



## An Empirical Study on Investment Objectives and Level of Satisfaction of Small Investors on Capital Market Investments in Hyderabad and Secunderabad Cities of Telangana State.

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### ABSTRACT :

Every Individual with saving small amount to invest in various options to earn return over a period of time. Most of them consider for low risk and moderate return on their investment. Based on their risk appetite and risk taking behavior select the various investment options. In this context, Individuals with small savings amount entering into capital market investment in post COVID scenario. As per NSDL and CDSL annual reports, 20 million new DEMAT accounts are opened and BSE's SENSEX & NSE's NIFTY 50 touch their life time high value. In this scenario, investors look for capital appreciation, dividend earned, quick benefits or short term profits the present study was undertaken to measure the small investor's importance of investment objectives and their investment size in various capital market investment. Further, the researcher analyses the satisfaction level on investment objectives. For this purpose, Twin cities of Telangana state i.e., Hyderabad and Secunderabad cities are select and sample respondents are choose on convenient sampling method. A structured questionnaire is administered to 10 brokerage firms from twin cities with a 1000 sample size. The final sample size is determined as 724 after excluding invalid, half filled and non – response questionnaires. The researcher applied frequency distribution, cross tabulation and ANOVA one way classification to determine that there is a significant difference in means on investment objectives and satisfaction level according to demographic profile of the respondents. The results shows that, Age, Occupation and Marital status wise, there is significant variation in means on level of satisfaction on all investment objectives at 5% level under the study.

**Key words:** Investment Objectives, Capital Market Instruments, Investment Size, Level of Satisfaction.

### INTRODUCTION :

Investments include buying financial assets and keeping cash or other resources for use in the future. It is when people and businesses get money with the intention of making a lot of money in a short amount of time by using securities and real estate issued by financial institutions. At a small scale, each investment pattern brings benefits to the investor. At the macro level, it moves idle funds to productive uses and helps overall capital formation (Ikhar, M. K. 2014). There are different types of financial instruments with its own level of risk and potential reward. This makes possible investment avenues with profitable opportunities. However, a modern capital market provides the investors the chance to select from a wide range of different long-term investment avenues to get more profit or return to secure future. It gives investors an opportunity to find a good balance between their risk tolerance and their return. This is especially important when interest rates are going down. When it comes to India's capital market, it has been around for more than 100 years and has helped the country's economy grow.

Most of the money (finance) in this sector comes from personal savings, corporate savings, banks, insurance companies, financial institutions, and governments. Long-term capital demand comes mostly from the private sector and the government. The main job of capital markets is to set up a systematic way for people to ask for and offer money. So, this market is a big part of how the Indian financial system directs the flow of savings and investments. Simply put, this market makes it easier for people to buy and sell bonds and stocks in both the new issue market and the stock markets (Hiranandani. N., 2020).

In a broad sense, the capital market is the place where investors' small, scattered savings are turned into firms' production activities (Rajyalakshmy. B, 2018). Capital accumulation improves the financial system and leads to more savings right away by giving depositors more money for their money. The mechanisms slowly turn savers into investors, which helps the planned economy move forward in a big way. Investors can choose the best path based on how much risk they are willing to take, how much money they want to make, and how quickly they want to get their money. There are many ways to invest in the capital market, such as IPOs, equity shares, and debentures. IPOs are when companies sell equity shares directly to investors on the new issue market (primary market) to get the money they need. Stocks can be sold on the stock market by trading at an exchange, which means buying and selling existing shares. India's capital markets are at all-time highs right now, despite repeated waves of the COVID-19. This shows how strong Indian companies are (Mehta .A, 2021. CAPAM Report - 2, FICCI).

**Types of Capital Market Instruments:** The following are the few capital market instruments listed below -

1. **Equity (instrument of ownership):**

Equity shares are also called as common stock and variable income securities. An equal part of capital is distributed to interested persons in the business called as equity share. Common Stocks are financial instruments that firms issue to raise long-term capital. It grants investors ownership rights in a corporation by registering for shares or purchasing shares of the company from the current owner (s). As a shareholder/investor, accept the business risks of the business and enjoy the advantages of ownership in the form of dispersed profits (dividends), etc. Investment in equity is determined by the few factors such as ROE - Return on equity ratio, capital appreciation and dividend received and short term gain, P/E ratio, Earnings per share etc.

## 2. Debt (loan instruments):

**Corporate debt:** Debentures are financial instruments that firms use to raise debt financing. Investors lend money to the company in exchange for a predetermined return over a set length of time, such as 5/7/10 years (redemption). Debenture holders have the ability to purchase and sell in the debt market. These are less hazardous investments for investors because the corporation specifies a time period for redemption and a predetermined rate of interest.

## Mutual Funds:

Mutual funds are issued to investors for small proportion of investments from large population to pool the funds in a organized manner by the company. These companies are governed and regulated by the AMFI and comes under the purview of SEBI. The investors, who purchases the small proportion named as Units and return provided on small proportion called as Net Asset Value. Mutual funds are moderate risk compared to equity shares and debentures.

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## REVIEW OF LITERATURE :

**Agrawal, S., & Singh, D. (2020)**, studied about Retail Investors Awareness towards Equity Investment – With Reference to Bhopal City. The study is based on the five factors viz., retail investors' predictive skills, and purchase price of the stock as a reference point for trading, experiences with National Stock Exchange, preference of short term investment and sticking on to looser stock and selling the winners. The study concludes that these 5 factors are significant in investor's behavior.

**Ademola, S. A., Musa, A. S., & Innocent, I. O. (2019)**, examine the effect of financial literacy and risk perception, impact of financial knowledge on investment decisions of the investors in Nigeria. The study is descriptive nature and convenient sampling method is applied. A survey method is adopted and questionnaire was administered to 400 Nigerian Investors. The findings of this study investors with high risk perception or tolerance level with sound financial literacy and knowledge would make sound investment decisions in the future and vice versa.

**Acharjya, B., Natarajan, S., & Rajesh, M. (2017)** conducted the research on “Does Family Domicile Changes Financial Planning Decision?-A Study on Retail Investor ‘Behaviour using TPB’”. In their study, the main objectives are to analyse the disparity in Investment behaviour statistically between the strata of families' types - joint and nuclear family and determine the factors affecting Investment Behaviour of retail investors of rural Odisha. Descriptive study is applied and financial behaviour of individuals is measured by a structure questionnaire administered to 219 respondents and final sample size confined to 204. The findings of the study reveals that over confidence, Investors optimism, Risk appetite and Investor effort have significant, almost equal and positive effect on the attitude of investors. Technical analysis, Fundamental analysis and Market psychology have significant and positive effect on Perceived Behavioral Control; with Market psychology having relatively a greater impact for investor' perceived behavioural control. Individual attitude, Perceived Behavioral Control and Subjective Norm have positive significant impact on rural investors' behavioral intension. Demographic factors- age, family types, marital status and annual income- significantly and positively affect Investors' behavior.

**Rao.D., et., al (2014)** in “Investment Pattern of Equity Investors in Indian Capital Market” find that trading in stocks is quiet simple that possesses some basic knowledge of the security trading. Investment pattern refers to a regular sequence of actions followed by the investment decisions of investor. Understanding the investment pattern of small equity investors in investment decision making is important in stock trading. The attitude of the investors has been changing due to the changes in the stock market scenario. When the investors avail the accurate and reliable information, then they can enjoy the taste of success from the share market.

**Rao. D., et., al (2013)** in their study entitled “A study on Role of Demographic Factors in Small Investors Savings in Stock Market” Stock market helps to channelize household savings to the corporate sector which in turn is utilized for the development of industrial and service sector. An equity share is part of the ownership capital of a company and the holder of such a share is a member of the company, eligible to share many benefits of the company. One investing in shares keeps it for some time depending upon the stock price.

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## RESEARCH GAP :

Literature survey helps the researcher to identify the research gaps and useful to conduct the further research. At the same time, the researcher frames the statement of problem and research questions to provide useful insights in the identified problem. In the present study, the researcher identifies the gaps that majority of the researcher contributed to understand the factors influencing investments in equity, mutual funds and risk appetite behavior of investors towards various financial instruments in different geographical areas in India. Few researchers significantly contributed in behavioral finance to estimate the investment decisions, strategies and risk diversification in portfolio. A limited research is conducted on Investment Objectives and Satisfaction levels of Retail investors in India but no research is conducted in Twin cities of Telangana state. The researcher attempts the present study in this direction and contributes new significant insights in the small investor's investment objectives and satisfaction level in the present study.

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## STATEMENT OF THE PROBLEM :

Thorough study of literature survey helps to identify the research problem. Since, last three years over 20 million DEMAT accounts are opened at NSDL & CDSL in India and SENSEX, NIFTY50 indexes are reached life time high. Moreover, Hyderabad city is one of top 20 cities in volume trading at BSE and NSE Exchange. This makes the researcher to understand the investment objectives of small investors and their satisfaction level on investment objectives. In this scenario, the present study put forward few research questions to answer by the researcher.

## RESEARCH QUESTIONS

The following are the research questions framed under the study.

1. What is the investment pattern (size) by the small investors in Capital Market instruments?
2. What are the objectives of investment and level of satisfaction on their investment objectives?

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## METHODOLOGY OF THE STUDY :

Research design is a frame work for complete the research work driven by the research questions and problem statement. This research design helps the researcher to adopt the suitable method to complete the research. The present study is qualitative in nature and defining the characteristics of the identified variables. Research Design is an outline for collection of data, measurement and interpretation of data to the problem statement.

*Data Collection:* There are two sources of collection of data i.e., primary data and secondary data.

- *Primary data:* it is collected for the first time from the target population or individuals by using a pre-determined questionnaire/surveys/interviews etc.
- *Secondary data:* Secondary data collection on Investment awareness and behaviour, objectives, diversification of risk, level of satisfaction is collected from high-quality magazines, books, websites, blogs, and newspapers, in print and unpublished data from different institution of higher education libraries. Apart from the above, secondary data collected from the papers, Access quality journals from standard databases i.e., Elsevier, Academia, Scopus Indexed Journal and Google Scholar.
- *Research Instrument:* A structured questionnaire was administered to sample investors consisting of Open and Closed Ended Questions, Likert's five points scale questions for importance of investment objectives and level of satisfaction on investment objectives.

## NEED OF THE STUDY :

Personal finance make individual to plan their future in systematic way to allocate funds to maximize the return and minimize the risk. Individual's needs are differ from their age, income, occupation, marital status, education, experience in market and size of the investment in various capital market instruments. Thus, there is a need to understand the investor's investment objectives and satisfaction on their investment objectives. The present study is important to small investors, brokerage firms and policy makers to understand the investment objectives, size and satisfaction etc., the study is limited to Hyderabad and Secunderabad cities in Telangana state.

## SCOPE OF THE STUDY :

The present study is limited to assess the investor's investment objectives, size of investment and satisfaction on their objectives of investment. The study also confines to Twin cities of Telangana state i.e., Hyderabad and Secunderabad.

## OBJECTIVES OF THE STUDY :

The main objectives of the study are

- To analyze the investment size, investment objectives in various capital market investments i.e., Equity, mutual Funds, IPOs and Debts
- To examine the variation in level of satisfaction of investment objectives and demographic profile of the respondents.

## HYPOTHESIS OF THE STUDY

H<sub>01</sub>: There is no significant variation in means on investment objectives among demographic profile of the respondents.

H<sub>02</sub>: There is no significant variation in means on level of satisfaction of investment objectives among respondent's demographic profile.

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## SAMPLING TECHNIQUE AND SAMPLE SIZE :

At first level, non – probability sampling methods is adopted and selects the convenient sample method as the target population is large and infinite drawn from Hyd & Sec-bad cities of Telangana state. 10 brokerage firms are selected randomly and 50 questionnaires are sent through online and offline in Hyderabad and Secunderabad Cities. A total of 1000 questionnaires are sent and 724 are validated under the study. The response rate is 72.4% in the present study.

### Statistical Tools applied under the study:

The researcher used the below statistical tools to test the null hypothesis and discuss the results.

- Chi-Square test: This test is used to assess the association between two independent variables.
- ANOVA: The basic principle of ANOVA is to test the mean differences among the groups or population. For this study ANOVA test helps to determine and analyse the mean difference between demographic profile and variables identified.
- Frequency and Descriptive Statistics are used to compute the percentages, Mean, Standard Deviation (S.D) and Standard Error (S.E).

### Data Analysis and Interpretation:

Demographic profile of the respondents are Age, Gender, Income, Marital Status, Educational Qualification, Occupation and Experience in Investment etc., The researcher, first depicts the demographic profile, investors profile and next compute the results according to objective wise.

- **DEMOGRAPHIC PROFILE OF THE RESPONDENTS**

**Table - 1 Frequency Distribution of Demographic Profile of the respondents**

DP	Category	N	Percent
Age	<30	420	58
	31-40	275	38
	41-50	27	3.7
	Above 50	2	0.3
Gender	Male	406	56.1
	Female	318	43.9
Marital Status	Single	328	45.3
	Married	388	53.6
	Widowed	5	0.7
	Divorced	3	0.4
EQs	Below Graduation	30	4.1
	Graduation	293	40.5
	PG & Above	370	51.1
	Professional Degree CA/CMA/DOCTOR	31	4.3
Occupation	Business	206	28.5
	Self Employee	151	20.9
	Private Employees	250	34.5
	Professionals	70	9.7
	Student	29	4
	House Wife	6	0.8
	Govt Employees	12	1.7
Annual Income	Below Rs.150,000	254	35.1
	Rs.1,50,001 - Rs.3 Lakhs	155	21.4
	Rs.3,00,001 - Rs.5 Lakhs	212	29.3
	Rs5,00,001 - Rs.700,000	86	11.9
	Above Rs. 7 Lakhs	17	2.3
Family Structure	Nucleus	664	91.7
	Joint	60	8.3

Source: Primary Data; Note: DP: Demographic Profile; N=724

Frequency Distribution of Demographic Profile of the respondents is depicted in table -1. Demographic profiles of the respondents are Age, Gender, Marital Status, Educational Qualification, Occupation, and Annual Income, Family Size etc.

**Age:** Majority of the respondents 58% are less than 30 years age group and followed by 38% in 31-40 years age group. 3.7% of the respondents are 41-50 years and 0.3% of them are above 50 years age group. **Gender:** Based on the Gender, most of the respondents are Male 56.1% and Female respondent constitutes 43.9%. **Marital Status:** considering the marital status, majority of the sample respondents 53.6% are married and 45.3% are single / unmarried under the study. Very less respondents fall under the divorced and widowed category i.e., 0.7% and 0.4% respectively. **Educational qualification wise,** most of the sample respondents 51.1% are PG & Above qualification, followed by Graduation respondents i.e., 40.5%. Further, Professional Degree constitutes 4.3% and Below Graduation amounting to 4.1%. **Occupation wise:** majority of the respondents 34.5% are private employees, followed by Business personals 28.5% under the study. Annual Income: Most of the sample respondent's 35.1% annual income is Below Rs.1,50,000 and 29.3% have Annual Income between Rs. 3,00,001 – Rs. 5 Lakhs. Further, 21.4% of them having annual income between Rs.1, 50,000 – Rs.3 Lakhs. **Family Structure:** 91.7% of the sample respondents are living in Nucleus Family and 8.3% have Joint Family.

### INVESTOR PROFILE

**Table - 2 Frequency Distribution of Investor's Profile**

Investor's Profile	Category	N	%	
Type of Investor	New Generation Investor	628	86.7	
	Hereditary Investor	96	13.3	
	Total	724	100.0	
Category of investor	Day trader	168	23.2	
	Short term	267	36.9	
	Medium term	67	9.3	
	Long term	119	16.4	
	Depends on Market	103	14.2	
	Total	724	100	
	Type of market operated	Primary Market - IPOs	73	10.1
		Secondary Market - Stock Markets	78	10.8
Both		573	79.1	
Total		724	100	
Exp in Stock Market	Beginner (New to Market)	213	29.4	
	Less than a Year	313	43.2	
	1-3 Years	129	17.8	
	3-5 Years	44	6.1	
	5-10 Years	25	3.5	
	Total	724	100	
Exp in Mutual Funds	Beginner (New to Market)	271	37.4	
	Less than a Year	175	24.2	
	1-3 Years	180	24.9	
	3-5 Years	62	8.6	
	5-10 Years	30	4.1	
	Total	6	0.8	
Exp in Debentures	Beginner (New to Market)	724	100.0	
	Beginner (New to Market)	319	44.1	
	Less than a Year	97	13.4	
	1-3 Years	132	18.2	
	3-5 Years	94	13	
	5-10 Years	62	8.6	
	Above 10 Years	20	2.8	
	Total	724	100	

Source: Primary Data

The researcher focuses on the investor profile and helps to understand the importance of investment objectives for investment decisions. Investor's profile consists of Type and Category of Investor, Type of market operated and Experience in the various capital markets i.e., Primary market, Secondary market, Mutual Funds and Debentures.

**Type of Investor:** Under this category, new generation investors constitute 86.7% and Hereditary Investor are 13.3%. **Category of Investors:** Short term trader resulting into 36.9%, Day traders is 23.2%, Long term investors are 16.4%, Depends on Market conditions is 14.2% and Medium term investors are 9.3%. **Type of market operated:** Both primary and secondary market operated investors are 79.1%, Secondary market by 10.8% and Primary market by 10.1%.

**Experience in Stock Market:** most of the investors 43.2% have less than a year experience and followed by 29.4% beginners to the market. 1-3 years of experience investors are 17.8%. Further, 3-5 years experience investors constitute 6.1%, 5-10 years are 3.5% only under the study.

**Experience in Mutual Fund Sector:** Majority of the sample respondents are 37.4% beginners to the market. 1-3 years of experience investors are 24.9% and < 1 year experience investors are 24.1%. 3-5 years category of experience investors are 8.6% under the study.

**Experience in Debentures Market:** Most of the sample respondents are 44.1% beginners to the debentures market. 1-3 years of experience investors are 18.2% and < 1 year experience investors are 13.4%. 3-5 years category of experience investors are 13% under the study.

**Objective -1:** To analyze the investment size, investment objectives in various capital market investments i.e., Equity, mutual Funds, IPOs and Debts

### SIZE OF THE INVESTMENT, INVESTMENT OBJECTIVES AND DEMOGRAPHIC PROFILE OF THE INVESTORS

Table – 3: Frequency Distribution of Size of Investment on Various Capital Market Instruments

Investment Category	Value Invested	N	%	Cumulative %
IPO	Nil Investment	344	47.5	47.5
	Up to Rs.10,000	219	30.2	77.7
	Rs. 10,001 – Rs.25, 000	79	10.9	88.6
	Rs. 25, 001 – Rs. 50, 000	39	5.4	94.0
	Rs. 50,001 – Rs. 1 Lakh	43	6	100.0
	Total	724	100.0	
Equity	Nil Investment	357	49.3	49.3
	Up to Rs.10,000	136	18.8	68.1
	Rs. 10,001 – Rs.25, 000	161	22.2	90.3
	Rs. 25, 001 – Rs. 50, 000	38	5.2	95.5
	Rs. 50,001 – Rs. 1 Lakh	30	4.1	99.6
	Above Rs. 1 Lakh	2	0.4	100.0
Total	724	100.0		
Mutual Funds	Nil Investment	271	37.4	37.4
	Up to Rs.10,000	336	46.4	83.8
	Rs. 10,001 – Rs.25, 000	61	8.4	92.2
	Rs. 25, 001 – Rs. 50, 000	28	3.9	96.1
	Rs. 50,001 – Rs. 1 Lakh	28	3.9	100.0
	Total	724	100.0	
Debentures	Nil Investment	410	56.6	56.6
	Up to Rs.10,000	259	35.8	92.4
	Rs. 10,001 – Rs.25, 000	25	3.5	95.9
	Rs. 25, 001 – Rs. 50, 000	14	1.9	97.8
	Rs. 50,001 – Rs. 1 Lakh	16	2.2	100.0
	Total	724	100.0	

Source: Primary Data

The researcher focuses on the amount invested in various capital market investments i.e., IPOs, Equity, Mutual funds and Debentures. **Considering the value of investment in IPOs**, Nil investment to Up to Rs. 10,000 investment, the sample respondents are 47.5% and 30.2% in the study. Rs.10, 001 – Rs.25, 000 invested by 10.9%. Only 6% of the sample investors are investing between Rs.50, 000-Rs.1 Lakh.

**Considering the value of investment in Equity**: cumulatively 68.1% of the sample investors are investing up to 10,000 only. Further, 22.2% of the sample investor value of the investment is Rs.10, 001 – Rs.25, 000/- . 5.2% are investing between Rs.25, 001 – Rs.50, 000, 4.1% of them investing between Rs.50, 001 – Rs.1 Lakh and only 0.4% of the sample respondents are investing more than 1 Lakh.

**Investment size in Mutual Funds**: 83.8% cumulatively investing in mutual funds up to Rs.10, 000/- . Further, 8.4% of them investing between Rs.10, 001 – Rs.25, 000/- . And 3.9% respectively investing Rs.25,001- Rs.50,000 and Rs.50,001- Rs. 1 Lakh.

**Investment size in Debentures**: Overall, 92.4% of the sample respondents investing upto Rs.10,000/- in debentures. 3.5% investment size between Rs.10, 001 – Rs.25, 000/- . 2.2% of them between Rs.50, 001 – Rs.1 Lakh and only 1.9% are investment size is between Rs. 25,001- Rs.50, 000.

### INVESTMENT OBJECTIVES AND DEMOGRAPHIC VARIABLES

**Null Hypothesis - H<sub>01</sub>**: There is no significant variation in means on investment objectives among demographic profile of the respondents.

**Table 4.4 ANOVA One Way Classification – Investment Objectives and Demographic Variables**

Investment Objectives	Age		Occupation		Educational Qualification		Marital Status		Annual Income	
	F	p	F	p	F	p	F	p	F	p
Capital Appreciation	1.810	0.144	2.761	0.012*	6.138	0.000*	6.898	0.000*	3.780	0.005*
Dividends	0.845	0.469	2.148	0.046*	0.934	0.424	2.049	0.106	5.225	0.000*
Quick Gain	4.007	0.008*	2.416	0.026*	5.053	0.002*	1.844	0.138	2.030	0.088
Safety	2.421	0.065	1.374	0.222	5.755	0.001*	3.598	0.013*	2.412	0.048*
Liquidity	2.383	0.068	4.438	0.000*	5.694	0.001*	7.621	0.000*	3.469	0.008*
Tax Benefits	5.878	0.001*	4.665	0.000*	16.656	0.000*	7.494	0.000*	6.155	0.000*
Diversification of Asset Holdings	1.562	0.197	2.710	0.013*	8.351	0.000*	8.171	0.000*	6.515	0.000*
Rights / Bonus issues & Stock splits	1.281	0.280	1.984	0.066	0.355	0.785	7.337	0.000*	2.142	0.074
Hedge against Inflation	0.216	0.885	0.674	0.671	0.406	0.749	6.538	0.000*	4.043	0.003*

Source: Primary Data; Note: \* indicates significant at 5% level.

The data depicted in the above table shows the results of ANOVA one way classification of Demographic Profile of the respondents. The outcome of the ANOVA table provides F – Value and p – value. From the table, it may understand that Age, Occupation, Educational Qualification, Marital status and Annual Income are five parameters are select by the researcher to analyze the investment objectives. Assuming that there is no significant variation in means on investment objectives among various demographical variables.

- **Age and Importance of Investment Objective**: considering the investment objectives such as quick gains, tax benefits are significant at 5% level. This means, there is a significant variation in means among age groups of the respondents on Quick gains (F =4.007, p < 0.05) and Tax benefits (F = 5.878, p < 0.05). Hence, reject the null hypothesis (H<sub>01</sub>). Other investment objectives such as Capital appreciation (F =1.810, p > 0.05), dividend (F =0.845, p > 0.05), safety (F =2.421, p > 0.05), liquidity (F =2.383, p > 0.05), diversification (F = 1.562, p > 0.05), right issues and stock splits (F = 1.281, p > 0.05) and hedge against inflation (F = 0.216, p > 0.05) are insignificant among various age categories of the respondents at 5% level. Hence, accept the null hypothesis (H<sub>01</sub>).
- **Occupation and Importance of Investment Objectives**: Occupation wise, Capital appreciation (F=2.761, p < 0.05), Dividends (F=2.148, p < 0.05), Quick gain (F=2.416, p < 0.05), Liquidity (F=4.438, p < 0.05), Tax Benefits (F=4.665, p < 0.05) and Diversification of asset holdings (F=2.710, p<0.05) are significant at 5% level. Thus, reject the null hypothesis (H<sub>01</sub>). On the other hand, Safety (F=1.374, p > 0.05), Rights / Bonus issues & Stock splits (F=1.984, p > 0.05), Hedge against Inflation (F = 0.674, p > 0.05) are insignificant at 5% level. This recommends that accept the null hypothesis (H<sub>01</sub>).
- **Educational Qualification and Importance of Investment Objectives**: Considering the Educational Qualification on Importance of Investment Objectives, the following are significant at 5% level. These are Capital appreciation (F=6.138, p < 0.05), Quick gain (F=5.053, p < 0.05), Safety (F=5.755, p < 0.05), Liquidity (F=5.694, p < 0.05), Tax Benefits (F=16.656, p < 0.05), and Diversification of asset holdings (F=8.351, p<0.05) are significant at 5% level. Thus, reject the null hypothesis (H<sub>01</sub>). On the other hand, Dividends (F=0.934, p > 0.05), Rights / Bonus issues & Stock splits (F=0.355, p > 0.05), Hedge against Inflation (F = 0.406, p > 0.05) are insignificant at 5% level. Hence, accept the null hypothesis (H<sub>01</sub>).

- **Marital Status and Importance of Investment Objectives:** Based on the marital status and importance of investment objectives, Capital Appreciation ( $F=6.898$ ,  $p < 0.05$ ), Safety ( $F=3.598$ ,  $p < 0.05$ ), Liquidity ( $F=7.621$ ,  $p < 0.05$ ), Tax Benefits ( $F=7.494$ ,  $p < 0.05$ ) and Diversification of asset holdings ( $F=8.171$ ,  $p < 0.05$ ), right issues and stock splits ( $F = 7.337$ ,  $p < 0.05$ ) and hedge against inflation ( $F = 6.538$ ,  $p < 0.05$ ) are significant at 5% level. Thus, reject the null hypothesis ( $H_{01}$ ). On the other hand, Dividends ( $F=2.148$ ,  $p > 0.05$ ), Quick gain ( $F=2.416$ ,  $p > 0.05$ ) are not insignificant to the marital status of the respondents. Hence, Accept  $H_{01}$ .
- **Annual Income and Importance of Investment Objectives:** Considering the Annual Income, except Quick Gains ( $F=2.030$ ,  $p > 0.05$ ) and Rights / Bonus issues & Stock splits ( $F=2.142$ ,  $p > 0.05$ ) resulting into accept the null hypothesis ( $H_{01}$ ). Remaining Investment Objectives like Capital Appreciation ( $F=3.780$ ,  $p < 0.05$ ), Dividends ( $F=5.225$ ,  $P < 0.05$ ), Safety ( $F= 2.412$ ,  $p < 0.05$ ), Liquidity ( $F=3.469$ ,  $p < 0.05$ ), Tax Benefits ( $F=6.155$ ,  $p < 0.05$ ), Diversification of Asset Holdings ( $F=6.515$ ,  $p < 0.05$ ), Hedge against Inflation ( $F=4.043$ ,  $p < 0.05$ ) shows the significant variation in means on Investment Objectives.

#### LEVEL OF SATISFACTION ON INVESTMENT OBJECTIVES AMONG DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Null Hypothesis -  $H_{02}$ : There is no significant variation in means on level of satisfaction of investment objectives among respondent's demographic profile.

Table – 4 ANOVA Test Results

Investment Objectives	Age		Occupation		Educational Qualification		Marital Status		Annual Income	
	F	p	F	p	F	p	F	p	F	p
Capital Appreciation	6.322	0.000*	2.811	0.010*	6.524	0.000*	13.601	0.000*	3.577	0.014*
Dividends	2.921	0.033*	4.622	0.000*	0.916	0.433	7.758	0.005*	0.422	0.738
Quick Gain	6.707	0.000*	2.963	0.007*	2.159	0.092	23.339	0.008*	1.242	0.293
Safety	4.688	0.003*	3.968	0.001*	0.019	0.996	19.022	0.009*	1.714	0.163
Liquidity	10.575	0.000*	4.073	0.001*	1.669	0.172	11.588	0.001*	4.626	0.003*
Tax Benefits	13.788	0.000*	10.017	0.000*	1.550	0.200	14.436	0.007*	4.321	0.005*
Diversification of Asset Holdings	3.032	0.029*	2.396	0.027*	1.460	0.224	26.538	0.012*	4.793	0.003*
Rights / Bonus issues & Stock splits	11.528	0.000*	3.636	0.001*	4.587	0.003*	27.265	0.023*	2.856	0.036*
Hedge against Inflation	3.175	0.024*	2.749	0.012*	2.792	0.040*	27.452	0.016*	3.561	0.014*

Source: Primary Data

- **Age and Level of Satisfaction on Investment Objective:** considering the investment objectives such as quick gains, tax benefits are significant at 5% level. This means, there is a significant variation in means among age groups of the respondents. Capital appreciation ( $F = 6.322$ ,  $p > 0.05$ ), dividend ( $F = 2.921$ ,  $p > 0.05$ ), Quick gains ( $F = 6.707$ ,  $p < 0.05$ ), safety ( $F = 4.688$ ,  $p > 0.05$ ), liquidity ( $F = 10.575$ ,  $p > 0.05$ ), Tax benefits ( $F = 13.788$ ,  $p < 0.05$ ), diversification ( $F = 3.032$ ,  $p > 0.05$ ), right issues and stock splits ( $F = 11.528$ ,  $p > 0.05$ ) and hedge against inflation ( $F = 3.175$ ,  $p > 0.05$ ) are significant among various age categories of the respondents at 5% level. Hence, reject the null hypothesis ( $H_{02}$ ).
- **Occupation and Level of Satisfaction on Investment Objective:** Occupation wise, Capital appreciation ( $F=2.811$ ,  $p < 0.05$ ), Dividends ( $F=4.622$ ,  $p < 0.05$ ), Quick gain ( $F=2.963$ ,  $p < 0.05$ ), Safety ( $F=3.968$ ,  $p > 0.05$ ), Liquidity ( $F=4.073$ ,  $p < 0.05$ ), Tax Benefits ( $F=4.665$ ,  $p < 0.05$ ) and Diversification of asset holdings ( $F=2.396$ ,  $p < 0.05$ ), Rights / Bonus issues & Stock splits ( $F=3.636$ ,  $p < 0.05$ ), Hedge against Inflation ( $F = 2.749$ ,  $p < 0.05$ ) are significant at 5% level. Thus, reject the null hypothesis ( $H_{02}$ ).
- **Educational Qualification and Level of Satisfaction on Investment Objective:** Considering the educational qualification on level of satisfaction on Investment Objectives, the following are significant at 5% level. These are Capital appreciation ( $F=6.524$ ,  $p < 0.05$ ), Rights / Bonus issues & Stock splits ( $F=4.587$ ,  $p < 0.05$ ), Hedge against Inflation ( $F = 2.792$ ,  $p < 0.05$ ) are significant at 5% level. Thus, reject the null hypothesis ( $H_{02}$ ). On the other hand, Dividends ( $F=0.916$ ,  $p > 0.05$ ), Quick gain ( $F=2.159$ ,  $p > 0.05$ ), Safety ( $F=0.019$ ,  $p > 0.05$ ), Liquidity ( $F=1.669$ ,  $p < 0.05$ ), Tax Benefits ( $F=1.550$ ,  $p < 0.05$ ), and Diversification of asset holdings ( $F=1.460$ ,  $p < 0.05$ ) are significant at 5% level. Hence, accept the null hypothesis ( $H_{02}$ ).
- **Marital Status and Level of Satisfaction on Investment Objective:** Based on the marital status and level of satisfaction on investment objectives, are significant to the marital status of the respondents. Hence, reject  $H_{02}$ .
- **Annual Income and Level of Satisfaction on Investment Objective:** Considering the Annual Income, Dividends ( $F=0.422$ ,  $P > 0.05$ ), Safety ( $F= 1.242$ ,  $p < 0.05$ ), Quick Gains ( $F=2.030$ ,  $p > 0.05$ ) are insignificant to the Annual Income. Hence, accept the null hypothesis ( $H_{02}$ ). Remaining Level of Satisfaction on Investment Objectives shows the significant variation in means i.e., Capital Appreciation ( $F=3.577$ ,



p<0.05), Liquidity (F=4.626, p<0.05), Tax Benefits (F=4.321, p<0.05), Diversification of Asset Holdings (F=4.793, p<0.05), Hedge against Inflation (F=3.561, p<0.05) and Rights / Bonus issues & Stock splits (F=2.856, p>0.05).

## RESULTS AND DISCUSSIONS :

The study conducted with the aim to assess small investor's investment objectives for investment decision and their satisfaction level on achieve predetermined objectives. The results show that, majority of the sample investors are age below 30 (58%) and male (56.1%). Considering the marital status, most of them are married (53.6%) and Educational qualification is PG & above (51.1%) and working as Private Employee (34.5%). Most of the sample investor's income level lies (35.1%) below Rs.1, 50,000. Majority of the sample investors experience in the market is less than a year, operated in both primary (IPOs, FPOs and Stock Market) and their investment size in Primary market, Stock Market, Mutual funds and Debentures is Up to Rs.10, 000.

- **Importance of Investment Objectives:** Age wise importance of investment objectives shows that sample investor look for quick gains and tax benefits and these are significant at 5%. Other investment objectives are insignificant under the study. Occupation wise - safety, rights issue & stock split and hedge against inflation are insignificant and other investment objectives are significant at 5% level. Educational Qualification wise – Dividends, Rights / Bonus issues & Stock splits and Hedge against Inflation are insignificant and other investment objectives are significant at 5%. Marital status wise – Dividends and Quick gain are insignificant and other investment objectives are significant at 5% level. Annual Income - Quick Gains, Rights / Bonus issues & Stock splits are insignificant and other investment objectives are significant at 5% level.
- **Level of Satisfaction on Investment Objectives:** Age, Occupation and Marital status wise, there is significant variation in means on level of satisfaction on all investment objectives at 5% level under the study. Marital Status wise – There is a significant difference in mean variation on Capital Appreciation, Right issue & Stock Split and Hedge against Inflation at 5% level. Annual Income wise dividends, safety and quick gains are insignificant at 5% level and others level of satisfaction on investment objectives are significant.

## LIMITATIONS OF THE STUDY :

The study is based on responses through administering the questionnaire using Offline and Online. Thus, there may be some personal bias in the study. The study is confined to Hyderabad and Secunderabad cities only and using convenient sampling technique. As the sampling technique may have its own limitations.

## SCOPE FOR FUTURE RESEARCH

The future directions for research may be conducted on

1. Risk appetite behavior of small investors and financial literacy to invest in capital market instruments.
2. Factors affecting Small investor's investment decisions towards IPOs and Mutual Funds.
3. Role of Demographic variable in investment decision of small investors towards stock market and mutual funds.
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