

Summer Internship Project Report

On

STUDY OF HUMAN BEHAVIOUR WHILE INVESTING IN STOCK MARKET

ASHRAY BHATIA

2019BBA007



Under the supervision of

DR. RICHA MISHRA

(Submitted in partial fulfillment of the requirements of the BBA degree)

Institute of Management

JK LAKSHMIPAT UNIVERSITY (2020-21)



ACCRAU INTELLIGENCE MANUALS INDIA PVT. LTD.

20 Aug, 2021

To,

Ashray Bhatia

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We are pleased to confirm that Ashray Bhatia from JKL has successfully completed his Internship with Project Title '**MARKETING**' from 14 Jun, 2021 to 14 Aug, 2021.

Aggregate on the basis of his performance during the Internship: 64%.

Location for internship: (Delhi/Work from Home)



(Authorized Signatory)

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DECLARATION BY THE CANDIDATE

I the undersigned solemnly declare that the project report is based on my own work carried out during our study under the supervision of **Dr. Richa Mishra (Faculty mentor)**.

I assert the statements made and conclusions drawn are an outcome of my research work. I further certify that

1. The work contained in the report is original and has been done by me under the general supervision of my supervisor.
2. The work has not been submitted to any other Institution for any other degree/diploma/certificate in this university or any other University of India or abroad.
3. I have followed the guidelines provided by the university in writing the report.
4. Whenever I have used materials (data, theoretical analysis, and text) from other sources, we have given due credit to them in the text of the report and giving their details in the references.

Ashray Bhatia

2019BBA007

Institute of Management

CERTIFICATE

It is certified that the Summer Internship Report titled submitted by **Ashray Bhatia** is an original piece of research work carried out by the candidate under my supervision.

Sign. of the Faculty Guide
(Dr. RICHA MISHRA)

ACKNOWLEDGEMENT

The internship opportunity I had with **AIM INDIA PVT LTD Company** was a great chance for learning and professional development. Therefore, I consider myself as a very lucky individual as I was provided with an opportunity to be a part of it. I am also grateful for having a chance to meet so many wonderful people and professionals who led me through this internship period.

I express my deepest thanks **to Ms. Richa Mishra** for taking part in useful decision & giving necessary advices and guidance and arranged all facilities to make life easier. I choose this moment to acknowledge their contribution gratefully.

I perceive as this opportunity as a big milestone in my career development. I will strive to use gained skills and knowledge in the best possible way, and I will continue to work on their improvement, in order to attain desired career objectives.

Sincerely

Ashray

Bhatia

2019BBA007

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EXECUTIVE SUMMARY

The internship report emphasizes the vital work done by the from both academic and non-academic viewpoints. The goal of this document is to identify and summaries the research that was done, the project that was completed, the experience that was obtained, and to emphasize the intern's achievements.

The key goal is to find out what customers want from various investing possibilities.

I have discussed how several factors influence investment decisions in this report by gathering data using a survey, which was created by the author himself.

This report also contains an introduction of the industry, a company overview, the approach I utilized to reach my report's goal, and the authors' internship work and learning at AIM India Pvt.

Industry overview

Companies that provide a variety of financial products or services are referred to as banking, financial services, and insurance (BFSI). This includes universal banks that offer a variety of financial services, as well as businesses that operate in one or more of these financial industries. Commercial banks, insurance companies, non-banking financial companies, cooperatives, and pension funds are all part of the BFSI sector.

HISTORY OF EQUITY MARKET:

Market-oriented economic reforms in India began in 1991. With the removal of administrative controls on bank credit and the primary market for securities, the capital market came to occupy a big role in shaping resource allocation in the country. This heat heightened interest among policymakers and institutional development of the securities market. The efforts towards empowering the securities of the market regulator SEBI and the first efforts towards attracting foreign portfolio investment began early in the reforms process. Almost immediately after the reforms began there was a prominent scandal on the fixed income and equity markets, which got exposed in April 1992. This set the stage for an unusual policy intervention of the establishment of securities exchanges the National Stock exchange NSE by the government.

From 1996 onwards debates about policy issues on the equity market were dominated by questions about the role of leverage trading. There was the proposal to have a spot market based on rolling settlement. in 2001 the crisis has broken the equity market it involved numerous settlements large leverage portions which went wrong accusations of market manipulation, payment crisis at the Calcutta exchange fraud in the banking system at the height of 6 violations at the Bombay Stock exchange.

The crisis was valuable in breaking the five-year deadlock and moving on with other forms in June 2001 trading in index options commenced and within a matter of weeks, the liquidator improves sharply.

Covid-19 90s comedy equity market becomes an asteroid platform with real-time capability for trading in settling stock transactions. However, comma comparable improvements in the infrastructure for both exchange tuitions and Sebi has been highlighted...

Stock market

The term the stock market is a concept for the mechanism that enables the trading of company stocks and other securities and derivatives. The stocks are listed traded on stock exchanges which are entitled specialized in the business of bringing in buyers and sellers of stock and securities together.

BSE Sensex crash on the level of 425 62387 6 in between June and August 1997, the major and pronounce fall in stock markets occurred during the period from November 1997 2 January 1998 with the BSE Sensex declining by 18% to reach the level of 3224 by the end of January 1998.

What is meant by interest?

When we borrow money, we are expected to pay for using it is known as interest is the amount charged to the borrower for the privilege of using the letters money. Interest is usually calculated as a percentage of the principal balance. The percentage rate may be fixed or for the life of the loan or it may be variable depending on the terms of the loan.

What factors determine interest rates?

When we talk of interest rates, there are different types of interest rate - rates that banks offer to their depositors, rates that they lend to the borrowers, the rate at which the government borrows in the bond/government securities market, rates offered to investors in small saving schemes like nsc/ppf, rates at which companies issue fixed deposit extra. The factors which govern these interest rates are mostly economy-related and there are commonly referred to the macroeconomic factors are some of the factors are:

1. Demand of money
2. Level of government borrowings
3. Supply of money
4. Inflation rate

What are the various options available for investment?

- Physical assets
- Financial assets
- Savings bank account
- Money market
- fixed deposits
- Post office savings
- Public Provident Fund
- Bonds
- Mutual funds

FACTORS AFFECTING STOCK MARKET

Investment is one of the fundamental tenets of long-term financial planning. We invest our money in various financial elements in order to combat inflation and establish a corpus, with the expectation that our investment will expand gradually, much like a well-watered plant.

Supply and demand:

There are so many **factors that affect the market**. But if you strip all that is on the outside and look at the most basic factor, it is simple: supply and demand. Like all commodities, an imbalance between supply and demand will raise and lower the price of stock. If there is a sudden scarcity of potatoes, and more and more people are lining up to buy them, the price of potatoes will immediately skyrocket. Similarly, if a company is doing well and everyone wants to buy shares of the same company, there will be a shortage of shares, leading to the shooting up of the stock price of the company. And the opposite happens if there are too many shares available, but no one wants to buy them. The stock price will plummet in that case.

Company related factors:

It is obvious that if a company has public shares, then anything that is happening within the company will directly affect the share price. So, if the company is on the rise, with successful product launches, increased revenue, reduced debt, and more influx of investor capital, then the stock price of the company is bound to increase, because everyone would want to buy shares of such a company that is going from strength to strength.

However, if the company is incurring losses, having product failures, amassing debt, then a majority of the shareholders would want to dump the shares of such a company, reducing the stock price. Other factors that can make stock prices go up and down include changes in the management of the company, and mergers and acquisitions.

Investor sentiment:

The sentiments of the investors themselves can also influence stock market prices. How the stock market performs has something to do with the way investors are putting in money. If investors are taking greater risks and investing aggressively, then stock prices will go up. On the other hand, if investors are more subdued, choosing safety over risk, then the stock prices will come down. There are two factors in this aspect:



Company Overview

AIM India identity as the leading provider of professional wealth advisory in India and Abroad, AIM India delivers a one-stop solution/ service to achieve financial independence. Their principle is to deliver high returns to their clients through their network of government sector banks in India. Their comprehensive wealth management is a high-level professional service that combines financial and investment advice in accounting, taxation services and retirement planning. Their wealth management is much more than just investment advice as they encompass all parts of an individual's financial life. Then coordinate all the services needed to manage client's money and plan for their own and family's current and future needs. They maintain and increase their wealth based on individual's financial situation goals and comfort level with risk.



I. Training Module

In this we learn many things which is discussed in Learning point Sales Module. In sales module company provides us product which we have to sales.

The product name is “India First life Mahajeevan Yojana”

ABOUT PRODUCT:

- With this plan, the policyholder gets maturity benefits and accrued simple reversionary bonus declared annually and terminal bonus if declared at the end of the policy term. India First Life Insurance has announced the launch of its India First Life Mahajeevan Yojana backed by Bank of Baroda. It is a non-linked, participating, individual, limited pay, money back endowment life insurance policy which protects for a longer and short term of 5 to 15 years. As per the company it takes care of an individual's liquidity needs through multiple money backs during the policy term. The Mahajeevan Yojana also allows utilizing the money-back option to fund the next annual premium as needed. The policyholder gets maturity benefits and accrued simple reversionary bonus declared annually and terminal bonus if declared at the end of the policy term.

The expectation of customer which our product fulfills:

- Higher Return
- Risk Free
- Fixed & Assured Return
- Tax Benefits
- Flexible Investment
- User Friendly
- Easy Liquidity
- Transparency
- Regulated Sector
- Approachability & Accessibility
- No Extra Charges
- Long / Short Term Option
- Inflation Cover
- Goodwill & Brand Value
- Safety & Security
- Nominees Option
- Customer Support
- Easy Entry & Exit
- No Penalty Charges
- All Age Option
- All Payment Option & Modes
- Regular Return
- Global Reach
- Government as a Backbone
- High Growth Potential Two Way Communication
- Secondary Income
- Joint Account Facility

In this module we had to sale our product which was “India First life Mahajeevan Yojana” and how I proceed in this module is discussed in following point:

- i. First, I noted down all the information regarding product
- ii. Then I work on pitching the product
- iii. After that I made the list of people whom I should pitch
- iv. I start updating my list and try to convince the people
- v. I did some meetings and conversations with clients.

II. Module by Choices

- Marketing

-Learning

- How to make salary slip

Salary Slip For March 2021			
Personnel No.		Name	Haripriya Dubey
Bank		Bank A/c No.	
DOJ	15-06-2021	LOP Days	0
PF No.		STD Days	31
Location	Delhi	Worked Days	31
Earned Leaves	7	Designation	
Earning	Amount in Rs.	Deduction	Amount in Rs.
Basic	₹ 58,333	Insurance	₹ 2,500
House Rent Allowance	₹ 11,667	Provident Fund	₹ 7,000
Special Allowance	₹ 37,500		
Conveyance	₹ 2,000		
Gross Earning	₹ 1,09,500	Gross Deduction	₹ 9,500
Net Pay		₹ 1,00,000	
Working note :			
	Amount in Rs.		
CTC	₹ 20,00,000		
Fixed	₹ 1,16,667		
Variable	₹ 50,000		

Figure 1 - SALARY SLIP

I learn about taxation

Particular	Amount				below 60	Tax Liability	
Earning of Business	₹ 75,00,000						
Car as a gift	₹ 8,00,000					₹ 2,50,000	₹ -
Family Trip	₹ 20,00,000					₹ 2,50,000	₹ 12,500
lottery	₹ 16,00,000					₹ 5,00,000	₹ 1,00,000
Gifted his wife	₹ 4,50,000				Sum	₹ 10,00,000	₹ 1,12,500
Insurance policy premium annually	₹ 55,000					₹ 1,22,25,000	₹ 36,67,500
Tuition Fee	₹ 50,000						
PPF	₹ 80,000						
Matured Insurance policy	₹ 35,00,000						
Medical test	₹ 7,000						
Health Insurance	₹ 28,000						
Gross Total Income	:Earning of Business + Car + Lottery + Matured Insurance policy						
	₹ 1,34,00,000						
Deduction							
80C	₹ 1,50,000						
80D	₹ 25,000						
Taxable income	:Gross Total Income - Deduction						
	₹ 1,32,25,000						

Figure 2 -TAXATION

- I learn about different financial sector.
Which consist of:
Banking
Stock Market
Real Estate
PPF (Public Provident Fund)
Post Office Saving
Insurance
Gold
- I learn about different banking sector.
which consist of:
Bank of Baroda
Andhra Bank
Union Bank
Vijay Bank
Dena Bank
Indian First Life
- I learn how to pitching the product in market
- Also, different types of products in the market

OBJECTIVES

- To know the customer behavior towards the Investment products.
- To know investment pattern of customer of stock market and other products available.
- To survey people to understand their preference during investment.
- To identify the customer expectations regarding investment.
- To assess the current satisfaction level among the customers regarding their investment.

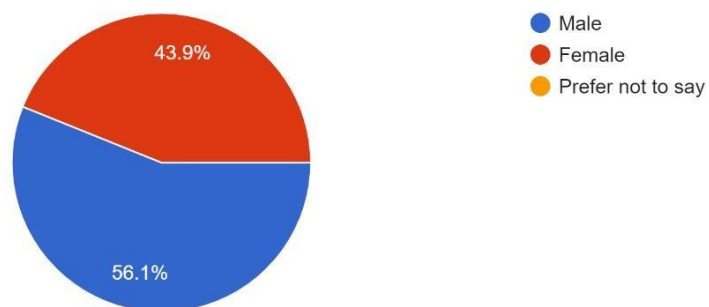
Analysis

People who responded to the survey and here is the analysis of the following: -

Gender

- 56.1% respondents are male.
- 43.9% respondents are female.
- 0% respondent are prefer not to say

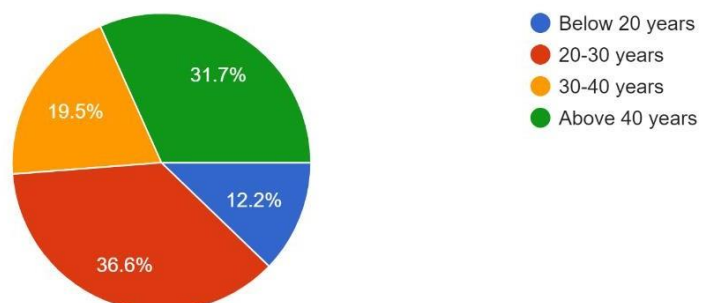
Gender
41 responses



Age

- 12.2% people are below 20 years
- 36.6% people have age between 20-30 years
- 19.5 % people have age between 30-40 years
- 31.7% people are above 40 years

Age
41 responses

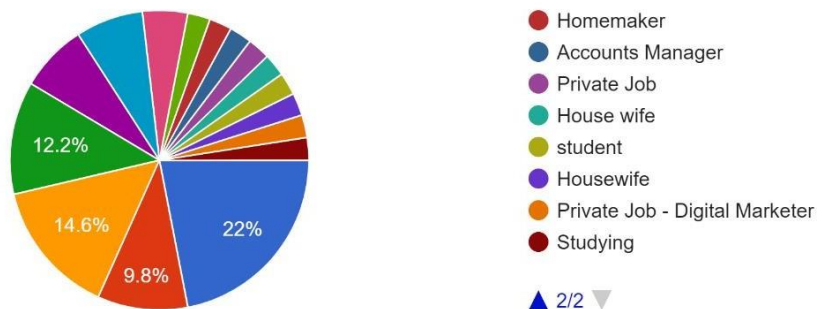


Occupation

- 22% respondents are businessperson
- 9.8% respondents are government servant
- 31.6% respondents are student
- 16.9% respondents are housewife
- 12.1% respondents are job
- 2.4% respondents are accounts manager
- 4.9% respondents are doctor

Occupation

41 responses

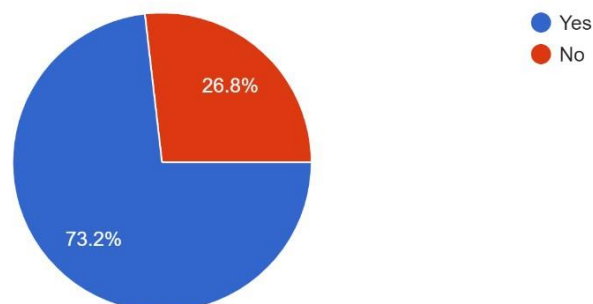


Number of people who have investment

- 73.2% respondents have investment
- 26.8% respondents not have investment

Do you have any kind of Investment ?

41 responses



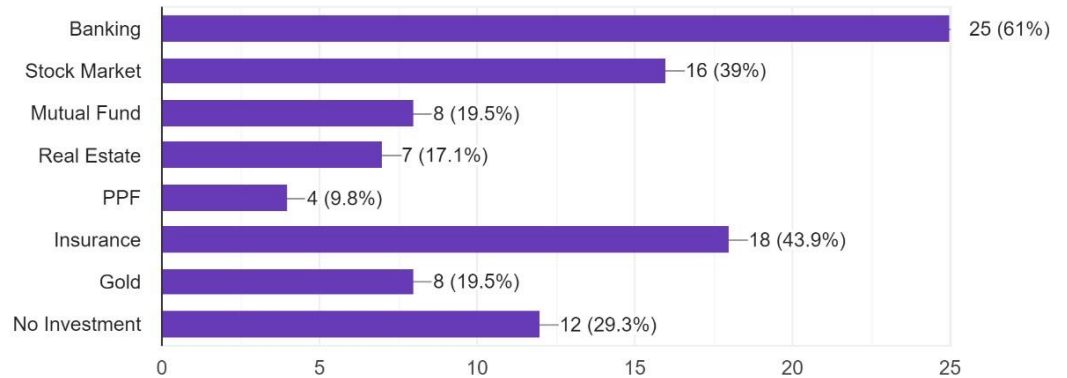
Where people investing their money

- 61% of respondents are investing their money in banking
- 39% of respondents are investing their money in stock market
- 19.5% of respondents are investing their money in mutual fund
- 17.1% of respondents are investing their money in real estate
- 9.8% of respondents are investing their money in ppf
- 43.9% of respondents are investing their money in insurance

- 19.5% of respondents are investing their money in gold
- 29.3% of respondents are not investing their money

Where are you Investing your money ?

41 responses

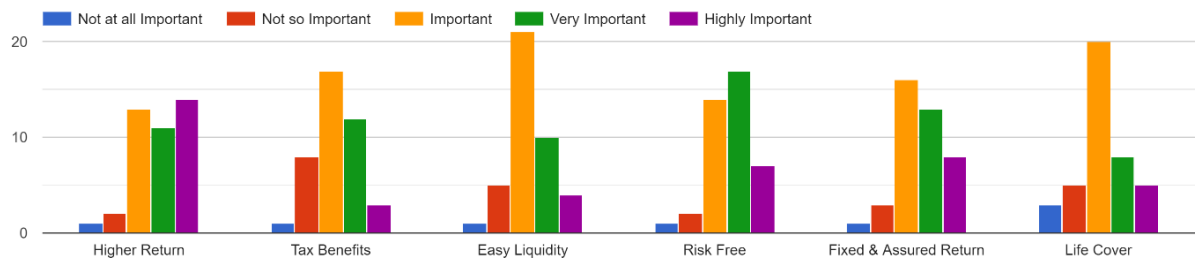


Factors which influence the investment decisions most

- 1 responded higher return not at all important
- 2 responded higher return not so important
- 13 responded higher return not so important
- 11 responded higher return very important
- 14 responded higher return highly important
- 1 responded tax benefits not all important
- 8 responded tax benefits not so important
- 17 responded tax benefits important
- 12 responded tax benefits very important
- 3 responded tax benefits highly important
- 1 responded easy liquidity not all important
- 5 responded easy liquidity not so important
- 21 responded easy liquidity important
- 10 responded easy liquidity very important
- 4 responded easy liquidity highly important
- 1 responded risk free not all important
- 2 responded risk free not so important
- 14 responded risk free important
- 17 responded risk free very important
- 7 responded risk free highly important
- 1 responded fixed & assured return not all important
- 3 responded fixed & assured return not so important
- 16 responded fixed & assured return important
- 13 responded fixed & assured return very important
- 8 responded fixed & assured return highly important
- 3 responded life cover not all important

- 5 responded life cover not so important
- 20 responded life cover important
- 8 responded life cover very important
- 5 responded life cover highly important

How important are these factors to influence your investment decisions?

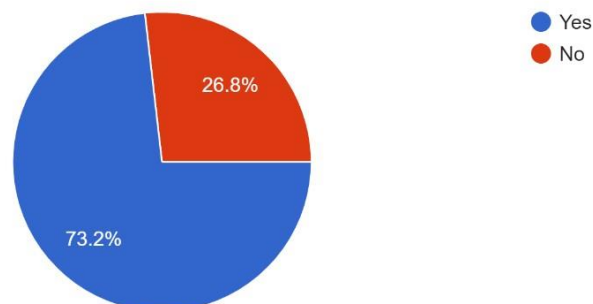


Number of people whose investments is fulfilling their expectation

- 73.2% of respondents investment is fulfilling their expectations
- 26.8% of respondents investment is not fulfilling their expectations

Are your Investments are fulfilling your expectation ?

41 responses



METHODOLOGY

Methodology is a systematic way of solving a problem it includes the research method for solving a problem, it includes the research method for solving the problems.

Type of Research: Descriptive research.

SAMPLING TECHNIQUE

The sampling technique that adapted to conduct the survey was convenient sampling and the area of the research was concentrated in the city of JAIPUR only. The survey was conducted by visiting different places like colleges, corporate offices, respondent's home, railway stations etc.

DATA SOURCE

The task of data collection begins after a research problem has been defined. In this study data was collected through both primary and secondary data source.

SECONDARY DATA

Secondary data consists of information that already exists somewhere, having been collected for some other proposes. In this study secondary data was collected from company website, magazines and brochures.

CONCLUSION

India has traditionally been a high savings-oriented country. I have learnt various practical aspects of investments and the stock market. After asking and talking to some of the customers I got to know about different customer behaviors and their experiences.

A wide range of literature on investment decisions has been reviewed. The choice of investment avenue and investment decision is influenced by different factors. This study found that some main factors like higher return, risk free, easy liquidity influence the choice of investment avenue and investment decision.

I find out most of the middle age and above 20 age people are more active investors and have more expectations and more preferences.

Furthermore, this internship program was not one sided, but it was a way of sharing knowledge, idea and opinions.

This internship was also good to find out what our strengths and weaknesses are. This helps us to defined what skills and knowledge we have to improve for future. We can confidently use our knowledge we gain through this internship.

In addition! I did person meeting with some of the clients in order to close the deals, I handle their queries and issues like they were difficult to find different ways to invest. It was a great experience doing this. At last, the internship gives us a new insight regarding different sectors.

LEARNING FROM SIP

- A man without practical knowledge is just like a rough diamond. To shine like a real diamond, one must have practical exposure of what he has learnt. For the students of management theoretical knowledge is just like lock without key so practical knowledge is of so much important.
- The summer internship project has given the opportunity to learn and know about real corporate experience and understand working environment. Practical knowledge is the best experience and, on this basis, we can easily understand about what they want to say. Firstly, each student knows about the theory, so that on the basis of theory, he can easily learn how to do the work and what is the best way to achieve satisfaction. That is why we can say that theory is guidelines for practical.
- During my internship what we learnt in theories about financial management, human resource management, and also about marketing, I experienced all those functional departments working in the real situations which was quite amazing.

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The Hindu- Business Line, Catalogs, Broachers, Business Operation Prospects