**A STUDY OF INVESTOR’S PREFENCE TOWARDS EQUITY SHARES IN AMRAVATI CITY**

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**INTRODUCTION**

**Investor’s Prference Towards Euity Shares**

Investment is the employement of funds with the aim of achieving additional income or growth in value. The essential quality of an investment is that , it involves ’waiting’ for a reward. Investoment is the allocation of monetary resources to assets thats are expected to yield some gain or positive return over a given period of time.

Preference an interest in or desire for one thing more than another. Preference shares are those shares which carry certain special or priority rights. Preference shares do not create any mortage or charge on the assets of the company. The company can keep its fixed assets free raising loans in future. Preference shares have the characteristics of both equity shares and debentures. Like equity shares, dividend on preference shares is payable only when there are profits and at the discretion of the Board and Directions.

Equity the difference between the market value of a property and the claims held against it . This investor is comfortable accepting lower returns for a higher degree of liquidity and/or stability. Typically, a Conservative investor primarily seeks to minimize risk and loss of principal. According to (Redlinger) , Dannem and Andersen, Poul Erik ―Equity represents ownership in the firm and consists of retained profits and shares issued either privately or through a stockmarket.

Equity shares are also called common shares and are from the point of view of investment more risky than both bonds and preference shares.They , however, afford greater advantages than both the other securities and in the capital market enjoy a better position as far as the investor’s attraction is concerned, equity stock gives several rights to the shareholders.

**LITERATURE REVIEW**:

Koti (2014), found that with over 20 million shareholders, India has the third largest investor base in the world after the USA and Japan. Over 9,000 companies are listed on the stock exchanges, which are serviced by approximately 7,500 stockbrokers.

Ramachandran & Chinnathambi (2011) mention small investors in equity shares in India grope in the dark, as neither have they possessed the sophisticated knowledge to take a decision nor they understand the investment guidance and advice given by the scholars and publications, based on the technical analysis of investment**.** They are guided by gut feeling more often pointed out by Ramachandran & Chinnathambi (2011). For Indian investors, the main objective is the rate of return and reduction in the risk. A wide variety of investment avenues are open to the investors to suit their need and nature. At present, a wide variety of investment avenues are open to the investors to suit their needs and nature.

**RESEARCH METHODOLOGY**

1. **Introduction**

The study of Investor’ Preference Towards Equity Shares in Amravati city. The best investor’s of Amravati city .

1. **Research Problem**

The study investigates the kind of investment is preferred in Amravati , the level of risk People can undertake and their perception towards equity investment.

1. **Research Objectives**

The Research objectives of the study are as follows:

* The Study aim to find out the most prefererred avenues for investment in Amravati.
* The level or risk people can under taken in Amravati.
* Find out which age groups of investor’s are actively participating in the stock market, peoples perception and preference towards equity market in Amravati.

1. **Hypothesis**

* Customer give equal preference to share and mutual found for investment.
* Individual investors are independent type of market ex. Primary and secondary, in case of investment in equity shares.
* Customer give more importance to online trading in case of investment in equity shares

1. **Research Design**

The research design for the study will be descriptive in nature where secondary and primary data will be used to address the objectives.

1. **Sample design**

It is the essential part for the process of research. Following elements will be consider for the research.

* **Sampling Universe**: The universe of the study will be finite to Amravati city only.
* **Sampling Unit**: The sampling unit will be the working investor’s of investing of preference towards equity shares in best investment. They are approx 500
* **Sampling size**: Total 100 working Peoples from commercials banks will be selected for the study.

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1. **Data Collection Sources**

The present study is based on the primary and secondary data. The primary data will be collected through the questionnaire from the commercial banks in Amravati city. The respondents will contacted personally to get the good response and will assured that their data will be kept as a secret. The secondary data will be collected from the online sites and various research papers.

1. **Scope of the study**

The Scope of the study will be limited to the Investor’s preference towards equity shares in Amravati city.

1. **Limitation of study**

* The period of study is limited for one year.
* The research is to be carry out within Amravati city.
* The study has the sample size limitation.

**Bibliography**

Books and Publications :

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* Pant Raghu Title : Fundamental Analysis for Investors Publisher : Vision Books Publication Date : 2017 Binding : Soft Cover Book Condition : New Delhi.
* Capital Market (Abarbanell, J.S. and B. J. Bushee. 1997. Fundamental analysis, future earnings, and stock prices. Journal of Accounting Research Spring) :1-24

**Website Linkages**

* + [www.nseindia.com](http://www.nseindia.com)
  + [www.moneycontral.com](http://www.moneycontral.com)
  + [www.investopedia.com](http://www.investopedia.com)
  + [www.google.com](http://www.google.com)
  + [www.acadmia.edu](http://www.acadmia.edu)
  + [www.mbaknol.com](http://www.mbaknol.com)

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