psychological factors like media influence, public opinion, herding behaviour, and loss aversion can lead to sudden market reactions, further increasing volatility.

Statement of the Problem

This is an effort to study the perception of the retail investors towards Indian stock market investments. The increased interest among retail investors in the Indian stock market as a potential investment avenue. The rise of use of technology too attracts more people into this sector. Therefore, it is necessary to study the perception of retail investors. The study provides an insight into the factors that influence them while acquiring and selling shares as well as the factors that influence the stock market volatility as perceived by them.

Objectives of the Study

1. To examine the effect of demographic factors on the preferred investment options and motives behind stock market investment.
2. To investigate the factors that contribute to the stock price fluctuations as perceived by Indian stock market retail investors.

Materials and Methods

The research design refers to the overall plan and strategy adopted to conduct the study in a systematic manner. The present study is descriptive as well as analytical in nature, aiming to understand and interpret the perceptions of investors. The population for the study consists of stock market retail investors in Chittur Taluk. A sample of 50 retail investors from Malappuram District was selected for the purpose of analysis using a convenience sampling technique. The study is based on both primary and secondary data; primary data were collected through structured questionnaires, while secondary data were gathered from research papers and relevant articles. For data analysis, appropriate mathematical and statistical tools were employed. The collected data were processed and analysed using MS Excel and the Statistical Package for Social Sciences (SPSS-20). Various statistical techniques such as percentage analysis, Kruskal-Wallis test, independent sample t-test, one-way ANOVA, and MANOVA were applied for effective analysis and interpretation of the data.

RESULTS AND DISCUSSION

1. Demographic and investor profile

The demographic profile is of great importance in a research project throwing light on the demographic features of the sample respondents such as gender, age, educational qualification, marital status, occupation, and average annual household income.

1.1 Demographic profile

Personal data	Categories	No. of respondents	Per cent
Gender	Male	29	58
	Female	21	42
	Total	**50**	**100**
Age	18-25	12	24
	26-30	9	18
	31-35	7	14
	36-40	5	10
	Above 41	17	34
	Total	**50**	**100**
Educational Qualification	Matriculation	2	4
	Higher secondary	4	8
	Graduation	26	52
	Post graduation or above	18	36
	Total	**50**	**100**
Marital status	Single	17	34
	Married	33	66
	Total	**50**	**100**
Occupation	Daily wage earner	3	6
	Self employed	8	16
	Private/salaried employee	17	34
	NRI	4	8

	Pensioner/housewife/student	12	24
	Professional	6	12
	Total	**50**	**100**
Average annual household income	Below 100000	5	10
	100001-300000	18	36
	300001-500000	10	20
	Above 500000	17	34
	Total	**50**	**100**

Source: Primary Data

Table 1.1 illustrates the profile of the sample respondents (Retail investors) selected for the study. As per the data in the table male respondents (**58 per cent**) constitutes lion share followed by female respondents (**42 per cent**). The table offers a breakdown of age categories, explaining that 24 per cent of respondents belong to 18-25 age group, the most of the respondents belong to the age group above 41years (**34 per cent**) respectively. By analysing the table, we can draw conclusions about the educational qualifications of the respondents, it is evident that most of the are graduated (**52 per cent**) and around 36 per cent of them are post graduates. As per the data in the table most of the respondents are married (**66 per cent**), while 34 per cent are single. It can be observed from the table that 34 per cent respondents are salaried employees, the self-employed category constitutes 16 per cent, while 24 per cent belongs to either of the category's pensioner, housewife or student and only 6 per cent of the respondents belong to daily wage earners group. The table highlights the distribution of average annual household income of sample respondents as 10 per cent belong to the category of below 100000, while **36 per cent** is included in the group 100001-300000, followed by the category 300001-500000 (20 per cent) and 34 per cent belonging to the average income group above 500000.

1.2 Investor profile

An investor profile typically includes details such as financial goals, investment experience, risk tolerance, time horizon, and liquidity need holding great significance. This table depicts the important features of the respondents as retail investors, it explains the details regarding average annual income invested in various securities, frequency of investment, level of knowledge, risk attitude and invested instruments. This section throws light on the basic features of the respondents as an investor which is of great importance from the investment viewpoint. The most important characteristic among them is the risk attitude of the retail investors which can either be risk averse or risk tolerant. In general, it is assumed as the persons who invests in capital market are risk tolerant due to the risky nature of the capital market comparing to the other investment avenue

Investor profile

Investment data	**Categories**	**No. of respondents**	**Per cent**
Average annual household income invested	Less than or equal to 10 per cent	26	52
	11 per cent-20per cent	22	44
	21 per cent-30per cent	2	4
	Total	**50**	**100**
	Monthly	11	22
	Quarterly	5	10

Frequency of investment	Half yearly	2	4
	Whenever market is favourable	15	30
	Monthly/whenever favourable	17	34
	Total	50	100
Level of' Knowledge	Very high	3	6
	High	14	28
	Neutral	25	50
	Low	8	16
	Total	**50**	**100**
Risk attitude	Risk averse	6	12
	Moderately risk averse	16	32
	Neutral	14	28
	Moderately risk tolerant	9	18
	Risk tolerant	5	10
	Total	**50**	**100**
Invested Instruments	Equity stock	9	18
	Mutual fund	6	12
	Equity stock/mutual fund	13	26
	Equity stock/IPO	4	8
	Equity stock/IPO/mutual fund	18	36
	Total	**50**	**100**

Source: Primary Data

The table clearly depicts that **52 per cent** of the sample respondents spend less than 10 per cent of their annual household income for investing, followed by 44 per cent who invests 11 per cent-20 per cent of their average household income as investment while only few spend more than 20 per cent (4 per cent). From the information presented in the table, it is evident that **34 per cent** of the respondents invest either monthly or whenever the market condition is
favourable. It can be observed from the table that around half of the respondent (50 per cent) have neutral knowledge regarding stock market, while **28 per cent** have high knowledge and 6 per cent with very high knowledge. The data in the table offers insights into the risk profile of the respondents stating that **32 per cent** of sample respondents are moderately risk averse, followed by 28 per cent who are neutral, while risk averse persons accounts to 12 per cent and the rest of them are moderately risk tolerant (18 per cent) and risk tolerant (10 per cent).According to the data in the table, **36 per cent** of the respondents have investments in equity stock acquired through IPO, from secondary market as well as in mutual fund

2. INFLUENCE OF DEMOGRAPHIC FACTORS ON PREFERRED INVESTMENT OPTIONS

Demographic factors play a significant role in shaping investment preferences. Age, for instance, has a notable impact. Demographic factors can have a significant impact on preferred investment options too. For example, younger investors may be more inclined towards high- growth investments like stocks or cryptocurrencies, while older investors may prefer income- generating assets such as bonds or dividend-paying stocks. The investment options provided are capital market products, government schemes, bank fixed deposit, Life insurance, Chit funds, Post office savings, gold/ jewelry, and real estate.

1.2 Effect of occupation on preferred investment options

The role of occupation of retail investors plays a significant role in selection of investment avenue due to the difference in salary in each occupation. The occupation is classified into six groups consisting of daily wage earners, self-employed, private /salaried employees, NRI, pensioners/housewife/students(unemployed) and professionals. The different investment options are capital market products (CMP), government schemes (GSS), bank fixed deposit (BFD), life insurance schemes (LIS), chit funds (CFS), post office savings (PFS), gold/jewelry (GJ) and real estate (RET). Since ranks are provided by the respondents on the data, a non-parametric test is used.

Kruskal Wallis test is used for analysis, which is a non-parametric test equivalent to ANOVA, as there more than 2 groups.

The hypothesis can be stated as:

H0: There is no difference in the median responses for preferred investment options among different categories of occupation.

H1: There is difference in the median responses for preferred investment options among different categories of occupation.

Table 2.1.1 Descriptive statistics on preferred investment options

Measures	CMP	GSS	BFD	LIS	CFS	PFS	GJ	RET
Mean	**2.22**	4.82	2.84	4.26	5.28	4.90	4.92	5.64
SD	1.822	2.775	1.646	1.651	2.110	1.854	2.009	2.554

Source: Primary Data

Table 2.1.2 Occupation wise mean rank on preferred investment options

Investment options	Daily wage	Self employed	Salaried	NRI	Unemployed	Professional
CMP	45.83	25.81	26.00	**14.50**	28.67	**14.50**
GSS	34.83	27.31	21.38	40.88	21.67	27.50
BFD	18.83	37.00	23.09	24.75	20.63	30.58
LIS	26.33	32.38	24.79	26.13	23.25	22.00
CFS	5.67	29.942	26.03	23.13	22.08	36.42
PFS	21.503	37.81	24.82	30.63	19.422	1.75
GJ	32.33	21.00	21.85	22.88	30.50	30.17
RET	32.33	20.75	26.12	19.13	32.71	16.50

Source: Primary Data

Table 2.1.3 Kruskal Wallis test on preferred investment options

	CMP	GSS	BFD	LIS	CFS	PFS	GJ	RET
Chi-Square	14.824	8.412	8.599	2.622	10.724	9.246	4.762	8.191
Df	5	5	5	5	5	5	5	5
Asymp. Sig.	**.011***	.135	.126	.758	.057	.100	.446	.146

Source: Primary Data ****Significant at 5 per cent***

The table 2.1.1 of descriptive statistics reveal that capital market products are preferred most as the variable has the lowest rank with lowest mean **(2.22).** The Kruskal Wallis test is found to be significant at 5 per cent level of significance about capital market products **(p value =.011).** The hypothesis set for other investment options are not rejected, as the p >0.05. Table 2.1.2 shows that the occupational categories NRI and professionals have highest mean ranks (**14.50).** each in capital market products.
In short it is evident that retail investors who are professionals are works in abroad prefers capital market investment avenues the most.

2.2 Effect of average annual household income on preferred investment options

The level of income directly affects an individual's capacity to invest and the amount they can allocate towards different investment options. Higher income individuals often have more disposable income available for investments, allowing them to consider a wider range of investment opportunities. The average annual household income is categorised into four classes, below 100000, 100001-300000, 300001-500000, above 500000. The analysis with Kruskal Wallis test is done over 4 income groups
The hypothesis can be stated thus:

H0: There is no difference in the median responses for preferred investment options among different categories of average annual household income.

H1: There is difference in the median responses for preferred investment options among different categories of average annual household income.

Table 2.2.1 Descriptive statistics on preferred investment alternatives

Measures	CMP	GSS	BFD	LIS	CFS	PFS	GJ	RET
Mean	**2.22**	4.82	2.84	4.26	5.28	4.90	4.92	5.64
SD	1.822	2.775	1.646	1.651	2.110	1.854	2.009	2.554

Source: Primary Data

Table 2.2.2 Kruskal Wallis test on preferred investment options

	CMP	GSS	BFD	LIS	CFS	PFS	GJ	RET
Chi-Square	18.140	.821	3.494	2.195	4.657	2.570	5.131	13.551
Df	3	3	3	3	3	3	3	3
Asymp. Sig.	**<0.01*** **	.844	.321	.533	.199	.463	.162	**.004** **

Source: Primary Data ****Significant at 5 per cent***

Table 2.2.3 Income wise mean ranks on preferred investment options

Investment options	Average annual household income			
	Below 100000 (N = 5)	**100001-300000 (N = 18)**	**300001-500000 (N = 10)**	**Above 500000 (N = 17)**
CMP	40.40	28.69	29.35	**15.47**
GSS	30.50	24.06	24.95	25.88
BFD	18.80	27.11	20.45	28.74
LIS	25.00	26.03	30.45	22.18

CFS	15.10	23.97	25.40	30.24
PFS	21.00	28.19	20.40	26.97
GJ	32.60	24.44	31.90	20.76
RET	32.70	29.53	31.70	**15.47**

Source: Primary Data

The test illustrates that there is significant difference among different categories of income regarding investment options capital products (**p value<0.001**)) and real estate (**p value =.004**). Thus, the hypothesis for capital market products and real estate is not rejected while the hypothesis for other investment options is rejected (**p in all cases>0.05).** The lower rank score indicates high preference. Taking the case of **lowest mean scores, both were least for income category above 500000 (capital market products= 15.47, real estate = 15.47.** It can be concluded that the retail investors having average annual household income above 500000 have great preference for both capital market products and real estate as investment options. In a nutshell retail investor belonging to professional and NRI occupational categories and those who earns above 500000 as average annual household income have high preference for capital market products.

2.3 Effect of risk attitude on preferred investment options

A risk profile is an evaluation of an individual's willingness and ability to take risks, thus it is very important for determining a proper investment allocation for a portfolio. Here the risk attitude is categorised as risk averse, moderately risk averse, neutral, moderately risk tolerant and risk tolerant.

The hypothesis can be stated as:

H0: There is no difference in median responses for preferred investment options among different risk attitudes
H1: There is difference in median responses for preferred investment options among different risk attitudes

Table 2.3.1 Descriptive statistics on preferred various investment options

Measures	**CMP**	**GSS**	**BFD**	**LIS**	**CFS**	**PFS**	**GJ**	**RET**
Mean	**2.22**	4.82	2.84	4.26	5.28	4.90	4.92	5.64
SD	1.822	2.775	1.646	1.651	2.110	1.854	2.009	2.554

Source: Primary Data

Table 2.3.2 Risk attitude wise mean ranks

Investment options	**Risk attitude**				
	Risk averse (N = 6)	**Moderately risk averse (N = 16)**	**Neutral (N = 14)**	**Moderately Risk tolerant (N = 9)**	**Risk tolerant (N = 5)**
CMP	33.83	25.84	29.68	18.94	**14.50**
GSS	25.08	20.19	28.57	24.22	36.70
BFD	**13.67**	20.78	24.43	35.67	39.50
LIS	29.33	20.47	22.32	28.11	35.20

CFS	17.50	27.00	**16.61**	31.44	38.00
PFS	18.42	26.59	22.75	35.06	27.30
GJ	27.92	28.94	21.68	31.56	17.60
RET	29.00	29.66	22.18	27.44	13.80

Source: Primary Data

Table 2.3.3 Kruskal Wallis test on preferred investment alternatives

	CMP	**GSS**	**BFD**	**LIS**	**CFS**	**PFS**	**GJ**	**RET**
Chi-Square	9.524	5.993	15.498	7.116	15.121	3.754	3.871	6.263
Df	4	4	4	4	4	4	4	4
Asymp. Sig.	**.049***	.200	**.004****	.130	**.004****	.440	.424	.180

Source: Primary Data ****Significant at 5 per cent***

Kruskal Wallis test results clearly shows that there is difference in responses for preferred investment options among different risk attitudes. The test is found to be significant at 5 per cent level of significance with regard to for capital market products, bank fixed deposits and chit funds (**p value are 0.049, 0.004, 0.004).** while hypothesis set for government schemes, life insurance schemes, post office savings, gold/jewellery and real estate are rejected as the p value are .0.200**, 0.130, 0.440, 0.424, 0.180**. Table 4.2.3.2 of mean ranks shows that the retail investors who are risk tolerant prefers the capital market products with lowest mean rank **14.50,** followed by those with risk averse attitude preferring bank fixed deposits (**mean rank = 13.67)** retail investors having neutral risk attitude prefers to invest in chit funds (**mean rank = 16.61).** from the results of analysis, it can be concluded that the retail investors having risk tolerant attitude have high preference to invest in capital market products and those who are not ready to take risk prefers most to deposit their savings in bank fixed deposits as investments.

3. FACTORS AFFECTING STOCK PRICE FLUCTUATION AS PERCEIVED BY RETAIL INVESTORS

The most significant feature of a stock market is its volatility with price of shares of various companies fluctuating from time to time depending on many factors. This section attempts to study the influence of demographic factors, gender, occupation, and risk attitude on factors affecting the stock price fluctuations as perceived by them. The factors under 5 aspects under the study a MANOVA has been used. The respondents were asked to assign a score of 5 to most influential factor and 1 to least influential factor. The factors are macro-economic factors (MEF), company fundamentals (COF) and psychological factors (PSF).

The hypothesis can be set as follows:

H0: There is no significant difference in the mean scores of variables regarding the factors affecting the stock price fluctuations based on different demographic factors under study.

H1: There is significant difference in the mean scores of variables regarding the factors affecting the stock price fluctuations based on different demographic factors under study.

Table 3.1 MANOVA general linear model on factors affecting stock price fluctuations

Effect		**Value**	**F**	**Hypothesis df**	**Error df**	**Sig.**
Gender	Pillai's Trace	1.011	12.961	6.000	76.000	**<0.01*** **
	Wilks' Lambda	.006	150.215	6.000	74.000	**<0.01*** **
	Hotelling's Trace	169.708	1018.246	6.000	72.000	**<0.01*** **

	Roy's Largest Root	169.690	2149.406	3.000	38.000	<**0.01***
Risk attitude	Pillai's Trace	.447	1.709	12.000	117.000	.073
	Wilks' Lambda	.581	1.862	12.000	98.184	**.049**
	Hotelling's Trace	.671	1.994	12.000	107.000	**.032**
	Roy's Largest Root	.587	5.725	4.000	39.000	<**0.01***
Occupation	Pillai's Trace	.467	1.437	15.000	117.000	.142
	Wilks' Lambda	.575	1.519	15.000	102.542	.112
	Hotelling's Trace	.669	1.590	15.000	107.000	.088
	Roy's Largest Root	.539	4.202	5.000	39.000	**.004**

Source: Primary Data ****Significant at 5 per cent***

Table 3.2 Test of Between Subject Effects on factors affecting stock price fluctuations

Source	Dependent Variable	Type I Sum of Squares	Df	Mean Sq.	F	Sig.
Gender	Macroeconomic factors	885.412	2	442.706	1825.578	<**0.01***
	Company fundamentals	938.338	2	469.169	2782.254	<**0.01***
	Psychological factors	765.222	2	382.611	1104.556	<**0.01***
Risk attitude	Macroeconomic factors	1.013	4	.253	1.044	.397
	Company fundamentals	.018	4	.004	.026	.999
	Psychological factors	2.864	4	.716	2.067	.104
Occupation	Macroeconomic factors	3.398	5	.680	2.802	**.030**
	Company fundamentals	2.788	5	.558	3.306	**.014**
	Psychological factors	1.365	5	.273	.788	.565

Source: Primary Data ****Significant at 5 per cent***

Table 3.3 Estimated Marginal Mean of Grand Mean on factors affecting stock price volatility

Dependent Variable	Mean	Std. Error	95per cent Confidence Interval	
			Lower Bound	Upper Bound
MEF	4.186	.087	4.009	4.363
COF	**4.320**	.073	4.173	4.468
PSF	3.956	.104	3.745	4.167

Source: Primary Data ****Significant at 5 per cent***

Table 3.4 Estimated Marginal Mean of Gender

Dependent Variable	Gender	Mean	Std. Error	95per cent Confidence Interval	
				Lower Bound	Upper Bound
MEF	Male	**4.197**	.104	3.985	4.408
	Female	4.175	.126	3.920	4.431
COF	Male	**4.357**	.087	4.181	4.533
	Female	4.284	.105	4.071	4.497
PSF	Male	3.919	.125	3.666	4.171
	Female	**3.992**	.151	3.687	4.298

Source: Primary Data ****Significant at 5 per cent***

Table 3.5 Estimated Marginal Mean of occupation

Dependent variable	Occupation					
	Daily wage earner	Self employed	Private/ salaried employees	NRI	Pensioner Housewife students	Professional
MEF	3.715	3.756	4.343	4.398	4.432	**4.473**
COF	4.027	3.865	4.373	4.519	4.542	**4.595**
PSF	3.987	3.632	3.860	4.027	4.008	4.220

Source: Primary Data

Table 3.6 Estimated Marginal Mean of Risk attitude

Dependent variable	Risk attitude				
	Risk averse	Moderately Risk averse	Neutral	Moderately Risk tolerant	Risk tolerant
MEF	4.612	3.943	4.178	4.128	4.069
COF	4.371	4.231	4.300	4.340	4.360
PSF	3.645	3.674	4.255	4.069	4.137

Source: Primary Data

The estimated mean and MANOVA table 3.1 indicate the mean score of 3 factor variables, characterized by powerful test Roy's Largest Root is significant at 5 per cent level of significance **(f(39) = 5.725, p value = 0.001).** But when the variables for different categories of risk attitude are taken independently, there is no statistically significant difference (p>0.05). while taking the case of occupation, it can be seen that test Roy's Largest Root is significant at 5 per cent level of significance **(p value= 0.004)** . The table 3.2 test of between subjects' effects show a variation in case of macro -economic factors and company fundamentals among different occupational categories. The table 3.5 of estimated marginal mean of occupation clearly shows that in case of macro-economic factors and company fundamentals, the highest

score is given by the professionals with highest mean score of **4.473 and 4.595.** In addition, all the four tests including pillars trace shows that it is significant at 5 per cent in case of gender. The table 3.2 of test of between subject effects shows the same that there exists a significant statistical difference in all the three variables between male and female. Table 3.4 estimated general mean of gender clearly depicts that the mean scores of variables macro-economic factors, company fundamentals and psychological factors vary between male and female, the highest score provided by male in all variable except psychological factors with highest mean **4.197 and 4.357.** while female respondents have highest mean score **3.992** in case of psychological factors.

CONCLUSION

In conclusion, the findings suggest that demographic factors have a significant impact on preferred investment options among retail investors in the Indian stock market. Occupational categories such as NRI and professionals show a higher preference for capital market products, while respondents with higher annual household incomes also exhibit a preference for capital market products and real estate. Risk tolerance plays a crucial role, with risk-tolerant individuals favoring capital market products and risk-averse individuals opting for bank deposits. Additionally, neutral individuals tend to prefer chit funds. When considering the motives behind stock market investments, age and marital status are influential factors. Married individuals are driven by motives such as capital appreciation, peer pressure, and speculation profit, while different age groups have varying motives such as tax benefits, peer pressure, and passive income. The perceived factors affecting stock price fluctuations differ among professionals, male respondents, and female respondents, with macro-economic factors and company fundamentals being prominent. These findings shed light on the various factors and challenges that influence retail investors' decision-making processes and experiences in the Indian stock market. Overall, these findings highlight the complex interplay between demographic factors, investment preferences of retail investors in the Indian stock market.

REFERENCES:

BOOKS

1. *"The Intelligent Investor*" by Benjamin Graham
2. "*The Little Book of Common-Sense Investing"* by John C. Bogle

JOURNALS

1. *Retail Investors and Stock Market Participation: Evidence from India"* by Sunil Kumar, K. B 2. *The factors influencing the participation of retail investors in the Indian stock market and their perception of various investment avenues.* (Source: International Journal of Business and Economics Research) -Srivastava, and Lalit Kumar:
2. *Perception of Retail Investors towards the Indian Stock Market"* by Dr. D. Veerendra Heggade and Dr. Shridhar K. Sawkar (Source: International Journal of Science and Research)
3. *A Study on Investor Perception and Behavior towards Stock Market: A Case of Retail Investors in India"* by Dr. Priya N., Dr. P. S. Aithal, and Mr. Rakesh K. J: (Source: International Journal of Applied Engineering Research)
4. *Dr. N.S.V.N Raju, Dr. Anita Patra: An Analysis on Investor's Perception towards Investment Decision with reference to Indian Scenario* (Andhra Pradesh) -- Palarch's Journal of Archaeology