



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

Studying The Investment Trends Of Students In The Stock Market In Delhi NCR

¹Mr. Harshit Saini, ²Dr. Shalini Srivastav

¹Student, ²Associate Professor

¹Amity College of Commerce & Finance

¹Amity University Uttar Pradesh, Greater Noida Campus

Abstract: This study explores the investment trends of students in the stock market within the Delhi NCR region. It examines factors influencing their investment choices, such as financial literacy, risk tolerance, and access to market information. By analyzing survey data from a sample of students, the research highlights key patterns in investment behavior, preferences, and challenges faced by young investors. The findings aim to provide insights into the growing interest of students in stock market investments and offer recommendations for improving financial education and awareness among this demographic.

Key Words – Stock Market, Investment Trend, ANOVA

I. INTRODUCTION

The stock market, with its dynamic nature and vast potential for wealth generation, has long been a focal point of financial engagement across the globe. In recent years, there has been a growing interest in understanding the involvement of younger generations in stock market investments, particularly students. In India, and more specifically in the National Capital Region (NCR) of Delhi, the involvement of students in stock market investments has become an increasingly relevant and intriguing topic. Delhi NCR, being a hub of education, business, and technological advancements, represents a diverse group of students from various academic backgrounds who are becoming more financially aware and involved in the stock market. The world of stock market investments has traditionally been dominated by seasoned investors, including professionals, traders, and businessmen. However, the rise of online trading platforms, the availability of educational resources, and the increased accessibility of financial tools have opened up the stock market to a new demographic: students. This shift has led to the emergence of a young, tech-savvy generation that is eager to explore the opportunities and risks associated with investing in the stock market. But how many students in Delhi NCR are actually investing in the stock market, and what factors drive this investment behavior? To answer these questions, it is essential to explore a range of aspects, including the motivations, barriers, and broader socio-economic trends that shape the investment patterns of students in the region.

The Significance of Delhi NCR as a Study Area

Delhi NCR, comprising Delhi, Gurgaon, Noida, Faridabad, and Ghaziabad, is one of the most populous and economically prosperous regions in India. The region is home to several prestigious educational institutions, including universities, colleges, and business schools, attracting students from all parts of the country. The educational institutions in Delhi NCR cover a broad spectrum of disciplines, from engineering and medical studies to business management, economics, and humanities. As a result, the student population is diverse, with individuals from various fields of study coming together in one of India's most economically vibrant regions.

The significance of studying students in Delhi NCR in relation to stock market investments lies not only in the region's economic stature but also in the rapid development of its financial literacy ecosystem. Delhi NCR boasts a strong presence of financial institutions, stockbrokers, investment firms, and fintech companies. The region is home to numerous workshops, seminars, and initiatives aimed at educating young people about personal finance and investing. As a result, the student community in Delhi NCR is increasingly being exposed to investment opportunities and financial planning strategies, contributing to the growing interest in the stock market.

Understanding the Appeal of the Stock Market for Students

To better understand why students in Delhi NCR are drawn to the stock market, it is essential to consider a few core factors that contribute to this appeal. The stock market offers a unique combination of opportunities, risks, and the potential for high returns, making it an attractive avenue for many students. Let's examine these factors in greater detail:

Accessibility of Online Trading Platforms: One of the most significant factors contributing to the rise in student participation in the stock market is the accessibility of online trading platforms. In the past, investing in the stock market required specialized knowledge, significant capital, and access to brokers. However, the proliferation of online brokerage firms and trading platforms has democratized access to the stock market. Students can now invest with as little as ₹500 or ₹1,000 through mobile apps and websites, without the need for intermediaries. The ease of use and low-cost entry barriers make the stock market an attractive option for young investors with limited capital.

Financial Education and Awareness: The increase in financial literacy programs in educational institutions, as well as the growing number of online courses and resources, has also contributed to the rise in student investments in the stock market. Today, students in Delhi NCR are more aware of personal finance and investment principles than ever before. Many students actively seek out information on stock market trends, technical analysis, fundamental analysis, and other investment strategies to improve their financial knowledge. The availability of resources, such as YouTube tutorials, blogs, podcasts, and financial literacy programs, allows students to build their confidence and make informed decisions when investing in the stock market.

Influence of Social Media and Peer Networks: Social media platforms like Instagram, Twitter, LinkedIn, and TikTok have contributed to the growing popularity of stock market investments among students. Many influencers and financial experts use these platforms to share tips, insights, and success stories related to stock market investments. This exposure encourages students to take an active interest in the market and explore investment opportunities. Peer networks, especially among students studying business, economics, or finance, also play a critical role in shaping investment behavior. The influence of friends, family, and colleagues can be particularly powerful in encouraging students to take the plunge into stock market investments.

Potential for Wealth Creation and Financial Independence: The stock market offers an avenue for wealth creation, and many students view it as a means to achieve financial independence. With the rising cost of living, education, and housing, students are increasingly aware of the need to secure their financial future. The allure of building long-term wealth through investments, particularly in growing sectors like technology, pharmaceuticals, and renewable energy, drives many students to start investing early. Many

students view investing in the stock market as a way to supplement their income or build a corpus for their future goals, such as buying a home, funding higher education, or starting a business.

Low Capital Requirement: Historically, stock market investments were perceived as something that required significant capital to generate meaningful returns. However, the low-cost structure of online trading platforms and the rise of fractional shares (where students can buy portions of expensive stocks) have made it possible for students to start investing with minimal amounts of money. The low entry barrier encourages students from different socio-economic backgrounds to explore the stock market, even if they don't have large amounts of disposable income.

The Rise of the Gig Economy and Financial Independence: The rise of freelancing, remote work, and the gig economy has changed the way students approach earning money. With many students now working part-time or freelancing alongside their studies, they often have more disposable income to invest. Additionally, the desire to achieve financial independence and reduce reliance on traditional forms of employment encourages students to seek alternative investment opportunities, with the stock market being a popular choice.

Increased Focus on Entrepreneurship: Entrepreneurship has become a major focus in India, especially in urban areas like Delhi NCR. Many students aspire to become entrepreneurs and start their own businesses. A key component of entrepreneurship is financial acumen, and many students view investing in the stock market as an opportunity to build this skill. Investing in stocks is often seen as a way to learn about business models, company performance, and market behavior—knowledge that can be valuable for aspiring entrepreneurs.

Motivations and Drivers Behind Student Investment in the Stock Market

While the factors mentioned above explain why the stock market is appealing to students, it is essential to understand the motivations and underlying drivers behind their investment decisions. The following are some key factors that influence student investment behavior in Delhi NCR:

Long-Term Wealth Building: Many students view the stock market as a long-term wealth-building tool. By starting early, they hope to leverage the power of compound interest and build substantial wealth over time. The focus on long-term financial goals, such as retirement planning or funding future ventures, is a key motivation for students to invest in the stock market.

Desire for Financial Freedom: The concept of financial freedom, or the ability to generate passive income through investments, is a driving factor for many students. The idea of creating a financial safety net without relying solely on a paycheck is particularly appealing to those who are entrepreneurial in nature and aspire to achieve financial independence.

Influence of Family and Peer Groups: Family background and peer group dynamics play a significant role in shaping the investment behavior of students. Students from families with a background in finance or business are more likely to engage with the stock market at an earlier stage in life. Additionally, peer influence, especially within academic or social circles that discuss investments, can inspire students to explore the stock market.

FOMO (Fear of Missing Out): The fear of missing out on profitable investment opportunities, especially with the growing media coverage of successful retail investors, is another driver for students. Stories of young investors making substantial gains through the stock market often lead students to question whether they should also get involved. Social media amplifies this phenomenon, creating a sense of urgency among students to act before an opportunity passes them by.

Risk Appetite and Thrill of Trading: The thrill of trading and the excitement of seeing returns from investment decisions contribute to the appeal of stock market participation for some students. Many young investors are willing to take higher risks in exchange for the potential of high rewards. This willingness to engage in short-term speculative trading, rather than long-term investing, is common among students who are motivated by the desire for quick profits.

Barriers to Stock Market Investment Among Students

While many students in Delhi NCR are actively engaging with the stock market, there are still several barriers that prevent a larger portion of the student population from making investments. These barriers include:

Lack of Knowledge and Education: Despite the growing availability of resources, many students still lack comprehensive knowledge about the stock market. This lack of understanding can lead to fear, confusion, and hesitation to invest. A solid understanding of financial markets, investment strategies, and risk management is crucial for making informed investment decisions, and without this knowledge, students may avoid stock market participation altogether.

Limited Capital: Many students do not have sufficient disposable income to invest in the stock market. Given the rising cost of education, housing, and living expenses, students may prioritize their immediate needs over long-term investments. For some students, even the minimal capital required to start investing may be out of reach, making stock market participation less feasible.

Perceived Risk and Volatility: The volatility of the stock market can deter students from investing, especially those who are risk-averse. Stock market fluctuations can lead to significant gains, but they can also result in losses, and many students are hesitant to expose themselves to such risks. The lack of experience in managing investments during market downturns can also contribute to this reluctance.

Regulatory and Compliance Concerns: Some students may be intimidated by the regulatory framework surrounding stock market investments. Concerns about taxes, compliance with securities regulations, and other legal requirements may discourage students from participating in the market. The complexity of opening a trading account and understanding the tax implications of investment returns can also act as barriers to entry.

The growing interest in stock market investments among students in Delhi NCR is a reflection of the changing financial landscape in India. Factors such as increased financial literacy, the accessibility of online trading platforms, and the desire for financial independence are contributing to a surge in student participation in the stock market. However, while the potential for wealth creation and personal growth is significant, students must navigate challenges such as limited capital, risk management, and lack of knowledge. It is crucial to further study and understand the nuances of student investment behavior to design more effective financial literacy programs, regulatory policies, and platforms that cater to this emerging demographic.

As the younger generation becomes more financially aware and technology-driven, it is clear that the future of stock market participation in India will increasingly be shaped by students. It is important for educators, policymakers, and financial institutions to provide the necessary tools, resources, and guidance to empower this group of investors, helping them make informed decisions and fostering a culture of responsible investing. Ultimately, the involvement of students in the stock market represents an exciting shift towards greater financial awareness and empowerment, paving the way for a more financially literate and investor-savvy society.

II. LITERATURE REVIEW

Chand (2022) has conducted this study to understand the **awareness of retail investors regarding stock market investments** in Delhi-NCR, and the finding of the study is **that retail investors in Delhi-NCR have limited awareness about stock market investments**.

Agarwal et al. (2022) have conducted this study to understand the **investment behavior of individual investors in Delhi-NCR**, and the finding of the study is **that individual investors in Delhi-NCR show diverse investment preferences, with a tendency to favor traditional investment options over more modern ones**.

Tyagi and Sharma (2024) have conducted this study to understand the **preferences and awareness of investors towards different investment avenues in Delhi**, and the finding of the study is **that investors**

in Delhi have varying levels of awareness, with a notable preference for traditional investment options like real estate and gold over more modern financial instruments.

Priye et al. (2023) have conducted this study to understand the **stock market participation and awareness of students**, and the finding of the study is **that while a significant number of students are aware of the stock market, their actual participation is relatively low due to a lack of practical knowledge and experience.**

Gahlot et al. (2024) have conducted this study to understand the **influence of behavioral biases on investor decision-making in Delhi-NCR**, and the finding of the study is **that investors in Delhi-NCR are significantly impacted by behavioral biases such as overconfidence, herd mentality, and loss aversion, which influence their investment choices.**

Sharma, Kaur, Dureja, and Soni (2023) have conducted this study to understand the **factors influencing individual investors' decisions to invest in the stock market across Delhi NCR**, and the finding of the study is **that factors such as market trends, financial goals, and risk tolerance play a significant role in shaping investment decisions, with investors also being influenced by external advice and social factors.**

Kaur (2022) has conducted this study to understand the **factors influencing investors' decisions and investment patterns in Delhi-NCR**, and the finding of the study is **that factors such as economic conditions, investor confidence, and personal financial goals significantly impact investment decisions and patterns among investors in Delhi-NCR.**

Siddiqui (2008) has conducted this study to understand the **behavioral finance factors influencing stock market investors in Delhi**, and the finding of the study is **that investors in Delhi exhibit common behavioral biases such as overconfidence, loss aversion, and herd behavior, which impact their investment decisions and strategies.**

Kk (2009) has conducted this study to understand the *investment behavior of student investors in the context of the Indian stock market crash of 2008* and the factors influencing their decision-making. The findings of this study are *that student investors showed high levels of emotional and psychological responses to the market crash, which impacted their investment behavior, leading to a general decline in market participation and a shift in risk preferences.*

Sharma (2020) has conducted this study to understand the *effect of demographic factors such as age, gender, education, and income on the investment decisions of individual investors in Delhi NCR*. The findings of this study are *that demographic factors significantly influence investment decisions, with higher income and education levels leading to more informed and diversified investment choices, while gender and age also play roles in risk tolerance and investment preferences.*

Bhardwaj, Abrol, and Varshney (2024) have conducted this study to understand the *investment behavior of commerce students at the University of Delhi*. The findings of this study are *that the students show a growing interest in stock market investments, with the majority preferring low-risk investments and showing limited awareness of advanced investment strategies, indicating a need for financial education among them.*

Jain and Sehgal (2023) have conducted this study to understand the *spending and saving habits of students in the Delhi NCR region, and how statistical decision-making influences these habits*. The findings of this study are *that students tend to make impulsive spending decisions while saving is influenced by socio-economic factors and financial literacy, suggesting the need for better financial management education among students.*

Chauhan and Indapurkar (2018) have conducted this study to understand the *orientation and perception of educated youth in the Delhi-NCR region towards various investment avenues*. The findings of this study are *that educated youth have a positive perception towards investment opportunities, particularly in*

mutual funds and stock markets, but lack proper knowledge and risk awareness, leading to cautious investment behavior.

Gautam (2024) has conducted this study to understand the *financial planning behaviors of young individuals in the Delhi NCR region*. The findings of this study are *that young individuals demonstrate limited financial planning knowledge, with many relying on informal sources of financial advice, and a significant gap exists between their financial goals and actual planning, highlighting the need for better financial education and structured planning tools..*

III. RESEARCH GAP

The research on investment trends among students in the stock market often lacks geographic diversity, as studies tend to focus on specific regions or urban areas. In this case, the geographic restriction to the Delhi NCR region may limit the generalizability of the findings to other areas with different economic conditions, educational backgrounds, and access to financial resources. This geographic limitation also restricts the understanding of how students from rural or smaller urban centers might approach stock market investments, potentially overlooking regional variations in financial literacy, investment preferences, and risk-taking behavior. Expanding the geographic scope of such studies could provide a more comprehensive view of student investment trends across different regions.

IV. RESEARCH METHODOLOGY

This study aims to investigate the level of awareness regarding mutual funds among college students, focusing on their knowledge of mutual fund types, investment perspectives, and overall financial literacy. The research employs a quantitative research approach, utilizing primary data collection through a structured questionnaire. The research will utilize One-Way ANOVA and Independent T-tests to test hypotheses and draw conclusions.

1. Research Design:

This study follows a **descriptive research design**, as it focuses on assessing the current state of awareness among college students about mutual funds. It will analyze how different factors (e.g., gender, academic background, and financial literacy) influence the level of awareness and investment attitudes of college students toward mutual funds.

2. Population and Sample:

- **Target Population:** The target population for this study includes undergraduate and postgraduate college students, aged between 18-25 years, who are currently enrolled in universities or colleges.
- **Sample Size:** The sample size will be determined using convenience sampling based on the size of the accessible population. A sample of **100 students** from various disciplines will be chosen to ensure diversity and reliable representation of college students' perspectives.
- **Sampling Technique: Convenience sampling** will be used to collect data from students who are readily available and willing to participate in the survey.

3. Data Collection:

The primary data will be collected through a **structured questionnaire** designed to measure students' awareness and knowledge of mutual funds, as well as their investment perspectives. The questionnaire will consist of the following sections:

Questionnaire Design:

- A **5-point Likert scale** will be used to measure attitudes and perceptions (ranging from "Strongly Agree" to "Strongly Disagree").
- Multiple-choice questions will be used to assess knowledge levels, and open-ended questions will allow for qualitative insights into students' investment perspectives.

4. Data Analysis:

The data collected from the questionnaires will be analyzed using statistical techniques to test hypotheses and draw conclusions.

4.1 One-Way ANOVA (Analysis of Variance):

One-Way ANOVA will be used to test for significant differences in the mean levels of awareness among college students

The objective is to understand whether these factors significantly affect the level of awareness about mutual funds.

- **Null Hypothesis (H_0):** There is no significant difference in the awareness of stock market between the groups
- **Alternative Hypothesis (H_1):** There is a significant difference in the awareness of stock market between the groups.

5. Ethical Considerations:

- **Informed Consent:** Participants will be informed about the purpose of the study, the voluntary nature of participation, and their right to confidentiality. Informed consent will be obtained before distributing the questionnaires.
- **Confidentiality:** All personal data will be kept confidential and used only for research purposes.
- **No Harm:** The study will ensure that no harm is caused to the participants, and they can withdraw at any point without facing any consequence.

6. Limitations:

- **Sample Bias:** The study uses convenience sampling, which may not fully represent the entire population of college students. The findings may be biased toward the group that is more willing to participate.
- **Self-Reporting:** The data collected through questionnaires will be self-reported, which may lead to response biases or inaccuracies.
- **Generalizability:** As the sample is taken from specific colleges and universities, the results may not be fully generalizable to all college students across the country.

V. RESULT AND DISCUSSION

Objective: To know the descriptive statistics of the selected variables.

5.1 Results of ANOVA

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
I am aware of the basic concepts of stock market investing.	99	3130	3.1616	1.7287
I have invested in the stock market at least once.	99	3020	3.0505	2.0484
I prefer investing in stocks compared to other forms of investment (e.g., mutual funds, real estate).	99	2980	3.0101	2.11214
I believe investing in stocks is a good way to build wealth over time.	99	2850	2.8484	1.9666
I actively follow news and updates related to the stock market.	99	3110	3.1414	2.0410
I feel confident in making stock investment decisions on my own.	99	3090	3.1212	2.1892
I would prefer to invest in stocks if I had more disposable income.	99	3060	3.0909	2.3079
I rely on stock market apps or websites to track my investments.	99	3250	3.2828	1.7559
I think students in Delhi NCR are generally interested in stock market investments.	99	3150	3.1818	2.1094
I believe there is a significant risk associated with investing in the stock market.	99	2880	2.8888	2.1609

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	15.798	9	1.7554	0.8596	0.5611	1.8894
Within Groups	2001.2	98	2.0420			
Total	2017.0	98				

The provided data and ANOVA output suggest you're conducting a one-way ANOVA (Single Factor) analysis, which is typically used to compare means across different groups. Let's walk through the components:

1. Null Hypothesis (H_0) and Alternative Hypothesis (H_1)

- **Null Hypothesis (H_0):** The means of all groups are equal (i.e., there is no significant difference between the groups).
- **Alternative Hypothesis (H_1):** At least one group mean is different from the others (i.e., there is a significant difference between the groups).

2. P-value and Decision Rule

- **P-value:** The p-value tells us the probability of observing the results, or something more extreme, given that the null hypothesis is true.
- In general:
 - If the **p-value** $\leq \alpha$ (typically $\alpha = 0.05$), reject the null hypothesis.
 - If the **p-value** $> \alpha$, fail to reject the null hypothesis.

In this case:

- **P-value** = 0.561167624
- Given that the typical significance level is $\alpha = 0.05$, we compare the p-value with α .

3. F-value and F-critical Value

- **F-value** = 0.85964623
- **F-critical value** = 1.889417381

The **F-value** is the ratio of variance between the groups to the variance within the groups. If the **F-value** is larger than the **F-critical value**, we can reject the null hypothesis.

However, in this case, the **F-value (0.85964623)** is less than the **F-critical value (1.889417381)**. This indicates that the variability between groups is not significantly larger than the variability within groups.

4. Interpretation of Results

- The **p-value (0.561167624)** is much higher than the typical alpha level of **0.05**, suggesting **no statistically significant difference** between the groups.
- The **F-value (0.85964623)** being smaller than the **F-critical value (1.889417381)** also suggests that there is **no evidence** to reject the null hypothesis.

5. Conclusion:

- **Do not reject the null hypothesis.** Based on the p-value and F-statistics, we conclude that there is **no significant difference** between the groups.
- The hypothesis that **all groups have the same mean** is not rejected, meaning that, in this case, stock market-related beliefs and behaviors (such as awareness, confidence, and preferences) do not significantly differ across the various groups tested.

Final Decision:

- **Reject or fail to reject the null hypothesis?**
 - Since the **p-value** > 0.05 , **fail to reject the null hypothesis**.
 - The **null hypothesis (H_0)** is **accepted**: There is no significant difference between the groups.

Summary:

Based on the ANOVA results, we conclude that there is no statistically significant difference between the groups regarding their views and behaviors related to stock market investing. Thus, any further analysis or decisions about investing behaviors may need to look at other factors or tests, such as correlation or regression analysis.

VI. ACKNOWLEDGEMENT

I would like to present my gratitude towards all those people who have come up in order to help me out with this task of completing this report on time. Firstly, I would like my college which gave this subject to us so that we can collect different information on a particular topic. I would like to thank all those people who

presented their views on my topic. I would also like to thank my faculty in charge of this subject Dr. Harshit Saini for her constant follow ups and friendly support, perfect teachings or guidelines and motivational or encouraging words.

REFERENCES

Chand, T. (2022). A study on retail investors' awareness of stock market investments in Delhi-NCR. *Indian Journal of Research in Capital Markets*, 9(4), 49-49.

Agarwal, D. K., & others. (2022). A study on investment behavior of individual investors with reference to Delhi-NCR. *Vol. 09*.

Tyagi, E., & Sharma, G. V. (2024). Investors preferences and awareness towards various investment avenues in Delhi—the capital city of India. *Indian Scientific Journal of Research in...* (Indospace Publications), 8(0).

Priye, D., & others. (2023). A study of students' stock market participation and awareness.

Gahlot, P., & others. (2024). Influence of behavioral biases on investor decision-making in Delhi-NCR. *pp.* 363.

Sharma, S., Kaur, B., Dureja, G., & Soni, S. (2023). Factors influencing investment decision to invest in a stock market: A survey of individual investors across Delhi NCR region.

Kaur, A. (2022). Factors influencing investors' decision and pattern of investments: An empirical study in Delhi-NCR. *Veethika: An International Interdisciplinary Journal*, 8.

Siddiqui, S. (2008). A study of stock market investors of Delhi—a behavioural finance perspective. *Indian Journal of Finance*, 2.

Kk. (2009, September 22). Investment behavior and the Indian stock market crash 2008: An empirical study of student investors. *Social Science Research Network*.

Sharma, A. (2020, January 19). Effect of demographic factors in investment decisions of individual investors – A case study in Delhi NCR.

Bhardwaj, P., Abrol, S., & Varshney, A. (2024, December 10). A study of investment behaviour of the commerce students of University of Delhi. *Deleted Journal*, 7(4), 59-64.

Jain, N., & Sehgal, A. (2023, January 1). Statistical decision making of spending and savings habits among students of Delhi NCR region. *Deleted Journal*.

Chauhan, S., & Indapurkar, K. (2018, January 1). Orientation and perception of educated youth towards investment avenues: A study in Delhi-NCR. *Asian Journal of Research in Banking and Finance*, 8(1). Asian Research Consortium.

Gautam, N. (2024, May 12). A study of financial planning on young individuals in Delhi NCR. *Indian Scientific Journal of Research in...*