

# A Study of Investment Portfolio of Senior Citizens in Greater Noida

Nidhi Singh , MBA (Financial Management) Galgotias University  
Mrs. Viveka Rohilla Rajput , Assistant Professor  
School of Finance and Commerce  
Galgotias University

## Abstract

Investment is the backbone of the development of a nation because the collection of the savings of the people from various categories are very much relevant for the industrial and economic development of a nation. More than 80% of the savings of the nation income people including the senior citizens especially the pensioners. In short the senior citizens in all categories either pensioners or non and economic and industrial development in all states in India. Therefore, the study of investment patterns of senior citizens are having eminent relevance in this economy. In this study, the researcher depict the problems and prospects of the investment pa of Kerala.

**Key Words:** Tax Benefits, Risk and Return, Investment, Expense Ratio, Mutual Funds.

## 1. Introduction

Indian economy is growing at a rapid pace and service industry is now becoming the essence of economy. Investment avenues provide money flow in economy. To be a market leader, it is necessary to understand the buying behavior of customer to tap them and make them loyal customer. For any brand acceptance by customers, their priority and brand loyalty is base for increase in market share and presence in market. So it is important for investment companies & for me as a student of marketing, to understand the buying behavior of customers. My research is concentrated on senior citizens. "Commitment of funds made in the expectation of some positive rate of return". Expectation of return is an essential element of investment.

In the words of Suriya et al. (2012), "Financial backers conduct in different contribute roads a review" this study manages the conduct of the financial backer to distinguish the better venture roads accessible in India. The speculation technique is an arrangement, which is made to direct a financial backer to pick the most proper venture portfolio that will assist them with accomplishing their monetary objectives with in a specific timeframe. By expanding privately invested money, contributing can add to higher, by and large financial development and success. The method involved with contributing aides organizations where they can raise their capital through monetary business sectors. Explicit kinds of speculations give different advantages to the financial backer, corporate just as the general public. The Indian financial

backers are particularly mindful with regards to the idea of portfolio distributions and hazard and returns of the speculation.

As mentioned by Gunjan et al. (2011), "Venture Trend Now and Then: A Survey Based Study of Moradabad (U.P.)". The paper endeavors to realize the mindfulness level of the venture options accessible among the financial backers and thinks about the speculation pattern now from 20 years back. The region of the review is Marodabad, a city in Uttar Pradesh and the example size is 150. The information utilized in the review involves both essential and secondary information. The greater part of the financial backers are hazard opposed and along these lines overlook unsafe ventures like subordinates, values and lean toward safe paradise like bank stores, mail center stores, gold, and so on There is almost no improvement in the mindfulness level for more up to date monetary instruments among financial backers throughout the long term.

As such the return is expected to be realized in future. A citizen is a person who has the legal right to belong to a particular country. He has the right to take part in the legislative proceedings of the state to which he belongs. People who are more than sixty years of age are commonly referred to as senior citizens or seniors. Senior citizens are a treasure to the society. They have worked hard all the years for the development of the nation as well as the community. This challenge deals with the distinctive investment decisions made by distinct people and specializes in detail of threat in detail even as making an investment in securities. It also explains how portfolio hedges the risk in funding and giving superior go back to a given quantity of chance. It additionally offers an intensive evaluation of portfolio creation, selection, revision and assessment. After figuring out the investor's behavior, a funding approach has to be devised. An investment method is a plan mounted to assist an investor in deciding on the exceptional appropriate funding portfolio to help them meet their economic objectives inside a specific time frame. Investing can assist to reinforce ordinary financial boom and prosperity by using growing personal wealth. The examine's fundamental aim became to find out about man or woman traders' attitudes on selecting a purpose for which they keep money for the destiny. An individual's saving goal adjustments at each factor of their existence cycle. This shift happens not simplest because of the investors' age however additionally because of their occupation and profits degree. The funding option that home savers select to gain their desires is always substantiated by way of their savings goals.

### Problem of the Statement

Greater Noida as in UP and the report provides life expectancy at birth for years 2002-06 and 2010-20.

Rank	State	Life expectancy at birth	
		(2010-20)	(2002-06)
1	Delhi	69.9	64.1
2	UP	64.1	60.0

Delhi has got the life expectancy at birth- 72.0 years for males and 74.7 years for females. Up has got the life expectancy at birth- 62.9 years for males and 65.4 years for females.

The old age dependency ratio is also increasing day by day. Due to these reasons, senior citizens need a

regular income by way of investments. This study focuses on the investment pattern of senior citizens. The study analyses the investment pattern of the senior citizen in Gautam Buddha

Nagar district. The study has been conducted from the point of view of the senior citizen who have invested their money in different investment avenues.

## Objectives

The objective of my research project is:-

- To distinguish and examination the issues and prospects of investment examples of senior residents in the Gautam Buddha Nagar area of More noteworthy Noida.
- To study and examination the elements affecting example of senior resident.

## 2.Literature Review

In monetary resource speculation, there is a hypothesis in particular Modern Portfolio Theory which is created by Markowitz in the 1952. Markowitz said, "Don't pull all of your investments tied up on one place". Portfolio diversification attempts to lessen the danger of a portfolio to a financial backer (Jones et al., 2009).

Dr.S.SuriyaMurithi, B. Narayanan, M. Arivazhagan2012 "Financial backers conduct in different contribute roads a review" this study manages the conduct of the financial backer to distinguish the better venture roads accessible in India. The speculation technique is an arrangement, which is made to direct a financial backer to pick the most proper venture portfolio that will assist them with accomplishing their monetary objectives with in a specific timeframe. By expanding privately invested money, contributing can add to higher, by and large financial development and success. The method involved with contributing aides organizations where they can raise their capital through monetary business sectors. Explicit kinds of speculations give different advantages to the financial backer, corporate just as the general public. The Indian financial backers are particularly mindful with regards to the idea of portfolio distributions and hazard and returns of the speculation.

Prof. Priya Vasagadekar2014 'A Research paper on venture mindfulness among Indian working ladies with reference to Pune locale' this exploration expects to study and comprehend the speculation mindfulness among Indian working ladies regarding Pune region. Today's, ladies need to be monetarily autonomous and secure their future with enough cash. This examination

depends on the investigation of speculation conduct and examples followed by working ladies in different areas in Pune district. Analyst closed the concentrate by expressing that Pune is a position of development, which is notable for its schooling and presently it turns into the business center too. Ladies' are landing positions at elevated place with great compensation bundles. Since absence of monetary instruction and okay bearing limit the greater part of the ladies can't deal with their portfolio all alone.

SmitaSrivastava;GunjanSaxena (2012); "Venture Trend Now and Then: A Survey Based Study of Moradabad (U.P.)". The paper endeavors to realize the mindfulness level of the venture options accessible among the financial backers and thinks about the speculation pattern now from 20 years back. The region of the review is Marodabad, a city in Uttar Pradesh and the example size is 150. The information utilized in the review involves both essential and secondary information. The greater part of the financial backers are hazard opposed and along these lines overlook unsafe ventures like subordinates, values and lean toward safe paradise like bank stores, mail center stores, gold, and so on There is almost no improvement in the mindfulness level for more up to date monetary instruments among financial backers throughout the long term.

Rajendra Prasad (2017) expressed that maturing is the regular phase of human existence, it carries with it multitudinous issues for individuals who have become old. These issues can be recognized under sub heads wellbeing; economic, physiological, lodging and senior maltreatment related India faces many difficulties in government assistance for its old populace.

Sachin Kumar Rohtagi Dr. P.C. Kavidayal Dr. Krishna Kumar Singh 2019 "An investigation of reserve funds and speculation examples of little financial backers: A Literature Review" study is centered around accessible writing on saving and venture example of little financial backers in Uttarakhand locale of India. Analyst attempt to discover the hole in the accessible writing. Reseacher closed the concentrate by expressing that little financial backers are intensely rely upon their friends guidance for speculation as a result of absence of monetary education. There is need to give a decent report material to little financial backers with the goal that they upgrade their ability and settle on their own choices.

ZankhanaAtodaria b, Ronika Devi Sharma b (2019) "Speculation example of salaried class of Somnath (Daman) - An investigation of different venture choices accessible" the point of the examination is to dissect mindfulness, insight and conduct in regards to various venture roads accessible for salaried individuals and example of venture. As per them the vast majority of individuals don't know about making an interest in share market so they lean toward customary speculation choices. Scientist observed that rationale of the salaried individuals of speculation is reliant upon age. The variables considered by salaried individuals while maling speculation is normal return and duty responsibility. Besides they make venture due to accessibility of data about speculation and administrations given by venture specialists. Larger part of individuals have a place with age category of 21 to 40 make speculation to meet their future necessities and improvement in way of life.

### **3. Research Methodology**

The study consists of both primary and secondary data. The primary data have been collected from the senior citizens by questionnaire. The secondary data have been collected from various books, journals.

There are two sorts of information:-

1. Primary Information were accumulated involving survey as a device for information assortment. The information was gathered through private reach individually informing, and email with the assistance of an all around planned organized and pre-tried survey. The poll was drafted to concentrate on the inclinations of workers of the association and gathered important data about their speculation the executives procedures and methodology used to deal with the portfolio.
2. Secondary Information is the information gathered by somebody other than the client. Normal wellsprings of optional information for sociology incorporate censues, association records and information gathered through subjective strategies or subjective research. Essential Information, conversely, are gathered by the agent leading the research.
3. Secondary Data examinations save time that would somehow or another be spent gathering information and, especially on account of quantitative information gives bigger and greater data sets that would be unworkable for any singular researcher to gather all alone. Likewise, examiners of social and monetary change think about auxiliary information fundamental, since it is difficult to lead another study that can satisfactorily catch past change and improvements.

My research project is comprise of both Essential and Optional Information.

I took help of review surveys in the essential information and took the assistance of books, diaries, sites and research papers in the auxiliary information.

#### **Limitations of the study**

The mission is primarily based upon various monetary tool which are to be had in India and the notion level of the client about those monetary units. For which there can be the want of information from the customers about their knowledge of these financial merchandise. The various limitations of the take a look at are:

- Total quantity of financial device inside the market is so big that it desires quite a few assets to investigate them all.
- Handling and studying the sort of varied and different facts needs quite a few time and assets.
- Reluctance of the people to offer entire data about themselves can affect the validity of responses.

- Due to time and value constraint study is carried out in handiest region of Ghaziabad and Greater Noida.
- The lack of understanding in clients approximately the economic instrument may be a prime difficulty.
- The Information may be biased due to the usage of questionnaire.

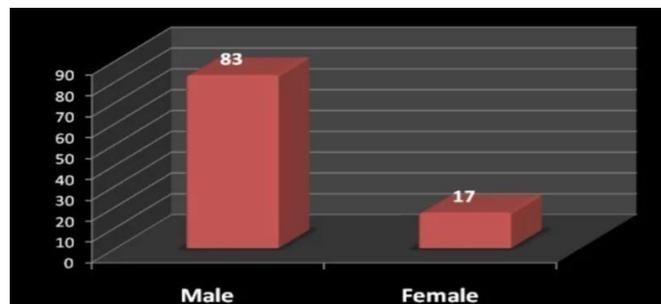
#### 4. Results and Analysis

The demography proportions of the respondents are summarized in the below table: PRIMARY DATA

S.n o	Name	Profession	Earn	Invest	Not Invest	Invest Anywhere	Primary Goal	Goal
1	Suresh Kumar	Salaried	7,50,000	Yes	No	Eq.share, deb.etc	Side income	Consultancy firm
2	Nitin Singla	Self-Employed	15,00,000	Yes	No	Equity Shares	Passive Income	Diversify
3	Yudhistir Bhati	Farmer	20,00,000	No	Yes	Bank	Security	Expansion
4	Manoj Shukla	Salaried	7,50,000	No	Yes	Bank	Side Income	Smooth Life
5	Sakshi Rawat	Retired	6,00,000	Yes	No	Eq. sh. , MF	Retirement Benefit	Social Work

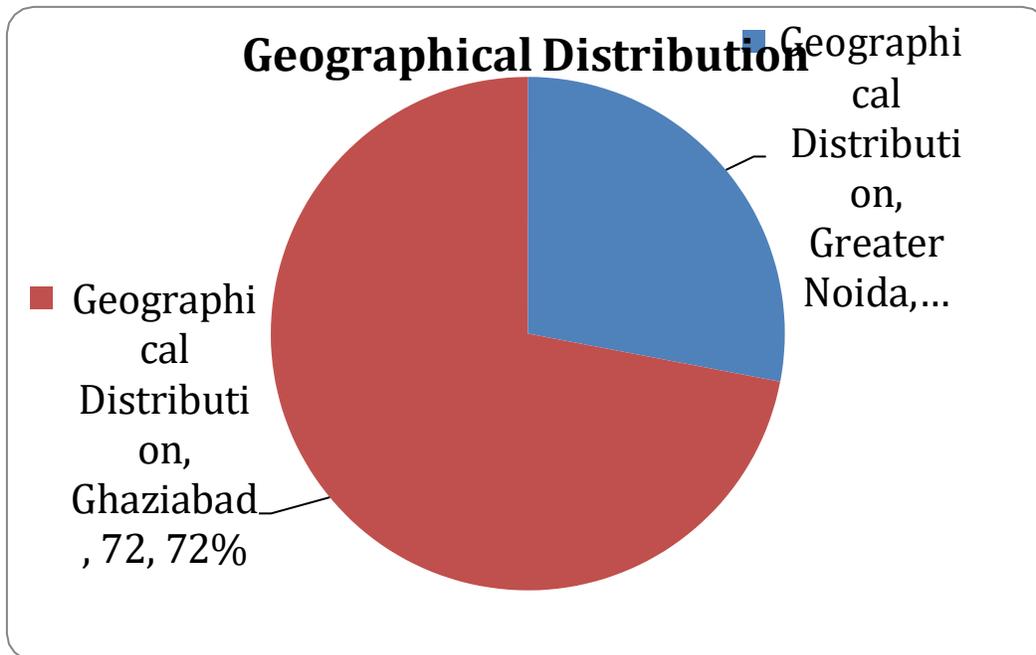
A-Number of Male and Female in Surve

Gender	Respondent
Male	83
Female	17
Total	100



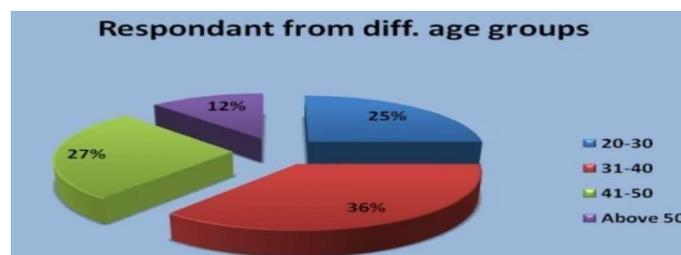
B-Geographical Distribution

Geographical distribution	% of respondent
Greater Noida	28
Ghaziabad	72



C-Age of the respondent

Age	% of Respondent
20-30	25
31-40	36
41-50	27
Above 50	12
Total	100



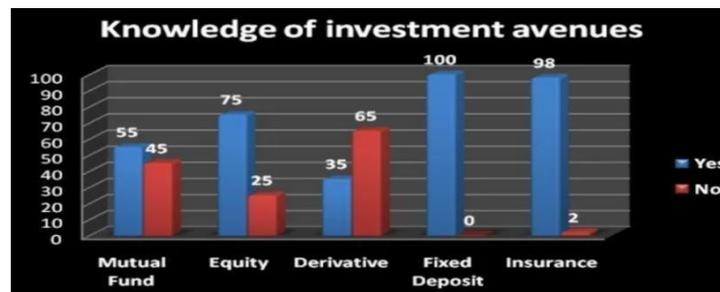
D-Occupation of Respondent

Occupation	% of Respondent
Student	5
Entrepreneur	25
Working	32
Professional	23
Retired	15
Total	100



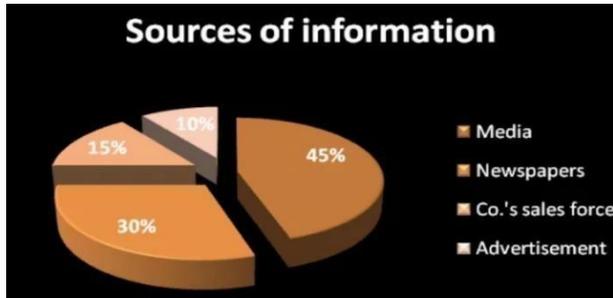
E-Knowledge about the available investment avenues

Investment Options	Yes	No
Mutual fund	55	45
Equity market	75	25
Derivatives	35	65
Fixed Deposit	100	0
Insurance	98	2



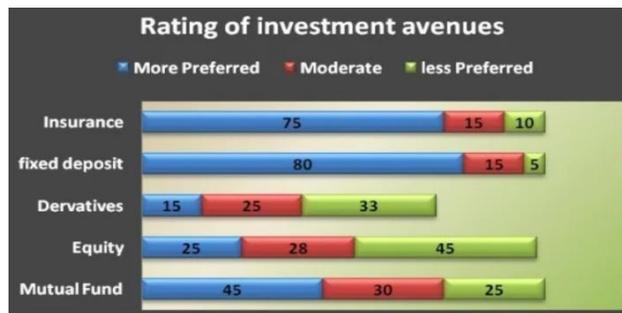
F-Sources of information regarding investment avenues

Sources of information	Responses in %
Media	45
Newspaper	30
Co.'s sales force	15
Advertisement	10



G-Rating given to investment Avenue

	More preferred	Moderate	Less preferred
Mutual fund	25	22	15
Equity	12	18	22
Derivatives	7	10	33
Fixed deposits	80	15	5
Insurance	75	15	10

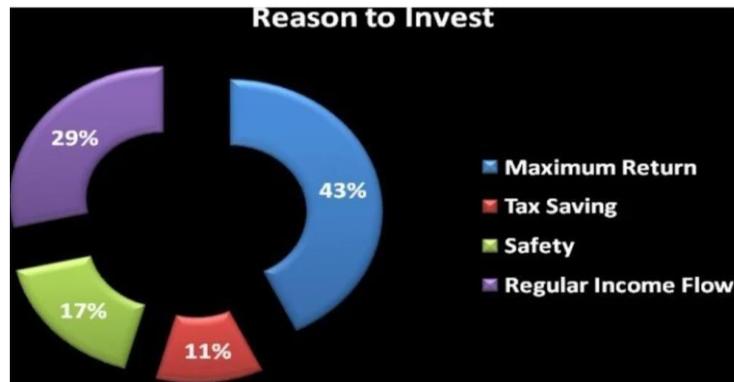


H-Basis for making investment

Basis of investment	Responses in %
Market Sentiments	43
Fundamental& technical analysis	18
Past performance	39

I-Reason for choosing any particular investment option

Reason to invest	Responses in %
Maximum Return	45
Tax Saving	12
Safety	18
Regular income flow	30



## 5. Findings and Suggestions

- The investor can apprehend and examine the issue and go back of the shares via the usage of this evaluation.
- The investor who bears excessive risk might be getting excessive returns.
- The investor who is having ideal portfolio might be taking greatest returns with minimum risk.
- The investor ought to include all securities which are undervalued in their portfolio and remove those securities which might be over valued.
- The investor has to hold a portfolio of diverse quarter stocks instead of investing in a single region of different stocks.
- People who're making an investment in them usually depend upon the recommendation of their buddies, household and financial advisors.
- People normally invest their savings in constant deposits, routine deposits, and national financial savings certificates and authorities securities as they are less unstable and the returns are guaranteed.
- Every investor invests in fundamental necessities. They plan to put money into insurance (LIC, GIC) and pension budget as those provide guaranteed returns and are much less unstable.

## 6. Conclusion

- To earn precise return with less capital issue, a investor have to be lively whilst designing his portfolio.
- Every attributes of investor like his age stage, earnings stage, his expectation stage have effect on their portfolio signal.
- An investor ought to go with nicely assorted portfolio in compare to stick on only one or investment avenue.
- Investors have to update his information continuously to grab suitable possibilities in

market.

- An investor must go with nicely varied portfolio in examine to stick on handiest one or funding road.
- Investors have to update his knowledge continuously to grab suitable opportunities in marketplace.
- Investors need to take decision cautiously due to the fact updation of portfolio is a luxurious affair.
- Most of the senior residents have their profits as much as 10000/- consistent with month, it shows that they can have a small amount of their present day month-to-month income.
- Most of senior citizen are retired from government. Provider means they have got normal supply of earnings, they could effortlessly store, even though shall quantity, the money for investment regularly.

### Reference

1. Carhart., M. M., (1997), On persistence in mutual fund performance, *Journal of Finance*, 52(1), pp 57-82.
2. Chen, Carl R, Lee, Cheng F, Rahman, Shafiqur; Chan, Anthony, (1992), A Cross-Sectional Analysis of Mutual Funds' Market Timing and Security Selection Skills, *Journal of Business Finance and Accounting*, 19(5), doi: 10.1111/j.1468-5957.1992.tb00650.x.
3. Chen, H. L., Jegadeesh, N. and Wermers, R., (2000), The Value of Active Mutual Fund Management: An Examination of the Stockholdings and Trades of Fund Managers, *Journal of financial and quantitative analysis*, 35(3), pp 343-368.
4. Coval, J. and Moskowitz, T., (1999), Home bias at home: local equity preference in domestic portfolios, *Journal of finance*, 54, pp 2045-2073.
5. Downen and Mann, (2004), Mutual fund performance, management behaviour and investor costs, *Financial Services Review*, 13(1), pp 79-91.
6. Droms and Walker, (1994), Investment Performance of International Mutual Funds, *The Journal of Financial Research*, 17(1), pp 1-14.
7. Droms and Walker, (1995), Determinants of Variation in Mutual Fund Returns, *Applied Financial Economics*, 5(6), pp 383-389.
8. Droms and Walker, (1996), Mutual Fund Investment Performance, *Quarterly Review of Economics and Finance*, 36(3), pp 347- 363.

9. Droms and Walker, (2001), Persistence of mutual fund operating characteristics: returns, turnover rates, and expense ratios, *Applied Financial Economics*, 11(4), pp 457-466.
10. Elton, Gruber, and Blake, (1996), The persistence of risk adjusted mutual fund performance, *Journal of Business*, 69(2), pp 133-157.
11. Grinblatt, M. and S. Titman, (1989). "Mutual fund performance: an analysis of quarterly portfolio holding", *Journal of Business*, Vol 62, Issue 3, pp 393-416.
12. Grinblatt, M. and Titman, S., (1992), The persistence of mutual fund performance, *Journal of Finance*, 47(5), pp 1977-84.
13. Grinblatt, M. and Titman, S., (1993), Performance measurement without benchmarks: an examination of mutual fund returns, *Journal of Business*, 66(1), pp 47-68.