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AWARNESS AND KNOWLEDGE ON PORTFOLIO MANAGEMENT AMONG INDIVIDUALS

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Abstract

Portfolio Management is grabbing a lot of attention now a days in India and now becoming a much needed solution management involving in investment advisory service that offers holistic and comprehensive financial planning and management services to wealthy clients. It is a linked part of achieving, growing, and conserving financial success. The goal of portfolio management is to make best use of wealth, guarantee the financial security, and preserve assets for future generations. This involves controlling investments, taxes, estate planning, insurance, cash flow, and retirement planning. Portfolio management is making possible by wealth managers who are highly-skilled experts specializing in wealth safeguarding. They build up a solid wealth management strategy, which is important for a handful of reasons**.** With the appearance of portfolio management as fast-rising and dynamic career opportunity, top educational institutes of India have started offering courses on this topic. The principle of this study is to identify the investment choices towards investors across demographic forces.

Key Words: Asset Management, Investors, Portfolio, Investment Avenues, Profit Planning

INTRODUCTION

Portfolio management is the advice-giving method of meeting the requirements and wants of wealthy clients by offering the suitable financial products and services. The large and commonly used collection of belongings or properties in any individuals, a company or partners and used for extended term investment purpose with risk acceptance is known as 'Portfolio Management'. It has both tangible and intangible phase of assets. Portfolio management is the prospective for any increase of assets while also satisfying their requirements of the clients in most efficient and saving time manner potentially. Controling a person's assets is stated to be a wealth management and investing in long term financial institutions and their threat tolerance of a client in an organisation is known as portfolio management. For this reason, an attempt is to study the Alertness and Knowledge on Portfolio Management along with Individuals.

REVIEW OF LITERATURE

Jayashree Bhattacharjee and RanjitSingh April(2017) comes out with their research paper analysis about the alertness of equity investment amongst retail investors. They jointly concluded that demographic, socio economic, and psychological factors are significant determinants of awareness of equity investment.

Naveenan (2019) studied past data has collected and evaluated to analyze risk and come back involved in portfolio investment through measurement of standard difference of risk and returns concerned in equity portfolio and it is an appraisal of returns attained through few statistical tool such as Standard Deviation, correlation regression and risk analysis monitored by using Standard Deviation of returns, Beta and Sharpe's Ratio.

Olaleye (2011) overall observed, a variety of options are existing in the market for investors to diversify their real estate portfolio. In real estate property portfolio diversification and its presentation analysis inside real estate portfolio diversification were monitored with many of technical tools with how to calculate risk and reduce it.

Delfin (2020) concluded out that In generating and maintaining portfolio securely, diversified choices are applied highly, that portfolio transactions communicate with fundamental damage and that rebalancing is done through diversification tools which rely on the early network balancing. Study also said that huge diversification profit is attained from first to last network configuration, rebalancing but noteworthy that makes the network configuration unsafe in front of unselective stocks.

Neeta Shindeand Dr. Devyani Ingale(2023) both said that the main idea of this paper is to create from lack of strategic understanding regarding portfolio management. Wide strategy theory was in spotlight during the initial working process, existing strategic theories were carried out. It was necessary to get well versed in to these theories in order to realize the context in which the portfolio management was a part. In order to respond the purpose of the study, one has to look upon with review of project portfolio management. To attain an optimized portfolio management, the main points have to be looked into it and the processes of the chosen case company.

Saxi Patel, Nisha Tolawala (2022) concludes in their study, that the majority of the people do not conscious the concept and knowledge of wealth management, and they do not recognize their financial scheduling. Many people spend their funds in PPF, FDs, Life insurance, Gold, and other risk-free resources other than saving accounts. The saving proportions specify the level of risk that a person is willing to take. Low risk was linked with a low saving ratio, while a high saving ratio was connected with a high risk. Normally the high in the return, the risk also becomes high. In recent years, investments in the mutual funds are a healthier option in the long run, but yet not been choose by many of respondents. Now a day SIP has become more popular in investing mutual fund.

V.Vidhya, Kalai Lakshmi (2022) spotted out that bulk part of respondents are doing a range of wealth management actions like Bank deposits, investments in shares, investments in debentures, tax free bond, land, tax planning etc., but still, the knowledge on wealth and its effective management is failed to see in Indian

Household due to a variety of factors like incomplete market knowledge, nature of income, family structure, Low risk-taking Capacity etc., The major constraint is short of interest and self assurance. The investments companies approach with new way out to promote more investment schemes in house hold people.

Boevi(2020) carry out a study on diversification of tools and procedures with Deciding methods in investments. This comes with a risk and future insecurity which already exists in portfolio management. This Study goes with the goal of rectifying the errors by analyzing the concept of portfolio setup theory. The chief plan of this study is to spotlight on the few asset diversification principles such as study of bulky number of investors, correlation association, capital asset pricing model, risk role and interest rate parity, diversification principles and how it is involved in determining the risk.

Chanchal Gupta, Galgotias University, (2023) gives suggestion that each Banks and government agencies should build up standardized products and services to educate the people how to manage their money sensibly and emotionally. This can be prepared with the help of a choice of decision-making aids, such as radio and television infomercials, web-based self-management tools, refined and user friendly mobile applications that claim to use artificial intelligence, and financial literacy mindfulness operations.

OBJECTIVES OF THE STUDY

1. To know the awareness among individual for portfolio management.
2. To figure out possible sources of investment aveneue.
3. Identify the percentage upto which individuals are ready to save at how much risk.

SCOPE OF THE STUDY

1. To get a brief understanding on basic concepts of portfolio management.
2. To get an idea on different avenues where in annual income can u invested in the most profitable, less risk and easily liquefiable investments avenues.
3. Develop innovative strategies on portfolio management for the upcoming future.

LIMITATIONS OF THE STUDY

1. Sample size may not be the complete representative of the universe.
2. Completely relying on the data provided by individual through questionnaire.
3. Less geographic reach.
4. Manpower constraints
5. Lack of face to face communication as large number of surveys is done through google form.
6. Lack of time to study border concepts.

RESEARCH METHODOLOGY

4.1 Research Design

This study used primary data, and selected the snowball sampling method for collecting the data.

4.2 Data Collection

Primary data was collected through questionnaires with the help of Google Forms and secondary data was collected from journals, newspapers, websites, articles, and Research published in journals.

4.3 Sampling plan-

4.4 Universe: Individual Investors

4.5 Sampling Unit

The purpose of the study is,to read on the awareness and knowledge on portfolio management among individuals. The unit of study is individual awareness and knowledge on portfolio management in Bangalore city.

4.6 Sampling Method

Non-Probability Snowball Sampling Method was usedto collect the data from individual respondents.

4.7 Sample size and area: 384 - Adopted Universal Sampling Method - Bangalore City.

DATA ANALYSIS AND INTERPRETATION

Demographic profile consists of characteristics of a population. Characteristics such as race, ethnicity, gender, age, education, profession, occupation, income level, marital status, all these are typical examples of demographic profiles that are used in this survey.

Table 1

Demographic Profile

	Variables	Percentage
Gender	Male	42
	Female	8
Annual Income	Upto 2,00,000	2
	2,00,000 to 5,00,000	6
	5,00,000 to 10,00,000	9
	10,00,000 to 25,00,000	19
	More than 25,00,000	14
Stages of Life Cycle	Young and Unmarried	4
	Young and Unmarried with no children	2
	Married and having young children	32
	Married and having older children	11
	Retirement	1
Employment	Government Sector	3
	Private Sector	39

	Business	3
	Professionals	6
	Home Maker	0
	Youtuber	1
	International Organisations	1

Source: Primary Data

Interpretation

From the above table it is infered that, Male are high with 42 percentage than female, comparing with annual income 19 percentage are high with 10,00,000 to 25,00,000. When concentrating on stage of life cycle of respondents married and having young children are high with 32 percentage, moving on towards employment private sector are high with 39 percentage when compared with government sector and others in the variables.

Table 2

Popular Source of Investment Avenue

	Variables	**Percentage**
Savings A/c	35	70%
Bank Fixed deposit	32	64%
Public Provident Fund	25	50%
National Savings Certificate	7	14%
Post Office Savings	13	26%
Government Securities	2	4%
Mutual Funds	30	60%
Life Insurance	37	74%
Debentures	3	6%
Bonds	3	6%
Real Estate	19	38%
Gold	28	56%

Source: Primary Data

Interpretation

The above table 2 infers about the main objective on popular source of investment avenue, out of twelve variable the highest variable that influenced is life insurance with 74%, saving account is the second highest with 70 percentage, bank fixed deposit with 64 percentage, mutual funds with 60%, gold with 56% public provident fund 50%, real estate with 38%, post office savings with 26%, debentures and bonds with 6% and least with government securities with 4%.

FINDINGS

1. 56% of young and unmarried people working in the private sector don't have proper financial planning.

2. On the other hand married and having young &older children prefer for financial planning and do consult with financial plan to mange with asset mix.

3. Mostly male prefers comprehensive financial planning as they invest in various asset mix.

4. Most of the mutal fund investor prefer systematic approach based on SIP for investment. On the other hand we can say that most of investors doesn't know the benefits of systematic approach.

5. Respondents having their annual income with 5,00,000 prefers to save only 5% to 15%. Same way only 6 respondents go for more than 30% of their savings as they prefer comprehensive financial planning.

6. Respondents who are young either married or unmarried are not aware how to balance their uncertainty with various assets mix.

7. 44% of respondents are aware of wealth management but they haven't have knowledge on portfolio management. Some of respondents manages their investment of money in various sectors of financial institutions.

8. Few respondents believe that portfolio management is systematic management of all the income they generate and invest.

SUGGESTION

1. Respondents should get knowledge or have be educated about the wealth management as many aren't conscious of both portfolio and wealth management.

2. Respondents must start encouraging the practice of investing their income in higher profit rates than keeping it ideal in their savings account.

3. More awareness courses should be carrying out across the Nation on the topic of broad collection of investment opportunities that is available for the investors.

4. Saving of money in a secured way with small risk investment ideas and opinion can be isolated from the respondents mind.

5. More investment proposal with less risk bearing models has to be brought into practice with investor affability mainly for the start-up investor so that they can start investing with good hope.

CONCLUSION

Portfolio management in India has now become a crucial factor amongst local and International players in the last couple of years. With a GDP growth rate growing up towards the 9% mark and a trustworthy future outlook, India's escalation story is making it a growing attractive market for both portfolio followed by wealth management firms. This is expected to prolong as India is touted to be the third largest global economy by 2030. India's wealth structures are fairly young compared with their international contemporaries. That is why; portfolio management in India is in total a different ballgame. The automation of business intelligence, a rousingly connected distribution set-up and highly developed Customer Relationship Management (CRM) are reducing the cost to offer clients a widespread wealth management services. At the same time, speedy product growth portfolio managers use frequent financial and investment plans to assist their clients meeting their financial targets along with risk tolerance from the financial institutions. These skilled persons are responsible for developing custom made strategies to maintain as well as enhance their client's net worth, guard their assets, and reduce taxes and financial threats.

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