Investigation of the Determinants to Augment Investment in the Indian Stock Market

Dr. Gurinder Singh and Ms. Navleen Kaur

Amity International Business School, AMITY UNIVERSITY UTTAR PRADESH (NOIDA)

Abstract- The purpose of this study is to access the factors which resist common man in India from investing in stock market and ways to overcome such hesitations with the sole motive to induce investment in Indian Stock Market. India is one of the fastest developing countries in the world. As country's growth is mainly dependent upon its financial markets, India is also concentrating towards its share market sector. Indian stock markets are the engines that drive the vehicle of our economy by pumping in much needed capital. The study compares investment in Indian Stock Market with United State, London and Japanese Stock Market. This research is based upon a survey conducted on both investors and non-investors. This paper tends to find out why in a population of over one billion; barely 3% invest in equity markets in India, whereas in developed countries like US, UK and Japan more than 50% invest in equity markets.

Index Terms- Indian Stock Market, Foreign Stock Markets, Capital Market, BSE, NSE, Stock market integration, Global stock markets

I. INTRODUCTION

Capital market is a channel through which small and scattered savings of investors are utilized into productive corporate activities. It also provides the essential attributes of liquidity, marketability and safety of investments to the investors. A well organized and well regulated capital market facilitates sustainable development of the economy. Every government tries to develop their capital market through various measures. Capital market operations are of two type's i.e. primary market operations and secondary market operations or stock market.

The Indian stock market is the engines that drive the vehicle of Indian economy by generating much capital needed. The Indian stock market is one of the most developed markets in the world. The origin of Indian stock market can be traced to the later part of the eighteenth century. It is one of the oldest and fastest growing in the world. There are two main stock exchanges in India:

Bombay Stock Exchange (BSE): BSE was established in 1875 as ''the native share and stock broker association''. It is Asia's first stock exchange. It is one of India's leading exchange groups. With more than 5000 companies listed on it makes it world's number one stock exchange in terms of listed companies.. It is also one of the world's leading exchanges for Index options trading. BSE's popular equity index - the SENSEX - is India's most widely tracked stock market benchmark index. It is traded internationally on the EUREX as well as leading exchanges of the BRCS nations (Brazil, Russia, China and South Africa).

National Stock Exchange (NSE): NSE was incorporated in November 1992 as a tax paying company. It was recognized as a stock exchange in April 1993. In October 1995 it became largest stock exchange in the country. It is 11th largest stock exchange in the world by market capitalization of around US$1 trillion. The NSE's key index is CNX Nifty. The Exchange has brought about unparalleled transparency, speed & efficiency, safety and market integrity. It has set up facilities that serve as a model for the securities industry in terms of systems, practices and procedures.

The Indian Stock Market is mainly affected by two E's-

I. Earnings/Price Ratio- price-earnings ratio is company's current share price compared to its earning per-share. It is the most popular method of stock analysis.
II. Emotions/Sentiments- stock market are driven by emotions and sentiments. They play an important part in investing. The rise and fall of Sensex is hugely dependent of emotions.

U.S. Stock Market

A market for stocks in the United States has existed in one form or another for more than 200 years. Originating with a few brokers meeting outside the NY Street, today the stock market has become one of the most essential financial institutions in the U.S. economy. Today there are three major stock exchanges. To fit the vast story of the stock exchange into this research we focus on only on New York Stock Exchange and NASDAQ.

New York Stock Exchange:

NYSE is the largest equities-based exchange in the world. It is based in New York City, U.S. The origin of NYSE can be traced back to 200 years. NYSE remains the world's foremost securities marketplace after centuries of growth and innovation. NYSE was formerly run as a private organization and became a public entity in 2005. In 2007 NYSE merged with European Exchange and formed NYSE Euronext. It is also known as the "Big Board". More than half of all NYSE trades are conducted electronically. Over the years its commitment to investors has been immovable. Its persistent innovation and application of technology has made it to provide unparalleled quality of services.

NASDAQ

NASDAQ stands for National Association of Securities Dealers Automated Quotations. It is a computerized trading system for trading in securities. It was the world's first electronic market. Today NASDAQ is the largest electronic stock market with over 3,000 companies listed. In 2007 NASDAQ merged with Scandinavian exchange group OMX and became THE NASDAQ OMX GROUP, further enhancing its commitment to technology and innovation across global markets. Today, the NASDAQ OMX Group owns and operates 24 markets, 3 clearing houses, and 5 central securities depositories, spanning six continents--making it the world's largest exchange company.

II. WHY PEOPLE INVEST MORE IN U.S.

- U.S. Markets are Better Capitalized: The U.S. stock markets represent the biggest single concentration of wealth in history. In terms of market capitalization, no other financial market comes close to the combined U.S. stock markets. As of the end of 2011, the market capitalization of the NYSE was valued at US$11.8 trillion.
- U.S. Stock Markets are More Liquid: Just looking at the NYSE alone; the value of share trading for the whole year of 2011 was 6 times that of London, 4.5 times that of Tokyo, and 13 times that of Hong Kong. U.S. markets are still the biggest in terms of turnover as well as value. That means there's a very high chance of finding a buyer or seller of any particular stock at any given time.
- U.S. Stock Markets Offer Greater Diversification: U.S. markets offer access to a huge variety of U.S. companies seeking to raise capital. With almost 5,000 companies to select from, you can invest in major companies and brands from all over the world who list their shares on U.S. financial markets.
- US equities are the core of almost every major global equity: The US gross domestic product (GDP), which measures production of goods and services, is $15 trillion (compared to India's $1.5 trillion). This is 21.67 per cent of the world GDP. Listed companies in the US account for more than 33 per cent world market capitalization. Between 1980 and 2010, the US markets generated 14 per cent annual compounded growth in rupee terms. A global presence helps US companies not only mitigate country-specific risks but also take advantage of growth in emerging and other economies. On an average, US equities represent close to 50 per cent of global equity indices. The US is also one of the most diversified equity markets in the world with the top two sectors, financials and technology, accounting for only 34 per cent market capitalization.

London Stock Exchange

London Stock Exchange is the primary stock exchange in United Kingdom. It is largest stock exchange in Europe. It is the most international stock exchange with 350 companies from more than 50 countries. With partnerships to various international exchanges in Asia and Africa, it aims to remove cost and regulatory barriers of capital markets worldwide. From conducting its business in the coffee houses of 17th century London, the Exchange is one of the world's oldest stock exchanges and can trace its history back more than 300 years.

III. WHY PEOPLE INVEST IN LONDON STOCK EXCHANGE

- British shares generally pay higher dividends, mostly because British government doesn't tax dividends twice.
- British shares are generally cheap. British companies generally pay larger dividends than American companies, with the current yield on the FTSE 100 being 3.8% compared to 2.4% on the S&P 500. This is because British tax law favors dividends, while American tax law encourages companies to distribute money to their shareholders via buybacks.
- Many British companies do business in the fastest-growing economies of the world -- emerging markets such as Brazil, China, India, Indonesia, and South Africa -- and buying their shares is an easy way to invest in their growth.
- London is the center of the global mining industry, so a disproportionately large number of foreign mining companies are listed there. Many are members of the FTSE 100, such as Africa-based Anglo-American, Chilean copper miner Antofagasta, and India's Vedanta Resources.

Tokyo Stock Exchange

Tokyo stock exchange is the largest stock exchange in Japan with its headquarters in Tokyo. It was established on May 15, 1878. It is third largest stock exchange in the world by market capitalization. In July 2012 Tokyo stock exchange merged with the Osaka securities exchange and formed Japan Exchange Group. Japan Exchange Group was launched on January 2013. Atsushi Saito will be the group CEO of this exchange. This exchange is home to the best known Japanese MNC's including Toyota, Honda and Mitsubishi.

WHY INVEST IN JAPAN

- Japan is Cheap: The stock market is cheap. Possibly very cheap -- at a time when nearly everything else looks pricey. The Nikkei 225, Japan's major stock market index, trades at just 10 times forecast earnings. The dividend yield is up to 2.3 percent -- a hefty amount in a country with zero inflation. Japanese equities today trade for half of annual revenues, according to FactSet. And they trade for less than book value, while U.S. stocks trade for twice book.
- World's third-biggest economy: Japan is still the world's third-biggest economy, and it is far more successful than most people realize. Japan is still a great exporter. It is running a current account surplus equal to 3 percent of gross domestic product (compared with America's current account deficit of 3 percent of GDP). Over the past 20 years, real output per worker in Japan has grown nearly as fast as that in the U.S.
- Decisive Central Bank: The Bank of Japan has moved swiftly to pump extra liquidity into the Japanese market – nearly $700 billion to date, to be exact. This sends the global markets a clear message – that the bank will take aggressive measures to offset any true financial panic.

IV. LITERATURE REVIEW

Balasubramanian Bala N and Ramaswamy Anand, (2014) The research studied concentrated ownership and control is the predominant shareholding pattern in India. Over the 11-year study period from December 2001–December 2011, controlling shareholders further entrenched themselves by substantially increasing their holdings. Foreign companies in this study strengthened their entrenchment, with median holdings running over 50% right through. The changes in the Government policy opened up several business sectors for majority foreign direct investment could have been a contributing factor for the decline in the number of listed companies. Government-owned companies in this sample witnessed a decline in non-institutional share holdings over the study period, with institutional holdings showing corresponding increases.

Pratapsinh Daksha Chauhan, Dec (2013)

The researcher has studied the financial performance of NSE and BSE over the last decade. The study aims to find out the stock exchange which is performing financially better on various bases. This study is limited for only financial performance covering averages of profits, listing income, brokerage income, operating expenses, Return on Capital Employed, total revenue income, etc. The tool for appraisal of financial performance is mean, standard deviation, co-efficient of variance and trend analysis.

They have looked at the price returns of individual stocks, with data from the National Stock Exchange (NSE) and daily closing price data from both NSE and the Bombay Stock Exchange (BSE), the two largest exchanges in India.

Bala Anju, (2013)

The research studied the Indian stock market in depth. The study was conducted to find out the past, present and future trend or the prospect of Indian stock market. This study provided guidelines to investors to maximize their profit by minimizing risk. High degree of volatility in the present in Indian stock market will lead to development of future. The risk can be mitigated in stock market by spreading of investment across various options.

Venkateswara K.S. Kumar & Prof. Devi V.Rama Devi

Conducted by Professors of KLU Business School, KL University, Andhra Pradesh, the above mentioned research emphasizes the contribution of Foreign Direct Investment (FDI) & Foreign Institutional Investors (FII) on the Stock Market. It is also an analysis on the trend & pattern of FDI & FII flow in the Indian economy, with its influencing aspects on the country.

Gupta Nupur (2011)

In this study a comparison had been made between stock markets of Asia such as Indonesia, Korea, Japan, Malaysia and Hong Kong. These countries are becoming a hot spot for foreign capital as low capital and this is leading to advancement of technology. The research had been conducted to show whether BSE AND NSE provide better diversification in long run and short run to both institutional investors and international investors. The study provides the information to the investors related to investment risk and return. This paper finds the non-normality feature in the stock distribution of the above mentioned economies. The negative skewnessin the long run and short run indicates that there will be more returns and higher opportunity for investment.

Ranpura Darshan, Patel Bhavesh K. (2011)

In this research paper the author tries to show Indian stock market is interdependent on foreign stock market. For this purpose the study examines the linkages between different markets.

The aim of the study was to identify the extent the events happening in one stock market affects the other stock market and to study the co movement of stock market of India with other developed and developing countries.

The data from July 1997 to Dec 2009 of all the selected stock exchange in term of their Local currencies have been taken under consideration. The outcome was that BSE provided better risk adjusted return for he particular period.

Patidar Sohan(2010) studied investor behavior towards share market. The findings of the study indicated that as per the age-wise classification, the investors in the age group of below 35 years are actively participating in the speculation trade and the age group above 55 hesitate to take risk and are not at all interested in the share market.

Mukherjee and Bose (2008)

They investigated the integration of India with the developed countries such as US, Japan, and five other Asia Pacific market for period in between 1999 to 2005. It founded that stock returns in India were led by major stock exchange return in US, Japan, Singapore, South Korea. They also founded Indian market exerted considerable influence in stock return in Japan and South Korea along with Malaysia and Taiwan.

Wood Ryan & Zaichkowsky (2004) Judith Lynne studied on Attitudes and Trading Behavior of Stock Market Investors. This study identifies and characterizes segments of individual investors based on their shared investing attitudes and behavior. A behavioral finance literature review reveals five main constructs that drive investor behaviour: investment horizon, confidence, control, risk attitude, and personalization of loss.

Shrivastav Anubha (2003) Since Indian stock market is vast and attract investors as a hotspot of investment .The Indian market is steadily growing and had allured domestic investors community and foreign investors group in the past .the major part of investment in Indian market is attributed to institutional investors among whom foreign investors are of primary importance . one eminent concern in the matter is whether these foreign investors (FII) direct the Indian stock market .This paper examines whether market movement can be explained by these investors and their impact on the stock markets. FII, because of its short-term nature, can have bidirectional causation with the returns of other domestic financial markets such as money markets, stock markets, and foreign exchange markets. Hence, understanding the determinants of FII is very important for any emerging economy as FII exerts a larger impact on the domestic financial markets in the short run and a real impact in the long run. The present paper is an attempt to find out determinants of foreign institutional investment in India, a country that opened its economy to foreign capital following a foreign exchange crisis. The objective of the study is to find out whether there exist relationship between FII and Indian stock market.

Mr. Rai Janakand Dai Sarat

The researcher investigated the nature of financial integration of Indian stock market with global and major regional markets. It provided various applied finance perspectives on integration among stock market , checking the sensitivity of result of sample period in an environment of structural shift.

(1991) Venkateshwar explores the relationships of the Indian stock markets as reflected by the Bombay Stock Exchange Index, vis-a-vis other prominent international stock markets. 23 international Stock indices are used over the period 1983-87. He concludes that there is practically no meaningful relationship between the BSE index and other international stock market indices, though the British and South Korean indices are inversely related to BSE.

J. Harrison Michael and Kreps David M. (1978) studied Speculative Investor Behavior in a Stock Market with Heterogeneous Expectations. According to them Ownership of the stock implies not only ownership of a dividend stream but also the right to sell that dividend stream at a future date. Investors may be unable initially to achieve positions with which they will be forever content, and thus the current stock price may be affected by whether or not markets will reopen in the future. If they do reopen, a speculative phenomenon may appear. An investor may buy the stock now so as to sell it later for more than he thinks it is actually worth, thereby reaping capital gains.

V. RESEARCH METHODOLOGY

Research Problem: The need for the research was to analyze why out of population of over one billion only 18 million invest in Indian Stock Market.

VI. OBJECTIVE OF THE RESEARCH STUDY

Primary Objective

- To study survey on perspective of investors and non-investor's participation in Indian stock market
- To find out what steps government should take to motivate people to invest in stock market.
- To find out what steps government should take to enhance financial literacy.

Secondary Objective

- To compares investment in Indian Stock Market with United State, London and Japan Stock Market. .
- To compare financial literacy programs and taxation aspects of India with US, UK and Japan.

VII. RESEARCH DESIGN

- The research design is exploratory and descriptive.
- The type of research undertaken is exploratory as it would include in depth surveys as well as qualitative and quantitative analysis.
- It is descriptive research and analytical research as the state of affairs that exist in capital market are explained by using the facts and information already collected.

Hypothesis Testing: Using Chi- Square and phi Cramer v statistics

Null Hypothesis

- H1: There is no relationship between annual income and investment in stock market.
- H2: There is no relationship between gender and investment in stock market.
- H3: There is no relationship between financial literacy and investment in stock market.
- H4: There is no relationship between age and investment in stock market.
- H5: There is no relationship between occupation and investment in stock market.

VIII. DATA COLLECTION METHODS

The data collected is Primary data and Secondary data which is both quantitative and qualitative data, which was further analyzed in order to draw conclusions and suggestions.

- **PRIMARY DATA**: Primary data was collected by a survey on perspective of investors and non-investor's participation in Indian stock market. A questionnaire was prepared for the survey and random sampling was done.
- **SECONDARY DATA:** Secondary data collection was done through internet.
- **TOOL USED**: SPSS 20

SAMPLE SIZE	500
TARGET SEGMENT	INVESTOR NON INVESTOR
SAMPLING	RANDOM SAMPLING
NUMBER OF QUESTIONS INVOLVED	15
TYPE OF QUESTION	Open Ended Multiple Choice Questions

Profile of Respondents:

Characteristics	Number	Percentage
Gender		
Male	285	57%

Female	215	43%
Age		
18-25	275	55%
25-35	135	27%
35-45	55	11%
45-60	25	5%
60 above	10	2%
Occupation		
Private Service	180	36%
Professional	95	19%
Govt. Service	35	7%
Business	95	19%
Other	95	19%
Income		
Below 3,00,000	150	30%
3,00,000-5,00,000	195	39%
5,00,000-7,00,000	65	13%
7,00,000 above	90	18%
Annual Savings		
Less than 20,000	60	12%
20,000-30,000	130	26%
30,000-40,000	125	25%
40,000 above	185	37%

Financial Literacy

Financial Literacy is the possession of knowledge and understanding of financial matters. It is mainly used in relation with personal finance. Financial literacy often entails the knowledge of properly making decisions pertaining to certain personal finance areas. It also involves deep understanding of financial concepts like compound interest, time value of money, etc.

The financial literacy rate of India as compared to United States, United Kingdom and Japan are given below:

Country	**Compound Interest**	**Inflation**	**Risk Diversification**
United States	65%	64%	52%
United Kingdom	82%	78%	62%
Japan	71%	59%	40%
India	59%	25%	31%

(Source: Lisa Xu, Bilal Zia the World Bank Development Research Group Finance and Private Sector Development Team June 2012)

Internet Users

With the advent of technology share trading is now done online. To increase investment in stock market government should also focus on internet literacy and accessibility. Given below is the comparison of percentage of internet users in India with that of other countries

List of Countries by Internet Usage (2014)

Rank	Country	Internet Users	Penetration (% of Pop. with Internet)

Rank	Country	Internet Users	Penetration (% of Pop. with Internet)
1	China	641,601,070	46.03%
2	United States	279,834,232	86.75%
3	India	243,198,922	19.19%
4	Japan	109,252,912	86.03%
5	Brazil	107,822,831	53.37%
6	Russia	84,437,793	59.27%
7	Germany	71,727,551	86.78%
8	Nigeria	67,101,452	37.59%
9	United Kingdom	57,075,826	89.90%
10	France	55,429,382	85.75%

(Source: http://www.internetlivestats.com/internet-users/)

As compared to United States, United Kingdom and Japan, India has the lowest number of internet users. As share trading is now done online therefore to boost investment in stock market internet accessibility and internet literacy should be increased.

Per Capita Income

India
South Asia
Income level: **Lower middle income**
GDP (current US$)
$1.877 trillion **2013**
Population, total
1.267 billion **2014**
http://data.worldbank.org/country/india
United States
Income level **High income: OECD**
GDP (current US$)
$16.77 trillion **2013**
Population, total
319.0 million **2014**

Per capita income, also known as income per person, is the mean income of the people in an economic unit such as a country or city. It is calculated by taking a measure of all sources of income in the aggregate (such as GDP or Gross national income) and dividing it by the total population. It is observed that per capita income in India is lesser as compared to other countries, so lesser amount left for saving and investment.

United Kingdom
Income level **High income: OECD**
GDP (current US$)
$2.678 trillion **2013**
Population, total
64.07 million **2014**
Japan
Income level **High income: OECD**
GDP (current US$)
$4.920 trillion **2013**
Population, total
126.1 million **2014**
Hypothesis Testing

Following Null hypotheses was made for the study:

- H1: There is no relationship between annual income and investment in stock market.
- H2: There is no relationship between gender and investment in stock market.
- H3: There is no relationship between financial literacy and investment in stock market.
- H4: There is no relationship between age and investment in stock market.
- H5: There is no relationship between occupation and investment in stock market.

IX. Results

To test the null hypotheses stated above, Chi-Square test was applied, the results of the Chi-square test shows that:

Null Hypothesis	Chi- Square	Accept/Reject	phi and Cramer's v Value	Relationship Strength
H1: There is no relationship between annual income and investment in stock market.	**0.006**	**Reject**	**0.261**	**Weak**
H2: There is no relationship between gender and investment in stock market.	**0. 005**	**Reject**	**0.192**	**Very Weak**
H3: There is no relationship between financial literacy and investment in stock market.	**0.000**	**Reject**	**0.849**	**Strong**
H4: There is no relationship between age and investment in stock market.	**0.005**	**Reject**	**0.263**	**Weak**

H5: There is no relationship between occupation and investment in stock market.	**0.859**	**Accept**	**N/A**	**N/A**

X. Findings

- ✓ Out of 500 respondents 369 answered that they do not invest in stocks. If investment pattern of males is compared with females then only 16.4% of females said they invest in stocks whereas 33.6% of males said they invest in stock market.
- ✓ Respondents with annual saving above 40,000 invest more in stock as compared to respondents with less than 20,000 annual savings.
- ✓ Most of the respondents said they do not invest because of risk loss of money and lack of technical knowledge.
- ✓ Out of 369 respondents who do not invest in stock markets 55.4% said if their annual savings are increased then they will invest in stock market.
- ✓ Out of 369 respondents who do not invest in stock markets 64.9% said if they are provided complete knowledge then they will invest in stock market.
- ✓ Most of the respondents said they would like to invest in real estate because of high returns. Only 9.38% respondents said that they prefer to invest in stock market.
- ✓ 37.6% of the respondents feel that financial literacy can be enhanced by spreading awareness about stock market through advertisement.
- ✓ Out of 131 respondents who invest in stock market only 3.57% said they invest more than 75% in stocks.
- ✓ 72.77% respondents feel the introduction of Rajiv Gandhi equity scheme will boost investment in stock market.
- ✓ 37.6% of the respondents feel that financial literacy can be enhanced by spreading awareness about stock market through advertisement.

XI. Conclusion

This report analyzed the perception of investors and non-investors towards Indian Stock Market. People generally do not invest in stock market because of lack of knowledge and risk of loss of money. Many respondents feel that advertisement is the best way to enhance financial literacy and motivate people to invest more in Indian Stock Market. Launch of investor friendly equity schemes will also help boost investment in stock market.

XII. Suggestions and Recommendations

- ✓ Government should start part time courses to stock market knowledge.
- ✓ Government should introduce short term investments scheme with high return.
- ✓ - Government should spread awareness among potential investors.
  -Assurance of lesser loss for investors.
  - Government should launch short term courses for potential investors.
- ✓ Government should organize periodical investment campaign in tier II & III cities
- ✓ Government should bring awareness among people. People had a perception that they need lot of time if they want to invest in markets and they don't have it. They must be given clarity between trading and investment. There should be simple process to buy and sell share as far as India is concerned. Government should start some special centers for stock buy and sell and to bring awareness.
- ✓ Government should take measures to remove myths against stock markets.
- ✓ It should start celebrity advertisement as it affects the urban and rural population.
  Introduce more schemes which are less complex.
  It should open a separate stock market if possible for the rural population to encourage them
- ✓ People in India are generally unaware of stock market as a whole. Also, shares are an age old taboo in India. Also, the general distrust about financial dealings among the people is a big reason. The govt. must induce transparency and awareness for this sector to flourish.
- ✓ Government should remove capital gain tax.

References

[1] Security analysis and portfolio management. (2009).S. Kevin S. Kevin (2009). Security analysis and portfolio management (Eastern Economy Edition pp. 126-148). Technical analysis 2009, PHI In-text references: (S.Kevin(2009))

[2] Security analysis and investment management, Prof B S Bodla (2006), pre-requisite for making investments In-text reference: (Prof B S Bodla (2006)), Handocver

[3] Investment Analysis and Portfolio Management, Vytautas Magnus University Kaunas, Lithuania 2010, pp 7-26 In-text reference: (Vytautas Magnus(2010)), papaerback

[4] Measuring the portfolio performances, Security Analysis and PortfolioManagement, Dr. Chandra Sekhar Mishra, Dr. Jitendra Mahakud
In-text reference: (Dr. Chandra Sekhar Mishra, Dr. Jitendra Mahakud)

[5] https://www.genevaassociation.org/media/245669/ga2007_gp32%283%29_csiszar.pdf In-text reference: (The Geneva Papers(2007))

[6] Investment Analysis and Portfolio Management ,Prasanna Chandra Third Edition 2008 PP 47-95 , Tata McGraw Hill In text reference: (Prasanna Chandra (2008))

[7] Reilly/ Brown Investment Management ,India edition ,8th edition pp:582-601 Technical analysis and trading rules (2006) In text reference: (Reilly/Brown (2006))

[8] Investment and analysis management ,ninth edition Charles P Jones (2004)
Dow theory, pp:82-108 In text reference: (Charles P. Jones. (2004))

[9] Financial Institutions and Markets , structure growth and innovations , fourth edition, L.M Bhole 2004 , financial system and banking intermediaries. In text reference: (L M Bhole (2004))

[10] Investment Analysis and Portfolio Management ,Prasanna Chandra Third Edition 2008 Portfolio and securities market pp: 216-235, Tata McGraw Hill In text reference: (Prasanna Chandra (2008))

[11] Indian Stock Market:Indian Stock Market By Bishnupriya Mishra, Sathya Swaroop Debasish, First Edition

[12] NSE Website: www.nseindia.com

[13] BSE Website: www.bseindia.com

[14] NYSE Website: www.nyse.com

[15] NASDAQ Website: www.nasdaq.com

[16] LSE Website: www.londonstockexchange.com London Stock Exchange's Alternative Investment Market (AIM) by Edward Stringham, Ivan Chen (Oct 18, 2012)

[17] Tokyo Stock Exchange:

TSE Website: http://www.tse.or.jp/english/

JPX Website: http://www.jpx.co.jp

[18] Financial Programs

http://www.ifie.org/index.php/resources-clearinghouse/52

[19] Taxation Aspects

http://www.bannerjapan.com/tax/japan-tax/

http://www.hmrc.gov.uk/cgt/shares/

http://taxes.about.com/od/capitalgains/a/CapitalGainsTax.htm

http://beginnersinvest.about.com/od/dividendsdrips1/a/dividend-tax-rates.htm

http://www.charteredclub.com/capital-gain-tax/

[20] Research Paper and Reports:

Self-Monitoring Behavior of Active Market Participants towards Selection of Optimal Equity Portfolio in Trichy, Tamilnadu, India, P.Varadharajan Dr. P. Vikkraman

INVESTORS BEHAVIOUR IN SECONDARY MARKET Dr. Preeti Singh*Harpreet Singh Bedi**

"Delivering financial literacy: challenges, strategies and instruments"

Financial Literacy & Investment Decisions of Indian Investors" A Case of Delhi & NCR Pallavi Seth, G.N.Patel, K.K.Krishnan

[21] Ravazzolo, Fabiola and Phylaktis, Kate, Measuring Financial and Economic Integration with Equity Pricesin Emerging Markets (2002). EFMA 2002 London Meetings; Cass Business School Research Paper. Available at SSRN: http://ssrn.com/abstract=314833 or doi:10.2139/ssrn.314833

AUTHORS

First Author – Prof. (Dr.) Gurinder Singh, Ph.D guide and supervisor, Amity Group Addl. Vice Chancellor, Director General, Amity International Business School, Director General, Amity University, Greater Noida Campus, Director General, Amity Directorate of Management and Allied Areas, &, Vice Chairman, Global Foundation for Learning & Excellence Email: gsingh@amity.edu, Contact No.: 9810945891

Second Author – Ms. Navleen Kaur, MBA, BBA, UGC JRF, UGC NET (twice), Ph.D (pursuing), Research Scholar, Co-chairperson (finance), Assistant Professor-III, Department of Finance, Amity International Business School, Amity University Uttar Pradesh, Sector 125, Noida., Email: nkaur@amity.edu, navz.kaur@gmail.com, Contact No.: 93121 45638, 96506 16138