



A study in Investment Behavior post Covid-19 period among the Youth Individuals in Suburban Areas of Mumbai City

¹Deval Hitesh Vashi, ²Neel Piyush Ved, ³Yash Piyush Ved, ⁴Dharmil Amit Savla

^{1, 2, 3 & 4} Second Year Students in Dept. of B. Com (Accounting & Finance) for Academic Year 2023-24,

^{1, 2, 3 & 4} Nagindas Khandwala College, Malad West, Mumbai, Maharashtra, India

Research Guide: Mr. Furquan Sheikh

Assistant Professor at Nagisdas Khandwala College, Malad West, Mumbai, Maharashtra, India

ABSTRACT:

This study looks at young people's investment habits in India in the wake of Covid-19. The Covid-19 epidemic has altered the economic environment significantly, which has an impact on how young people see investment. The study will investigate Indian youth's attitudes and behaviors towards investing, taking into account cultural and social norms, financial literacy, and access to financial education.

Keywords: Behavior. Covid-19, Investment, Youth, Education.

INTRODUCTION:

The behavior of youth towards investment in India could be a theme of developing interest in today's quickly changing financial scene. With a huge and young populace, India's youth have the potential to drive the country's financial development. In any case, there's a need of investigate on the investment behavior of youth in India. This consider points to fill this gap by investigating the states of mind and behaviors of Indian youth towards venture and recognizing factors that impact their venture decisions. India has witnessed a surge within the number of youthful speculators taking part within the stock showcase and other monetary instruments in later a long time. This trend has been assist quickened by the widespread, which has provoked numerous youth to reassess their budgetary needs and look for roads for riches creation and money related security. As a result, understanding the contributing behavior of youth in India has ended up progressively imperative for policymakers, monetary teach, and teachers.

OBJECTIVES:

1. To recognize the trends in youth savings and income.
2. To study a young investor's propensity for risk.
3. To determining the major variables affecting young investors' investing decisions.

4. To understand by using, the tax-saving investment choices at their disposal, young people can invest with the goal of minimizing their tax obligations.

LIMITATIONS:

1. **Area:** The data is being collected within Suburban area of Mumbai City only.
2. **Age:** As most of the schemes required the individuals to attain the age of 18 years, in India due to which, there was a limitation of responses of teenage respondents who hasn't attain the age of 18 years during the research.
3. **Time:** Due to time constraint to complete the research, limited time was being invested to complete the research study.
4. **Subjective Thinking:** Not every respondent may exercise utmost care in filling out a survey, introducing the possibility of response bias. The survey method may make it challenging to ensure that all respondents dedicate accurate time and attention to the questionnaire, potentially affecting data reliability.

LITREATURE REVIEW:

A survey of the literature on young people's investment behavior in India reveals a dearth of research on this subject. However, a few studies that have examined young people's financial behavior and decision-making in India offer some insight into how young people invest. According to a 2017 Reserve Bank of India (RBI) survey, young people in India lack access to financial education and have poor levels of financial literacy. The survey also discovered that Indian youth prefer

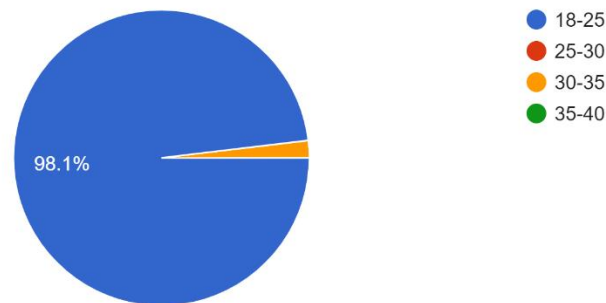
RESEARCH METHODOLOGY:

1. **Research Category:** The research studied for this is descriptive in nature. The data is collected from the Youth Individuals in Suburban area of Mumbai City.
2. **Tools and Techniques Applied:** To present the data in the research paper, Pie Chart Representation, was applied to display the primary data. The primary data shows the percentages, to show the accuracy of the data collected.
3. **Sampling Method:** In order to conduct the research study with the practical information, simple random sampling method was used in which sampling data was collected, which was answered by the youth respondents. To collect the data samples, link to Google Forms was created and the link was shared among the Youth Individuals in Suburban area of Mumbai City. Due to the time constraint, the sample data was limited to complete the research on time.
4. **Sample Size:** The data collected for the research study is primary, a total of 53 responses were received during the survey conducted.

DATA ANALYSIS AND INTEPRETATION:

Age

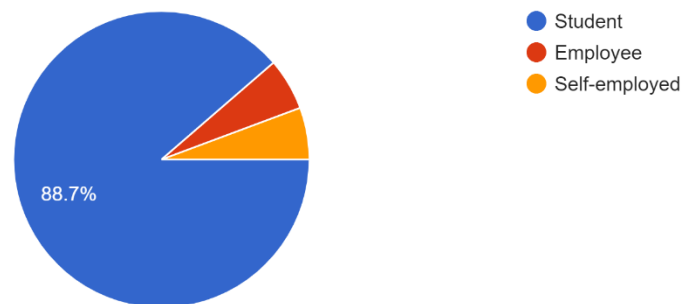
53 responses



In the above diagram, From the total sample population 98.1% represents the (18-25) years age group.

Occupation

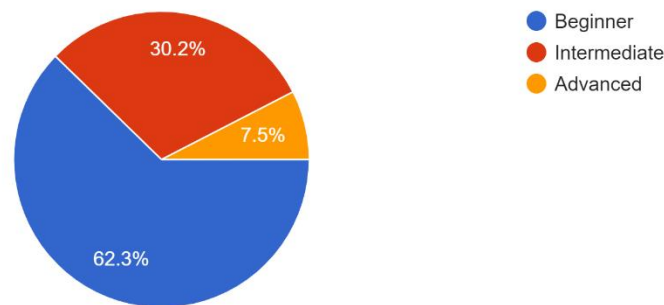
53 responses



In the above diagram, from the total population 88.7% belongs to the student population, both employed and Self-employed represents 5.7% each.

How would you rate your knowledge about investing?

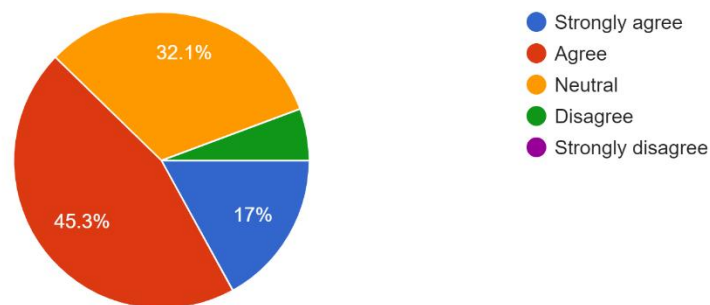
53 responses



In the above diagram, from the total population 62.3% belongs to the beginner population, about 30.2% belongs to the intermediate population and 7.5% belongs to the Advanced population.

Did the COVID-19 pandemic impact your perception of investing?

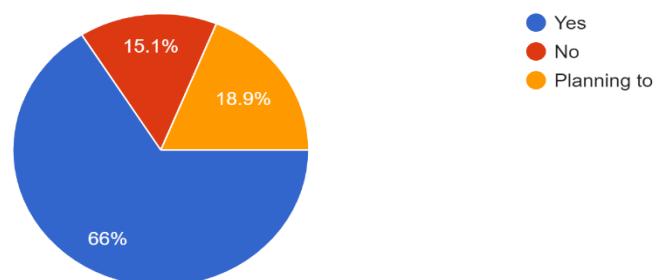
53 responses



In the above diagram, from the total population about 45.3% agrees and about 17% strongly agreed that covid-19 impacted their investing decision, about 17% neutrally agrees and about 5.7% disagrees about impact of covid-19 on their investment decisions.

Have you started investing or increased your investing activities after the COVID-19 pandemic?

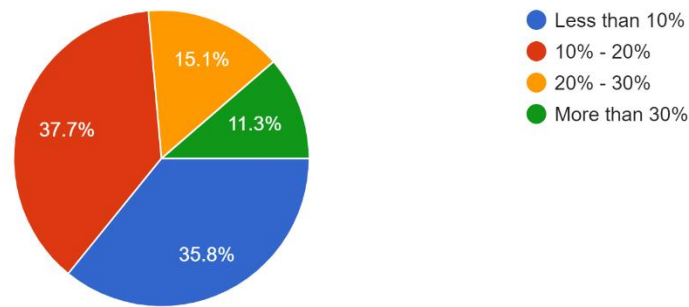
53 responses



In the above diagram, from the total population about 66% have started or increased their investments, about 15.1% did not made any change or did not start their investments, about 18.9% are planning to increase or start their investments.

How much of your income do you typically allocate towards investments?

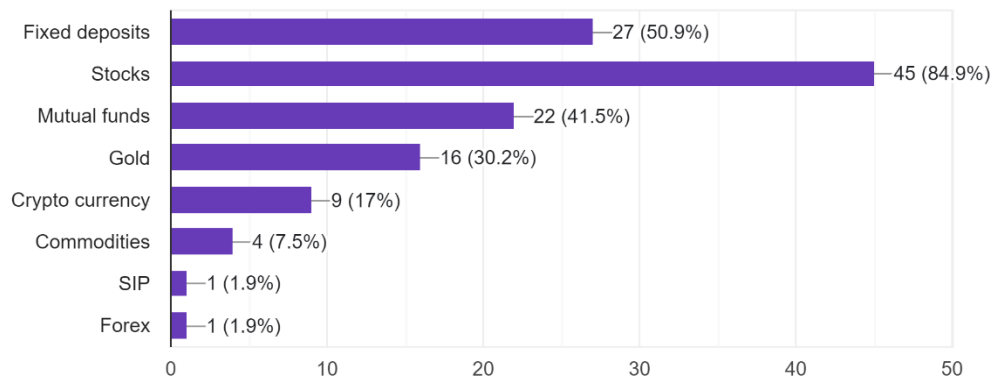
53 responses



In the above diagram, from the total population about 37.7% allocates (10%-20%) income towards investments, about 35.8% population allocates (Less than 10%) income toward investments, about 15.1% population allocates (20%-30%) towards investments and 11.3% population allocates (More than 30%) towards investments.

What investment options do you prefer or have considered since the pandemic? (Select all that apply)

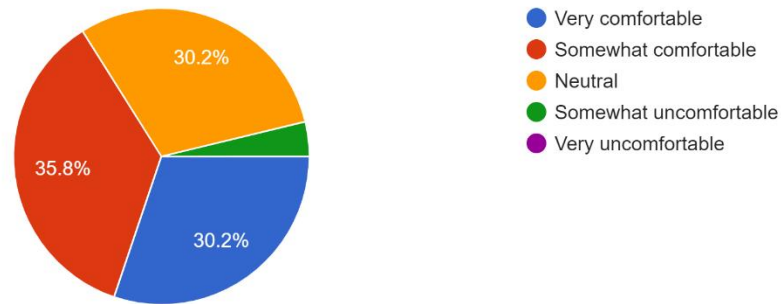
53 responses



In the above diagram stocks is considered as one of the highest preferred option among the population which consists 84.95%, Fixed Deposits is the second most preferred investment with 50.9% population, SIP and Forex are the least preferred investment option with 1.9% population each.

How comfortable are you with taking risks in your investments?

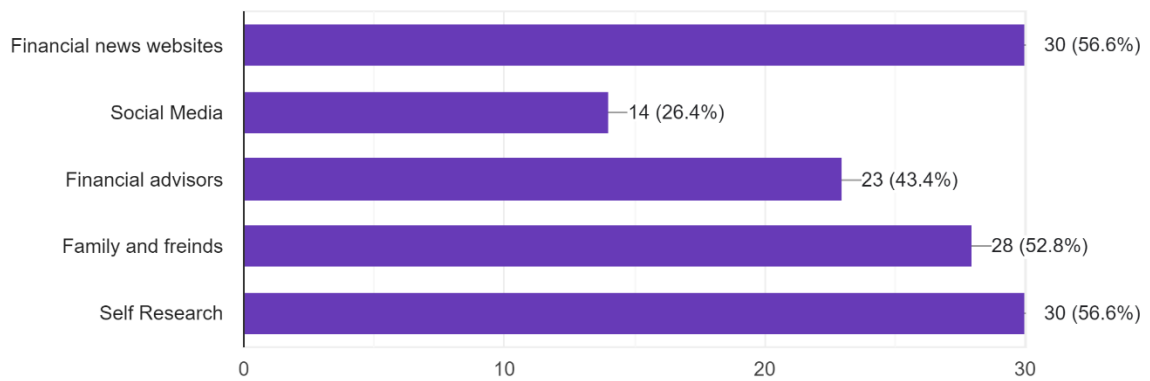
53 responses



In the above diagram, From the total population 35.8% are somewhat comfortable and 30.2% are very comfortable in taking risks in investments, about 30.2% population is neutral on taking risks in investments and 3.8% population is somewhat uncomfortable in taking risks in investments.

What sources do you primarily rely on for investment information? (Select all that apply)

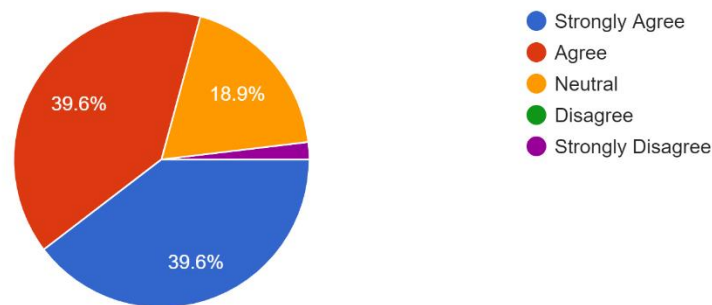
53 responses



In the above diagram, Financial news websites and Self-research is the most preferred sources for investment information among the population and social media is the least preferred source for investment information.

Do you feel optimistic about the future of investing in India post COVID-19?

53 responses



In the above diagram, from the total population 39.6% strongly agree and 39.6% agree about the future of investing in India post covid-19, about 18.9% are neutral about the future of investing in India post covid-19 and 1.9% population strongly disagrees about the future of investing in India post covid-19.

FINDINGS:

- 1. Insufficient Knowledge About Finance:**

It's possible that a large number of young people lack sufficient financial education and are unclear about the advantages of investing or how to get started. It can be challenging for young individuals to feel comfortable making investing selections if they don't have a fundamental knowledge of financial concepts and investment possibilities.
- 2. Priorities for short-term finances:**

Young individuals might not have the spare money to invest if they are preoccupied with short-term financial goals like establishing a family, saving for a down payment on a home, or paying off college loans. Furthermore, they might not see the immediate returns on their investments and instead put other costs ahead of preserving money for the future.
- 3. Lack of Access to Investment Opportunities:**

Due to a lack of funds or knowledge about the investing process, some young individuals could not have access to investment options. They might not be able to afford real estate or other expensive assets, or they could lack the knowledge necessary to properly investigate and assess their possibilities.
- 4. Influence of Social Media:**

Social media has the power to significantly influence how young people see money. Instead of considering long-term savings and investment, they could be persuaded to spend money on ostentatious lives by their peers.
- 5. Absence of Direction:**

Young individuals might not have access to financial counselling or know who to ask for investing advice. It's possible that they lack a mentor or reliable financial counsellor to guide them through the world of investing.

CONCLUSIONS:

To sum up, the research conducted on the investment behavior of young people in India offers important new perspectives on the opportunities and problems that this demographic faces in the investment world.

- According to the report, there are a number of obstacles preventing Indian young from investing, including a lack of access to investment options and financial education, short-term financial objectives, and a fear of taking on unnecessary risk.
- The study did, however, also demonstrate that young people in India are becoming more interested in investing and are prepared to assume some risk in order to generate larger returns.
- The study's conclusions imply that young people in India require more interested in investing and are prepared to assume some risk in order to generate larger returns.
- The study's conclusions imply that young people in India require more access to investment options and financial education.

REFERENCES:

1. Reserve Bank of India. (2017). Financial Literacy and Education in India. Retrieved from https://rbidocs.rbi.org.in/rdocs/Publications/PDFs/FL2017_06082017.pdf
2. Nair, S., & Sreekumar, S. (2018). Financial behavior and decision making of young people in India. *Journal of Financial Planning and Management*, 8(1), 1-13.
3. Rajesh, R., & Tiwari, A. (2019). Understanding the financial behavior of Indian youth: An exploratory study. *International Journal of Indian Culture and Business Management*, 16(2), 158-174.
4. Shivendra, S., & Singh, S. (2020). Examining the investment behavior of Indian youth: An empirical analysis. *Journal of Business Management and Economics*, 11(1), 1-10.
5. Bhandari, D., & Mishra, R. (2015). Financial literacy and investment behavior of youth in India. *International Journal of Economics, Commerce and Management*, 3(6), 1-7.
6. Bhat, S. R., & Bhat, S. R. (2016). Investment behavior of youth: A study of cultural and social norms in India. *Journal of Economics and Sustainable Development*, 7(1), 64-72.
7. Sharma, S., & Singh, J. (2018). Investment behavior of youth in India: An analysis of economic and political environment. *Journal of Asian Business Strategy*, 8(2), 63-71.