A STUDY ON INVESTMENT BEHAVIOUR, RISK APPETITE AND INVESTMENT DECISION-MAKING OF RURAL INVESTORS IN HARYANA

Thesis Submitted for the Award of the Degree of

DOCTOR OF PHILOSOPHY

In

Commerce

By

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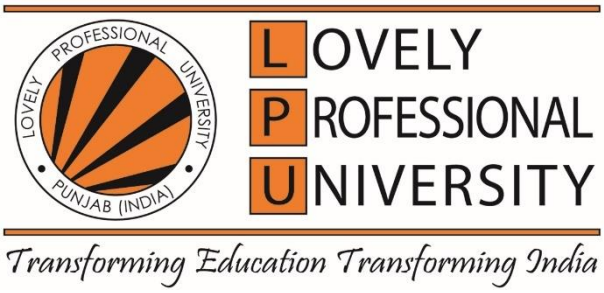

LOVELY PROFESSIONAL UNIVERSITY, PUNJAB

2024

DECLARATION

I, hereby declared that the presented work in the thesis entitled "A Study on Investment Behaviour, Risk Appetite and Investment decision-making of Rural Investors in Haryana" in fulfilment of degree of **Doctor of Philosophy (Ph. D.)** is outcome of research work carried out by me under the supervision Dr. Rekha, working as Professor, in the Mittal School of Business of Lovely Professional University, Punjab, India. In keeping with the general practice of reporting scientific observations, due acknowledgements have been made whenever the work described here has been based on the findings of other investigators. This work has not been submitted in part or full to any other University or Institute for the award of any degree.

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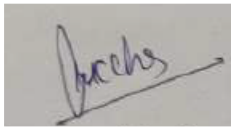
CERTIFICATE

This is to certify that the work reported in the PHD thesis entitled "A Study on Investment Behaviour, Risk Appetite and Investment decision-making of Rural Investors in Haryana" submitted in fulfilment of the requirement for the reward of the degree of **Doctor of Philosophy (Ph.D.)** in the Mittal School of Business, is a research work carried out by Bhawandeep Singh, 12021173, is a bonafide record of his/her original work carried out under my supervision and that no part of the thesis has been submitted for any other degree, diploma or equivalent course.



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ABSTRACT

The most significant gap that existed in the previous literature is rural investor's behaviour of investment, their risk-bearing capacity and decision-making process, so the aim is to investigate investment behaviour, identify the risk bearing capacity and explore the decision-making regarding the investments of rural investors and examining the association among risk appetite and the investment decision-making of rural investors. Twenty-two hypotheses were developed after reviewing the kinds of literature. The scale for measuring the objectives has been adopted from the existing literature; the researcher has collected 431 samples from rural areas from all districts of Haryana in which district-wise population has been distributed proportionately, the judgemental sampling technique has been used for sampling, MS-Excel was used to analyse the demographic profile, Investment avenues, objectives and sources of information, SPSS has been used for descriptive analysis, reliability, normality and Kruskall-Wallis test for measuring the difference between the demographic profile and behaviour of investment, risk bearing capacity and decision-making regarding investments. Smart-PLS has been used to study the association among risk appetite and decision-making regarding investment. The test of normality has been measured in SPSS with Kolmogorov-Smirnov and Shapiro-Wilk, which states that all three variables, i.e., investment behaviour, risk appetite and investment decision making, are non-normal, where the value of every item has been 0.000, which is why the Kruskall-Wallis test has been used for comparing the difference among the demographic categories. The findings of the first objective tell us that rural investors' investment behaviour is most probably towards the agreement side, like wealth maximisation, investing money with the objective of safety and security, then the results of difference has been emerged out of the educational background, occupation and annual income of rural investors in which rural investors have their difference of opinion like highly educated investors are more aware about different asset classes, they do keep the time frame of investment, checking the essential parameters before investing like risk, return and liquidity, determining their investment objectives before investing, then occupation wise business people, self-employed, private and government employees are more agreeing on the awareness of different asset classes, checking the historical information before investing, determining the investment objectives before investing, professional and self-employed individuals are not finding investing as a difficult task, farmers are on the other side of the behaviour where they are not very much aware about different asset classes, they invest first then try to achieve their investment objectives, income wise high income individuals are much more clear about the

future financial needs, awareness of the different asset classes is more than low income investors, periodically reviewing the investments. Then, in the second objective, the findings tell us that rural investors have moderate to low-risk appetite towards their investments, where the difference emerges in the age groups, marital status and investment experience. Age-wise, older investors find investing most difficult; older investors prefer bank deposits to the stock market and fear losing money while investing; younger investors believe that making money from stock market investments and bond market depends upon luck. Older investors over fifty want safety more than returns from their investments than younger investors who want returns more than safety. Younger investors are holding assets where the chances of losing money are higher, and the fluctuations in their assets are also higher. Marital-status unmarried investors have a higher risk appetite than married investors, as unmarried investors prefer the stock market to bank deposits, and they also invest in hazardous assets, which fluctuate more. Investment experience Highly experienced investors prefer bank deposits to the stock market, highly experienced people fear losing money when they hear about risk, highly experienced investors have lesser chances of losing money in their investments than less experienced investors and less experienced investors hold highly fluctuating assets. It is not easy to retrieve their money from the investments. Then, in the third objective, rural investors agree on satisfaction, are confident about the accuracy of the decision, can earn more than average returns of the market, and can outperform the market. They also consider all factors before investing. The difference also comes from the demographic profile, i.e., gender, marital status, educational background, occupation, and annual income. Gender-wise, female investors are not satisfied, confident, not able to outperform the market; female investors are not able to anticipate future movements; female investors are not considering all factors while investing decisions marital status-wise; married investors are more satisfied than unmarried ones, then unmarried investors are highly optimistic about the performance of their investment, married investors are taking decisions on their own than the unmarried investors, unmarried investors are able to outperform the market with their expertise and knowledge of the market sentiments. Unmarried investors can anticipate the future movements of the market. Education-wise, highly educated investors with bachelor's and master's degrees are much more satisfied and confident about accuracy, make decisions independently, and consider all the factors before investing and investors with higher secondary or less education are not satisfied, they are not confident and are not able to outperform the market. Occupation-wise, government employees, private employees, and businesspeople can take all essential parameters and confidence, considering all the factors while investing and they are very much satisfied with the way they are taking

investment decision but the farmers, professionals and self-employed are not considering all factors of investment and they were unable to perform well with their skills and knowledge about the particular asset class. Then, in the fourth objective, the Smart-PLS was used for analysis, and the lower factor loading items were removed to enhance the composite reliability and average variance extracted (AVE). The Variance inflated factor for checking the multicollinearity was analysed, which is less than three and found to be appropriate. Discriminant validity has been checked with Heterotrait-Monotrait (HTMT), which is also appropriate. The hypothesis's findings show a significant relationship between risk appetite and investment decision-making, in which p-value = 0.000 with t-value = 5.139. Financial institutions and companies can use the study results to make financial products and services, and the government can make policies while keeping the behavioural factors of rural investors in their notice.

Keywords: Investment Behaviour, Risk-Appetite, Investment Decision-making, Rural Investors, Smart-PLS, SPSS.

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"Education is not the filling of a pail, but the lighting of a fire." – William Butler Yeats

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Bhawandeep Singh

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CHAPTER – 1

1. INTRODUCTION

Among the most growing economies in the world is India. Government and business sector initiatives aiming at a growth-friendly environment have been undertaken over the past ten years. This is shown progressively in more considerable disposable earnings and higher pay for the working population. Money is the nation's development engine; savings in the several choices open to residents serve this purpose. Individual savings have been rising steadily as the Indian industry has grown. Policy changes resulting in liberalisation and globalisation have driven product innovation, more global integration, better transparency and coordination of financial markets. These economic developments have attracted more private investors' interest in investment possibilities in Indian capital markets.

Investing is the most fascinating action to achieve one's goal. Investing is the distribution of money to assets meant to generate some revenue over an appropriate duration. Though money is the common goal in various activities, projected returns, risk, and investment liquidity define the primary investing criteria. Every person makes investments; even if one does not select a share, participation in the pension scheme, opening bank accounts for fixed deposits, and insurance plan purchase count for all. Investors pick investing choices that satisfy their psychological needs instead of those that maximise their financial gains. Domestic savings play a significant role in India's economic growth. Three key sectors define domestic savings in India: the household, private, and public sectors. Individual, non-corporate, private groups, including temples, educational institutions, and charity foundations, comprise the household sector, not corporate entities.

Savings could increase in (a) liquid assets—gold, and (b) financial assets, including bonds, securities, insurance policies, and physical objects. Currency bank deposits are one example. Mainly in cash, deposits, debt securities, shares, mutual funds, insurance, and pension funds, the household sector also maintains its financial assets through minor savings.

1.1. Concept of Investment

Investment principles are the distribution of money now with hope for a future optimistic rate of return. Bank deposits, real estate, modest investments, insurance plans, bullion schemes, small savings schemes, shares, bonds, and bonds are a few of the investment options available.

Investors provide money for investment products, hoping for a financial return. Investment behaviour is the assessment, expectation, evaluation, and review of investors' decision-making processes regarding investment psychology, information gathering, interpretation and understanding, research and analysis. Investment attitude is the personal inclination of people to evaluate their investments favourably and negatively and act accordingly. People aim to assess their risk of investing in good and bad ways and then behave accordingly. Risk aversion is the inclination of investors towards safe investment avoidance. Reasonable behaviour is the method of decision-making aimed at producing the best feasible degree of advantages for the individual. Irrational behaviour is the process of making decisions grounded on personal behavioural traits. Combining the rational and irrational behaviour of individual investors, composite behaviour results.

Investment involves using money or capital to acquire financial securities or holdings with a desired return expressed as interest, income, or value appreciation. It connects to postponing or saving consumption. Many facets of the economy, including corporate administration and finance, or for individuals, businesses, or governments, include investments. Investment is the decision made by investors or an organisation, such as a pension related funds, after searching in detail regarding the various asset classes, to lend or borrow money, instrument, or asset, such as property, commodity, stock, bonds, financial derivatives (e.g., futures or options), or foreign asset denominated in foreign currency, which has a certain level of risk and offers the chances of earning money.

In economics and finance, the definition of ‘investment’ has been used in a different sense. While financial economists refer to an economic asset, such as capital deposited into a bank or a market, which may later be used to buy a real asset, economists—such as those of a computer or a house—reference a genuine investment. As said before, the investment is the acquisition of some assets. It also implies transforming money into capital claims and applying finances for profitable and income-generating projects. This means using funds for economic objectives, to secure other aims, such as employment, capital appreciation or capital gains, or for the additional manufacturing of goods and services to secure profits.

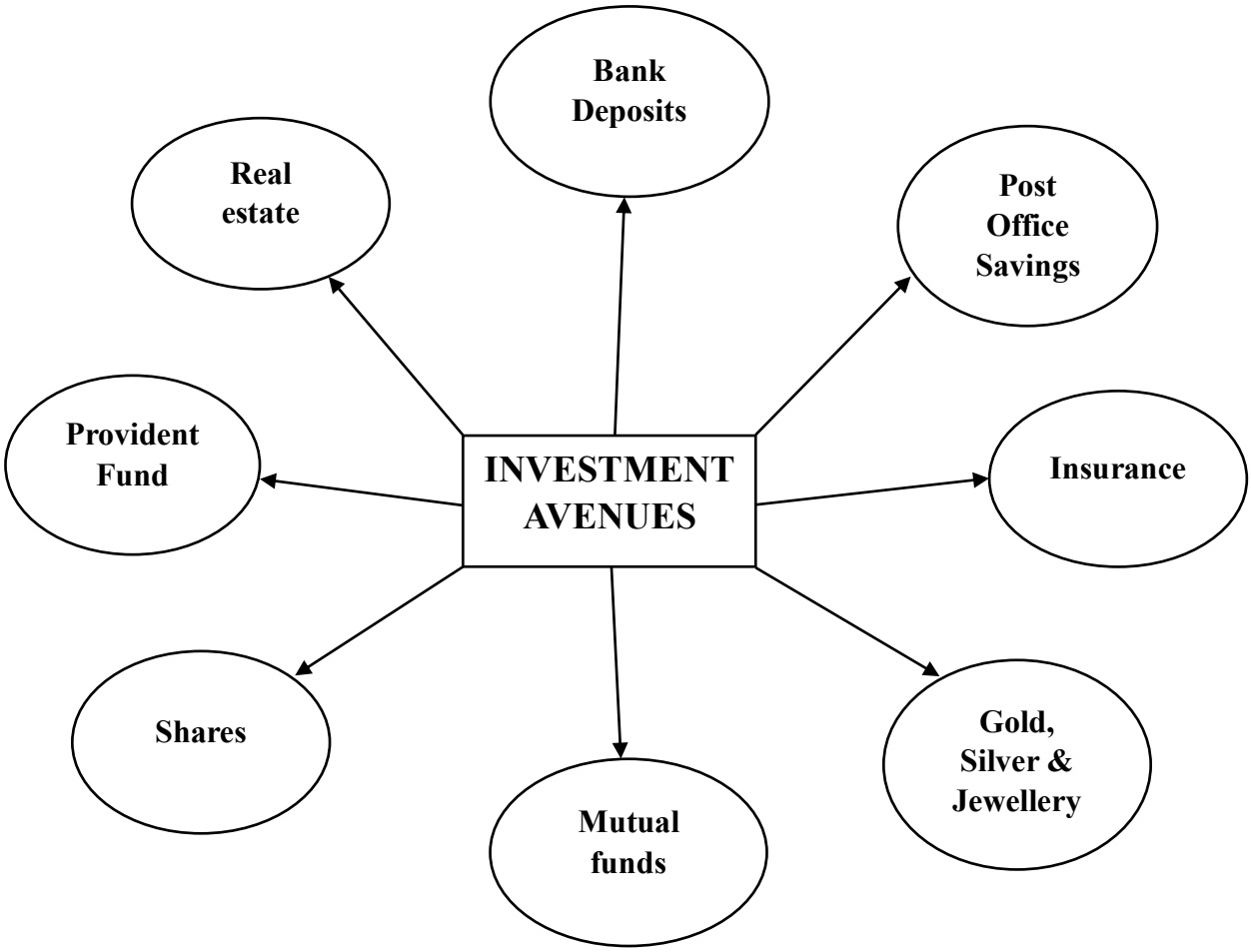
Finance is a comprehensive and potent field that circumscribes the management, formation and study of money, investment and financial instruments. It plays a pivotal role in managing the economies, businesses and other personal economic choices. In a nutshell, finance is all about making conscious decisions regarding the distribution of resources over time in conditions of uncertainty. Finance is centred upon weighing the risk and returns equally; higher returns are probably related to higher risk, and considering and balancing this risk-return is very significant for individual investors, financial institutions, and policymakers. The strategy that most investors adopt to reduce the risk and increase the return level is to diversify among the different asset classes where investors can lighten the impact of poor performance of any asset in the portfolio. There are several fields of finance, such as personal finance, corporate finance, and public finance. Still, here we will study personal finance, which deals at the individual or household financial level with budgeting, saving, investing, retirement planning, etc. The main objective of personal finance is to earn money from various assets. So, the emergence to study the behaviour of investment, risk-bearing capacity and decision-making regarding investments of rural investors comes from the lack of literature regarding the choices and mindset behind choosing a particular asset class and how their investment objectives changed with the changing environment and psychology behind the decision making. Section 1.1. presents the concept of investment behaviour. Section 1.2. presents the definition of risk appetite. Section 1.3. shows the basics of investment decision-making for individuals, and Section 1.4. tells about who the rural investors are.

1.2. Investment Behaviour

According to Evstigneev et al. (2009), the investment behaviour of investors can be expressed in various ways, including the decisions investors make regarding holding assets, trading on support or consumption, expectations, beliefs, preferences, and decision processes. Investment is the deployment of funds for capital appreciation or earning an income; the investment consists of mainly two variables, i.e., time and risk, in which investors tend to sacrifice the present consumption or spending for the future in which return from the investment is uncertain and as per economist, the investment is the net surplus made to the nations merchandise of goods and services used in the manufacturing, without investments the country might enjoy a high level of consumption-oriented population but it may create the unbalanced economy and investment behaviour of the individual investors is different from the institutional investors, whereas the individual investors tend to invest in the non-tradable assets such as real-estate (buildings, land, agricultural land), gold, fixed deposits, etc. but the institutional investors are

the organizations who support on behalf of other investors (Sarkar & Sahu, 2018), the investment behaviour also tells about the business environment of the country on which the future of the country persists, the inflow of investments either from the foreign investors or domestic investors increase the growth of the country, the investment behaviour also influences the government to adjust taxation policy by which they can encourage the investors to invest in the various investment avenues (Mak & Ip, 2017). Building one's capital involves several stages, including earning, saving, and investing. Investments are how assets and revenue are generated. When individuals make investments, they do so to obtain benefits such as favourable returns, sufficient liquidity, and security. Most Indians would rather retain their cash than invest it, even though they are already accustomed to conserving money. Some wage earners consider having money written down to be a status symbol. Consumer behaviour is a dynamic process that involves selecting and purchasing goods and services appropriately based on needs and then using them to gain the most significant amount of satisfaction and value for the money. This process is referred to as "consumer behaviour." It involves a consumer or group of consumers making choices regarding the acquisition, utilisation, and disposal of products and the expenditure of money to derive the most significant possible benefit from those items (Lokhande, 2016). The amount of income of the investors also provides information about the behaviour of investment of individuals, the set of investment avenues that are available to those with high incomes, bonds and other schemes, as well as bank deposits in gold and jewellery equity markets in the real estate industry. According to Barber and Odean (2001), individual investors tend to invest more cautiously in any investment avenues, whether fixed return or highly volatile alleys. As the investors gain experience, they tend to consider the safe and protected investment avenues for the future. The influencing factor of close family members or relatives makes a big impact on the investors thought process and thinking, especially in family-owned enterprises, where the family members plays a large part in the process of decision-making regarding investment, for the use of internal funds or external debt for the company's future growth (Koropp et al., 2014). Among all the family members, the karta(head) of the family, the oldest member, has a significant influence over the decision-making process. This is because their decisions determine how funds are distributed and the available investment opportunities (Singh & Singh, 2015). in addition to the influence of the family, social variables also play a remarkable presence in the individual's decision-making process regarding investments, through which the individual's attitude and perception of other people are formed with the influence of the social environment (Raut, 2020). Here are a few variables that have to be studied to understand the investment behaviour of individuals better:

Figure 1.1. Investment Avenue



Source: Author's Presentation

1.2.1. Investment Avenues

Creating money and reaching financial objectives are made possible in large part by investing. Every investing option has advantages and disadvantages of its own. Here, we will look at a few well-liked investing choices:

Bank Deposits:

Savings accounts provide safe and liquid capital with respectable interest rates. With less liquidity but more excellent interest rates than savings accounts with set terms, fixed deposits (FDs) provide capital safety.

Silver and Gold & Jewellery:

Gold & Jewellery: Classic investment, frequently regarded as a hedge against inflation and depreciation of currencies. It comprises financial (gold ETFs, sovereign gold bonds) and physical gold (jewellery, coins).

Silver: Similar to gold, silver is valuable in industry and as a store of value. Physical silver and silver ETFs are investment choices.

Real Estate:

Purchasing houses or apartments to live in or rent out is real estate residential property. Business property includes warehouses, stores, and offices. There is a chance of capital appreciation and rental income. Real estate investment trusts, or REITs for short, provide liquidity and diversification by enabling real estate investing without requiring physical property.

Shares:

Equity shares Show ownership in a business and offer dividends and capital appreciation as possible sources of large profits. However, they also have market hazards and volatility. Offering a balance between equity and debt, preferred shares provide fixed dividends and take precedence over equity shares in the event of liquidation.

Post Office Savings Account:

Usually offering better interest rates than bank savings accounts. Compounded interest is paid on little monthly investments with a set term known as recurring deposits.

Monthly Income Scheme (MIS): This scheme provides retired persons or anyone looking for consistent returns with a regular monthly income.

Mutual Funds:

Stocks provide a high risk-return potential. Debt mutual funds are lower-risk, recurring income investments in bonds and money market instruments. Hybrid funds balance return and risk by

combining loan and equity investments. Index funds track a specific index to give a diversified exposure to market performance.

Insurance:

When a policyholder passes away, life insurance gives dependents financial stability. The alternatives include term insurance, endowment plans, and unit-linked insurance plans (ULIPs). Health insurance protects against unforeseen medical costs by paying medical bills.

Debentures:

Higher return fixed-income securities than conventional fixed deposits are called non-convertible debentures, or NCDs. One cannot turn them into equity.

Convertible Debentures: Offers possible financial appreciation by converting into equity shares after a predetermined time.

National Saving Certificate

A government-backed fixed-income investment plan provides Section 80C tax benefits and assured returns. It is a low-risk investment choice.

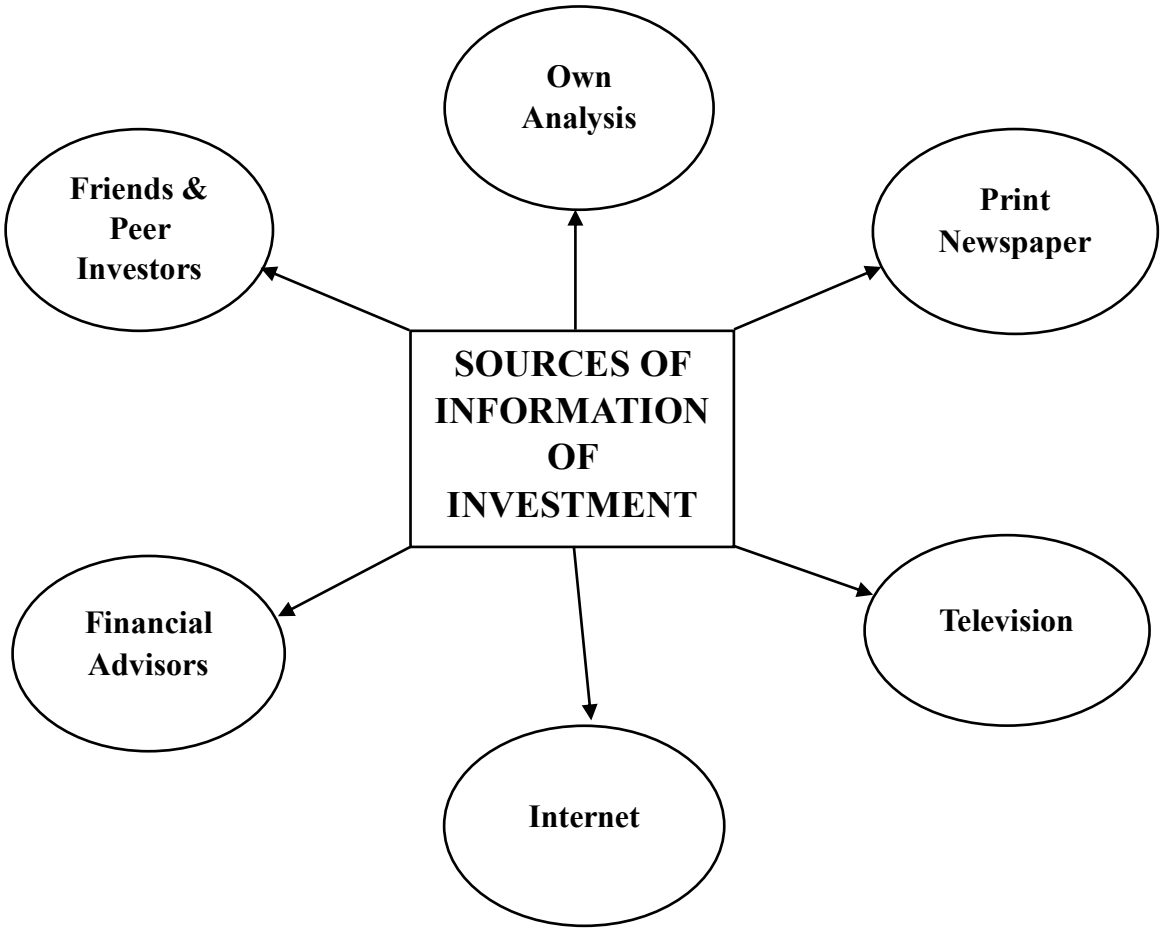
Public Provident Funds

The government backs India's widely used long-term savings and investment plan, the Public Provident Fund (PPF). Many investors wishing to create a corpus gradually choose it because it provides safety, tax advantages, and excellent returns.

Synopsis of investment avenues

The best investment strategy depends on personal financial objectives, risk tolerance, and investment horizon. Diversifying among several asset groups is one way to control risks and build a balanced portfolio. However, one must be educated and consider speaking with financial counsellors to make wise investing choices.

Figure 1.2. Sources of information on investment



Source: Author's Presentation

1.2.2. Sources of information on investment

It takes access to a variety of trustworthy information sources to invest successfully. Every source has advantages and certain drawbacks. The several sources of investment information are broken down here:

Print Newspapers:

Reputable periodicals with excellent journalism and fact-checking standards, like the Economic Times and the Financial Express. In-depth articles, analyses, and special features offer a comprehensive grasp of market trends and economic indicators. Some investment

decisions have limitations, and real-time updates are essential, which print newspapers cannot offer. Physical limits may cause the coverage to be less than on internet platforms.

TV:

Real-time information, such as Market conditions, is updated, and coverage is provided live on financial news networks like Zee Business and CNBC. Interviews with CEOs, analysts, and industry specialists offer insights and viewpoints. The few limitations of TV are that Time limits frequently prevent in-depth analysis, and TV stations may sensationalise news to draw viewers, which could result in biased reporting.

Internet:

Accessibility of Information is readily available at any time and from any location. Diverse viewpoints are available from several venues, such as blogs, forums, financial news websites, and social media. Information Overload, like Sorting through the voluminous amount of information, can be frightening. There are some issues regarding the trustworthiness of information, as not all internet sources are trustworthy.

Financial advisors:

Financial advisors provide customised guidance depending on a person's objectives, risk tolerance, and financial status. Experience and training enable professional advisors to offer knowledgeable advice. The disadvantage of advisors is price, as Engaging a financial counsellor can be costly. Some advisers may be biased in favour of things that make them money.

Friend & Peer Investor:

Trust: Reassurance may come more from information from reliable friends and colleagues. Real-World Experience: There are often valuable lessons to be learned from others' accomplishments and errors. However, there are restrictions regarding Peer and friend relationships, as knowledge may be limited, and unbalanced or biased counsel might result from personal experiences and beliefs.

Own Analysis:

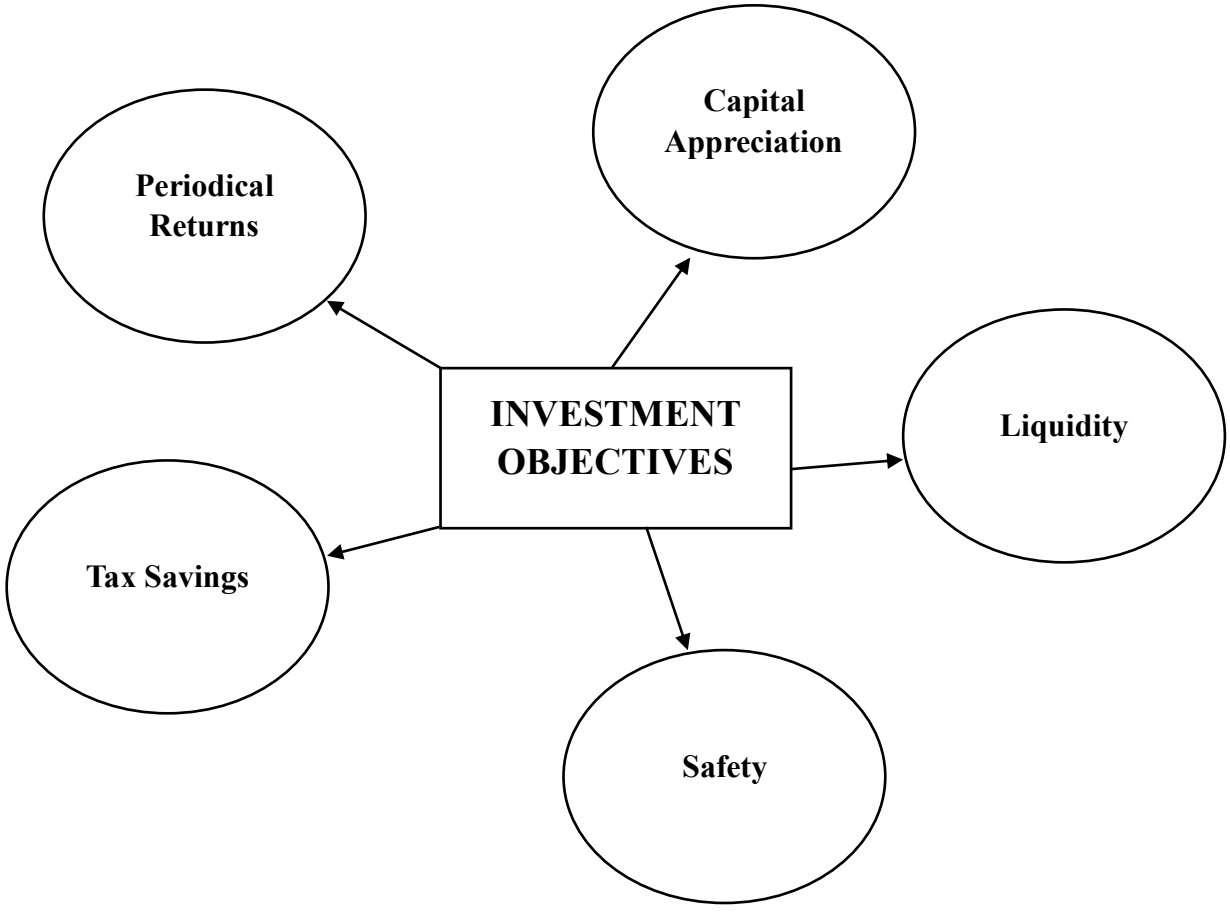
When you study and analyse, you ultimately choose your investments. Researchers can sharpen their analytical abilities and grasp the markets more deeply as skills develop. Even my analysis

has a few limitations, like being time-consuming. A detailed examination calls for a substantial commitment of time and effort. No prior experience is needed, but experience could cause errors and poor judgments.

Synopsis of sources of information

Leveraging several information sources is usually part of a well-rounded investment plan. You can make better, more balanced investment decisions by fusing the reliability of print newspapers, the speed of TV, the accessibility of the internet, the knowledge of financial experts, the helpful advice of friends and colleagues, and your research.

Figure 1.3. Investment Objectives



Source: Author's Presentation

1.2.3. Investment Objective of Investors

When developing an investing plan, aligning the invested assets with their financial goals and objectives is essential. Many times, these goals guide the kinds of investments you make. Here are a few typical investing goals:

Appreciation of Capital:

Growth of Principle: Increasing the original investment's worth over time is the main objective. Investments that make sense are stocks, tiny- and growth-cap stocks and real estate, which should increase in value. Mutual funds and exchange-traded funds: Concentrated on developing markets or growth industries. There are fewer, more considerable risks, which helps to appreciate their capital, like more volatility, which is a sign of potentially more significant profits. Investors can invest for a long-term horizon, which is usually best for long-term investors who can withstand market swings.

Liquidity:

The goal is easy cash access, which is the capacity to swiftly turn investments into cash with little value loss. Proper Investments are equivalents of cash, such as money market funds and savings accounts. Bonds, both corporate and government, have brief maturities. Generally speaking, highly liquid investments yield less than less liquid ones.

Safety:

Capital preservation reduces the possibility of losing the principal amount invested. Suitable investments exist, particularly those from stable regimes. Creditworthy businesses issue investment-grade corporate bonds. Certificates of Deposit, or CDs, and fixed deposits provide assured returns. The other side of safety frequently results in lower returns. Safe investments failing to keep up with inflation may eventually erode purchasing power.

Tax Savings:

Tax efficiency involves reducing tax obligations using investments. Municipal Bonds are generally free from both federal and occasionally state taxes. Until they are withdrawn, let earnings grow tax-deferred. There are a few complex rules, i.e., specific guidelines and possible fines for tax-advantaged investments. To maximise tax advantages, money must be invested frequently for long periods.

Periodical Returns:

To create steady sources of income via investments. Dividend-paying stocks are those that have paid dividends in the past. Investors can invest in those bonds that pay interest regularly. Real estate investment trusts, or REITs, pay most of their earnings as dividends. Mutual funds that concentrate on producing income are called income funds. Emphasising income could reduce the possibility of capital appreciation. The company's performance and the state of the market can impact income regularity.

Synopsis of investment objectives

Creating a portfolio that fits your financial objectives requires knowing and ranking your investment goals. If your goals are to increase wealth, preserve liquidity, guarantee safety, save taxes, or produce regular income, choosing the right combination of assets catered to these goals will enable you to realise them. Balancing these goals frequently requires a diversified approach combining several asset classes and investing methods to satisfy your total financial needs and risk tolerance.

1.3. RISK

Risk is an inherent aspect of human life and decision-making, characterized by the potential for loss or harm. It is a concept that spans across various domains, including finance, healthcare, engineering, and everyday activities. Understanding risk involves recognizing the uncertainty of outcomes and evaluating the potential consequences of different actions or events.

Types of Risk

1. **Financial Risk**:
    - **Market Risk**: Market risk refers to the potential for financial loss due to fluctuations in the market prices of securities, commodities, interest rates, and currencies. This type of risk is inherent to all forms of investment and can impact individual assets as well as entire portfolios. Effectively managing market risk is crucial for preserving capital, achieving investment objectives, and maintaining financial stability. By understanding and mitigating market risk, investors can better navigate market fluctuations and protect their portfolios from significant losses.

- **Credit Risk**: Credit risk refers to the possibility that a borrower will fail to meet their financial obligations, resulting in a loss for the lender. This type of risk is inherent in lending and credit-related activities, affecting banks, financial institutions, and investors. Effective management of credit risk is essential for financial stability and profitability. By assessing and mitigating credit risk, lenders and investors can protect themselves from significant financial losses and ensure the long-term viability of their credit portfolios.
- **Liquidity Risk**: Liquidity risk refers to the potential difficulty in converting assets into cash quickly without significant loss in value. This type of risk is crucial for financial institutions, businesses, and investors who need to meet short-term obligations. Effective liquidity risk management ensures that organizations can meet their financial commitments, maintain operations, and avoid distress during periods of market instability. By understanding and mitigating liquidity risk, entities can safeguard their financial health and operational continuity.

2. **Operational Risk**:
   - **Process Risk**: Process risk, a type of operational risk, refers to the potential for losses due to failures or inefficiencies in an organization's internal processes, systems, or policies. This risk can affect the quality, efficiency, and overall success of business operations. Effectively managing process risk is essential for maintaining operational efficiency, ensuring quality, and protecting an organization's reputation. By identifying and mitigating process risks, businesses can achieve better performance, reduce costs, and enhance overall resilience.
   - **People Risk**: People risk, a subset of operational risk, refers to the potential for losses due to human factors such as errors, misconduct, or lack of appropriate skills within an organization. This risk can impact productivity, reputation, and financial performance. Effectively managing people risk is crucial for maintaining operational efficiency, safeguarding the organization's reputation, and achieving strategic objectives. By addressing human factors, organizations can minimize errors, prevent misconduct, and enhance overall performance.

- **Systemic Risk**: Systemic risk refers to the potential for a failure or shock within a financial system or economic sector to spread and cause widespread instability across the entire system. This type of risk affects multiple entities and can lead to significant economic disruptions. Effective management of systemic risk is vital for maintaining the stability of the financial system and economy. By addressing potential vulnerabilities and implementing robust safeguards, policymakers and institutions can help prevent crises and ensure economic resilience.

3. **Strategic Risk**:

   - **Competition Risk**: Competition risk refers to the potential threats that businesses face from rival companies. This can include challenges such as price wars, market share erosion, and the need to constantly innovate to stay ahead. Competition risk can impact profitability, market position, and overall business strategy. To manage these risks, companies need to stay informed about industry trends, differentiate their products or services, and adapt quickly to changes in the competitive landscape.

   - **Reputation Risk**: Reputation risk refers to the potential for negative public perception or stakeholder disapproval, which can harm a company's image and profitability. It arises from actions, behaviour, or business practices that stakeholders may find objectionable, unethical, or incompetent. Managing reputation risk involves maintaining transparency, ethical conduct, and effective communication to uphold a positive public image and stakeholder trust.

4. **Compliance and Legal Risk**:

   - **Regulatory Risk**: Regulatory risk is the potential for financial loss or operational disruption due to changes in laws, regulations, or policies. It arises when a company fails to comply with new or existing regulations, which can lead to fines, legal penalties, or increased compliance costs. Managing regulatory risk involves staying informed about regulatory changes, ensuring compliance, and maintaining good relationships with regulatory authorities.

   - **Litigation Risk**: Litigation risk is the potential for financial loss or operational disruption due to legal actions taken against a company. This risk arises when a

company faces lawsuits, which can result in legal fees, settlements, or damages. To manage litigation risk, companies must ensure compliance with laws and regulations, maintain good corporate governance, and implement effective dispute resolution strategies.

5. **Environmental and Health Risk**:
    - **Natural Disaster Risk**: Natural disaster risk refers to the potential for loss or damage caused by events such as earthquakes, floods, hurricanes, or wildfires. This risk can impact a company's operations, assets, and supply chains. Managing natural disaster risk involves implementing disaster preparedness plans, investing in resilient infrastructure, and securing appropriate insurance coverage.
    - **Health Risk**: Health risk refers to the potential for harm or adverse health effects on individuals due to exposure to hazardous conditions, substances, or behaviours. This risk can impact employee well-being, productivity, and company reputation. Managing health risk involves ensuring workplace safety, promoting healthy practices, and adhering to health regulations and guidelines.

Risk Assessment and Management

1. **Risk Identification**:
    - Identifying potential risks that could impact an organization or individual.
    - This involves recognizing and documenting various internal and external threats, including financial, operational, strategic, and compliance risks. Effective risk identification enables organizations to anticipate potential issues and develop strategies to mitigate or manage them.
    - Using tools like SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) and PEST analysis (Political, Economic, Social, Technological).
2. **Risk Analysis**:
    - Assessing the likelihood and potential impact of identified risks.
    - This process helps prioritize risks based on their severity and probability, allowing organizations to focus on the most critical threats.

- The goal is to understand the nature of risks and inform decision-making for effective risk management.
- Quantitative analysis (e.g., statistical models) and qualitative analysis (e.g., expert judgment).

3. **Risk Evaluation**:
   - Comparing risk analysis results with risk criteria to determine the significance of risks.
   - Prioritizing risks based on their potential impact and likelihood.
   - Risk evaluation aids in developing a risk management strategy by focusing resources on the most critical threats to the organization's objectives.
4. **Risk Treatment**:
   - Developing strategies to manage or mitigate risks.
   - This process includes deciding whether to avoid, reduce, transfer, or accept each risk. Strategies for risk treatment can include implementing controls, obtaining insurance, developing contingency plans, and improving operational procedures.
   - The goal is to minimize the negative impact of risks on the organization while maximizing opportunities. Effective risk treatment ensures that risks are managed proactively and align with the organization's risk appetite and objectives.
   - Options include risk avoidance, reduction, sharing (e.g., insurance), and acceptance.
5. **Risk Monitoring and Review**:
   - Continuously monitoring the risk environment and effectiveness of risk management strategies.
   - This involves regularly assessing changes in the risk environment, reviewing the outcomes of risk treatment actions, and updating risk assessments as necessary.

- Continuous monitoring helps ensure that risk management practices remain relevant and effective, allowing organizations to respond to new risks or changes in existing risks promptly. Regular reviews and audits support informed decision-making and continuous improvement in risk management processes.
- Updating risk assessments and management plans as necessary.

Importance of Risk Management

Effective risk management is crucial for several reasons:

1. **Protecting Assets**:
    - Protective assets are resources or measures put in place to safeguard an organization's valuable assets from potential threats or losses. These can include physical assets like security systems and insurance policies, as well as intangible assets such as intellectual property protections and cybersecurity measures. The goal of protective assets is to minimize vulnerabilities and ensure the security and resilience of an organization's critical resources and operations.
2. **Ensuring Compliance**:
    - Ensuring compliance involves adhering to laws, regulations, and internal policies that govern an organization's operations. This process includes implementing practices and controls to meet legal and regulatory requirements, conducting regular audits and assessments, and training employees on compliance standards. Effective compliance management helps prevent legal issues, fines, and reputational damage, while promoting ethical conduct and operational integrity.
3. **Enhancing Decision-Making**:
    - Enhancing decision-making involves improving the processes and tools used to make informed choices. This can be achieved by leveraging data analytics, incorporating diverse perspectives, and utilizing decision-support systems. Effective decision-making also requires clear goals, reliable information, and structured evaluation of alternatives. By refining these elements, organizations

can make more accurate, timely, and strategic decisions that align with their objectives and adapt to changing conditions.

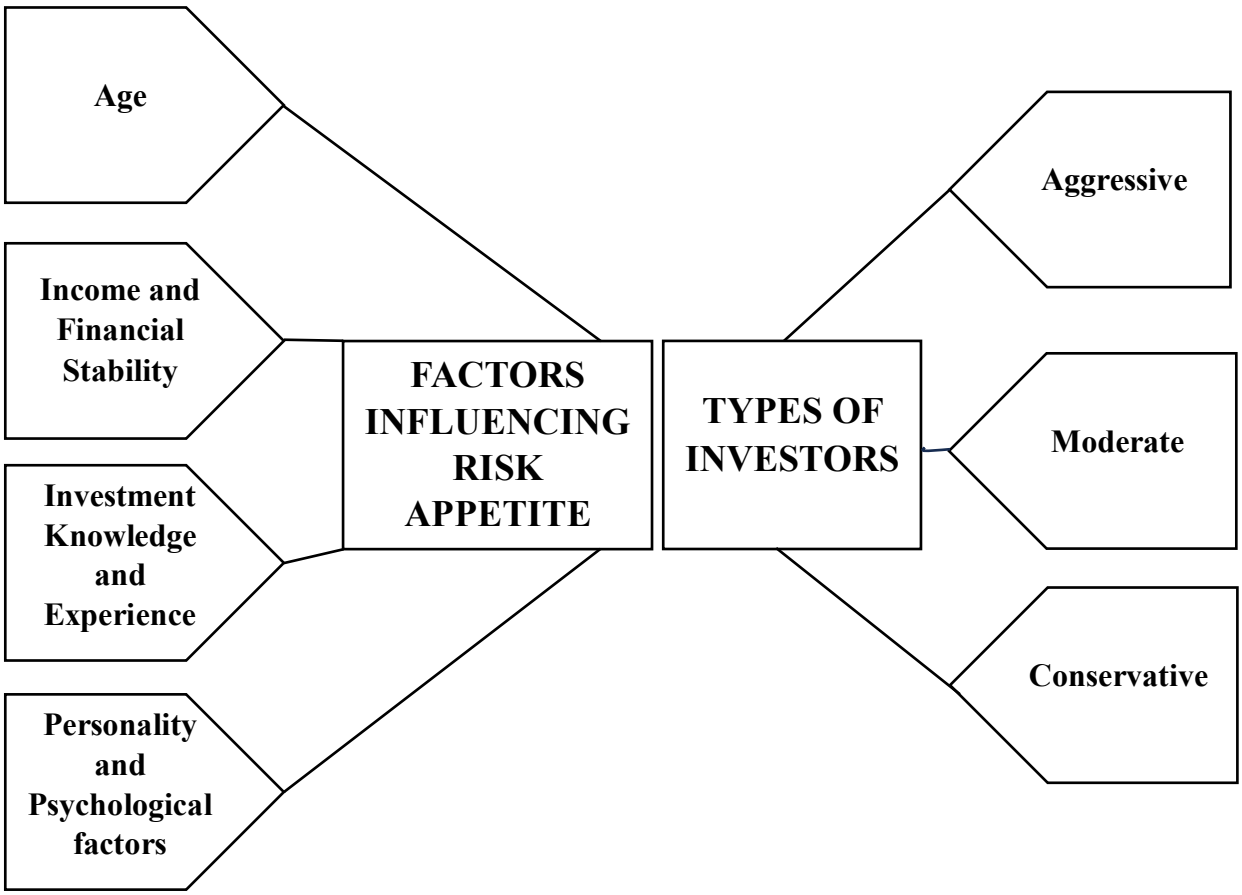
4. **Improving Organizational Resilience**:
    - Organizational resilience refers to a company's ability to adapt to and recover from disruptions, such as economic downturns, natural disasters, or operational challenges. It involves developing robust systems, processes, and a flexible mindset to maintain operations and minimize impact during crises. Key components of organizational resilience include risk management, business continuity planning, and fostering a culture of adaptability and innovation. Building resilience helps organizations withstand shocks, maintain performance, and emerge stronger from adverse situations.
5. **Optimizing Performance**:
    - Optimizing performance involves enhancing an organization's efficiency and effectiveness to achieve its goals. This can be done by streamlining processes, leveraging technology, setting clear objectives, and continuously monitoring and evaluating outcomes. Strategies for optimization include improving resource allocation, fostering employee development, and implementing best practices. The goal is to maximize productivity, reduce waste, and drive better results, ultimately leading to improved organizational performance and competitive advantage.

1.3.1 Risk Appetite

As they say, there is no profit without taking a chance. Hence, the investment seeks to maximise wealth and provide steady earnings. Every decision regarding their investment an investor makes carries risk; risk is determined as the unanticipated result of the investment decision which investor makes themselves (Kannadhasan, 2006), and risk bearing capacity is the capacity of an individual to bear the unfavourable consequences of the investment decisions they make (Grable et al., 2020). Financial advisors may make mistakes if they cannot correctly analyse the financial risk tolerance, and it may cause investors stress due to the selection of highly volatile investment avenues. At the same time, other things are constant, i.e., age, gender, education and qualification (Droms, 1987). Since older people have lower risk appetites than younger ones, demographic considerations affect individual investors'

investment behaviour (Grable & Lytton, 1999). Individual behaviour in terms of risk appetite is also influenced by education; a person's risk tolerance for different financial products increases with their level of education (MacCrimmon et al., 1988). In the sense that every investment has a side where investors do not wish to invest in a risky asset, the study by (Grable et al., 2020) concludes the reflection effect of investors. Studying the reflection effect has four components: risk avoider, loss aversion, loss tolerant, and risk seeker. While making investment decisions, the groups that investors deal with are pretty important. The study on lottery selections teaches us that when a group of investors reverses their choice, so do investment decisions. It affects what they invest in (Viscusi et al., 2011). Another research on how investors perceive risk concluded that the risk's variability and loss aspects influence the investor's behaviour and that financial literacy is another individual trait that influences how they perceive risk (Sachse et al., 2012). The variables of risk appetite are here as follows:

Figure 1.4. Factors influencing risk appetite and Types of investors



Source: Author's Presentation

1.3.2. Factors influencing Risk appetite

Age

Younger people usually have more risk bearing capacity because they have more time to retrieve from possible losses and can profit from the compounding of returns. Generally speaking, older people choose lower-risk investments to protect their money and guarantee a consistent income in retirement.

Income and Financial Stability

Higher Income: Because their fundamental requirements are already being addressed, those with more significant and steady incomes can afford to take more chances.

Lower Income: Those with less or variable incomes could be less risk-averse and value financial stability more than big profits.

Investment Knowledge and Experience

Those with experience investing typically have a higher risk tolerance because they are more adept at-risk management and know market dynamics. Because novice investors typically favour low-risk ventures because they lack experience and fear losing money.

Personality and Psychological Factors

Risk takers: Those who take risks by nature are at ease with the volatility and unpredictability of high-risk investments.

Risk-averse: Some people might prefer stability and predictability, choosing investments with consistent, although small, returns.

1.3.3. Types of Investor

Conservative

With a low-risk tolerance, the primary focus is on capital preservation rather than seeking large profits. Preferred investments include government bonds, fixed deposits, savings accounts, and other low-risk financial products. The primary objectives are to maintain stability and ensure the safety of the invested capital.

Moderate

Willing to take on a moderate level of risk, the goal is to achieve a balance between potential profits and safety. Preferred investments include a mix of mutual funds, bonds, and equities. This diversified approach aims to achieve both growth and income, balancing the potential for higher returns with the need for stability.

Aggressive

Investors with a high-risk tolerance are focused on pursuing substantial profits, even if it means facing the possibility of significant losses. They tend to favour speculative investments such as high-yield bonds, commodities, real estate, and stocks. The primary objectives for these investors are rapid growth and significant capital appreciation.

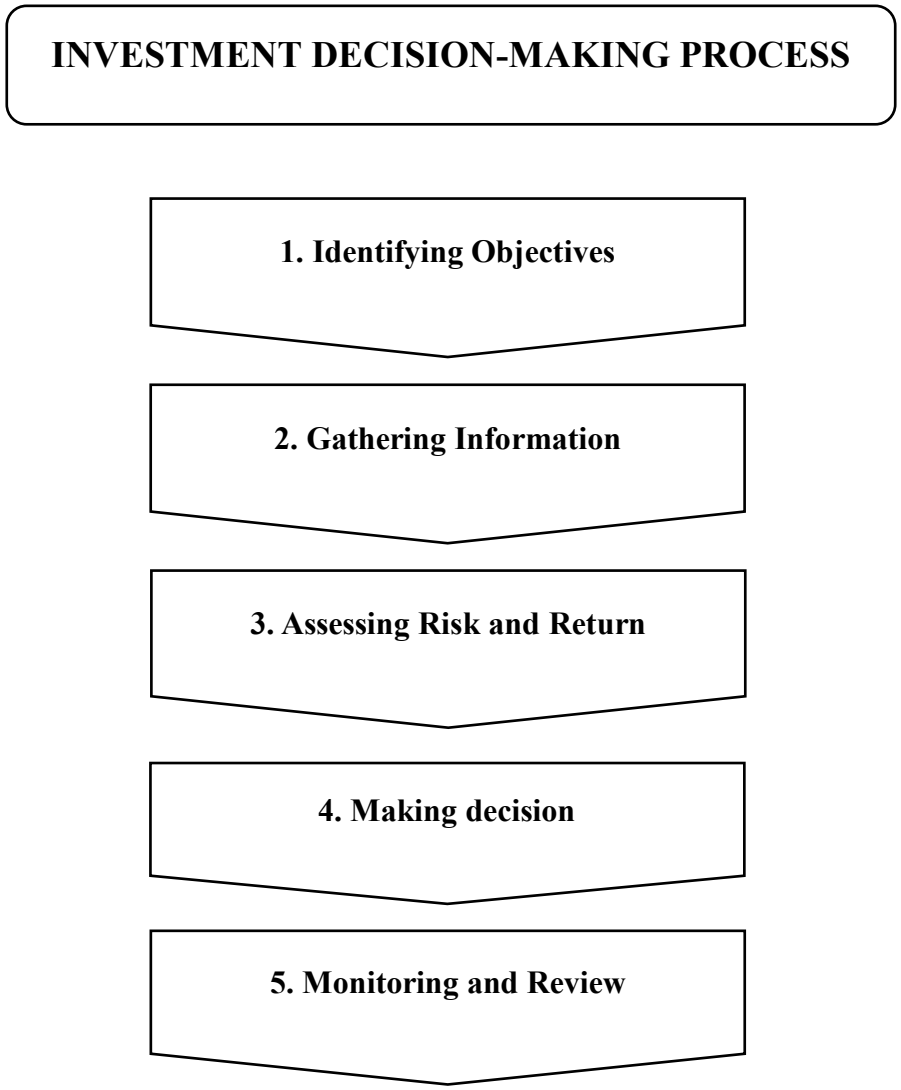
1.4. Investment Decision-Making

Investors diversify into different assets according to their attributes and attitudes; between the two asset classes, bank deposits and stock market investments, people are influenced by the return and risk associated with both assets; rumours and financial analyst recommendations are crucial for the selected stock market investment; the various investment avenues define an individual's attitude and attributes by which they make financial decisions throughout their lifetime. For fixed deposit investments, family member opinion is essential (Shah et al., 2011). According to World Gold Council reports, India accounts for 20% of the global gold demand (World Gold Council, 2020). According to the report, most consumers buy or invest in gold because they use it as a risk-hedging tool. They employ it to balance the portfolio for the other

risky assets and, finally, to provide steady returns for the long-term investment (Verma & Sharma, 2014). Individual investors make decisions based on demographics, including gender, age, education, marital status, and financial literacy about the several asset classes—bank deposits, bonds, mutual funds, and shares—(Chang & Wei, 2011). Men are more overconfident than women on various attribute scales. Hence, the gender of individual investors affects the degree of overconfidence they have while investing (Morgan, 1992). Any investor's investment behaviour regarding rationality or irrationality can be examined in decision-making. However, irrational decision-making refers to decisions made on an illogical or emotional basis, like heuristics and availability bias; the field of irrational behaviour is known as behavioural finance (Tversky & Kahneman, 1987). Rational decision-making means that the decision regarding the investment has been taken through logical reasoning after analysing the proper materials needed for investment into a particular asset. The media also significantly impacts people's behaviour regarding any investment (Davis, 2006). Additionally, influencing decisions and investing behaviour include cultural attitudes, national political events, and dates of general elections (Ahmed et al., 2022). Additionally, the study demonstrates how the national budget influences people's investment decisions, and the stock market indices mirror the outcomes; the volatility is highest in the short-term post-budget period compared to the long-term pre-budget era (Gupta et al., 2022).

Making investment decisions is essential to business strategy and personal finance, allocating resources among several investment possibilities. Risk tolerance, financial objectives, the state of the market, and economic projections are just a few of the variables that affect this process. Knowing these elements will enable people and organisations to make wise and successful investment decisions. Here is the investment decision-making process:

Figure 1.5. Decision-Making Process



Source: Author's Presentation

1. Identifying Objectives

Finding the investor's goals comes first in making investing decisions. These goals should be time-bound, meaningful, quantifiable, and specified.

2. Gathering Information

Information about different investing possibilities should be obtained after the goals are well defined. This entails looking at past performance, realising the hazards, and assessing possible profits.

3. Assessing risk and return

Investors have to evaluate every investment choice for risk and return profiles. Making educated decisions depends on knowing an investment's possible upsides and disadvantages, which this evaluation facilitates (Fabozzi & Markowitz, 2011).

4. Making decision

Investors can divide their resources based on the study. This stage involves choosing the investments that best suit their financial objectives, risk tolerance, and market forecast.

5. Monitoring and review

Investment decisions do not end with the first allocation. It must be regularly reviewed and monitored to ensure the investing portfolio stays aligned with the investor's goals. Changes in personal situations or the state of the market may call for adjustments (Reilly, 2011).

1.5. Rural Demographics

India's socio-economic scene depends heavily on the rural population, which constitutes a major share of its demography. Though this percentage has been declining as urbanisation patterns continue, the Census of India 2011 shows that about 68.8% of India's population lived in rural areas.

With about half of the workers in the agricultural industry, Rural India depends mostly on farming and other businesses for sustenance. Notwithstanding this, the rural sector suffers various difficulties, like restricted access to infrastructure, healthcare, and education. These restrictions help to explain differences in wealth, health results, and educational levels between urban and rural people.

Inadequate facilities, a dearth of competent teachers, and higher dropout rates impede rural education. To raise educational results and lower dropout rates in rural schools, the Indian government has instituted several programmes like the Mid-Day Meal Scheme and the Sarva Shiksha Abhiyan. Still, there are significant disparities, especially in secondary and higher education.

Another critical problem in rural India is the availability of healthcare. Rural communities can lack enough hospitals, clinics, medical staff, and infrastructure supporting healthcare. Programmes like the National Rural Health Mission (NRHM) have been started to improve healthcare services in rural areas, emphasising mother and child health, illness control, and infrastructure development.

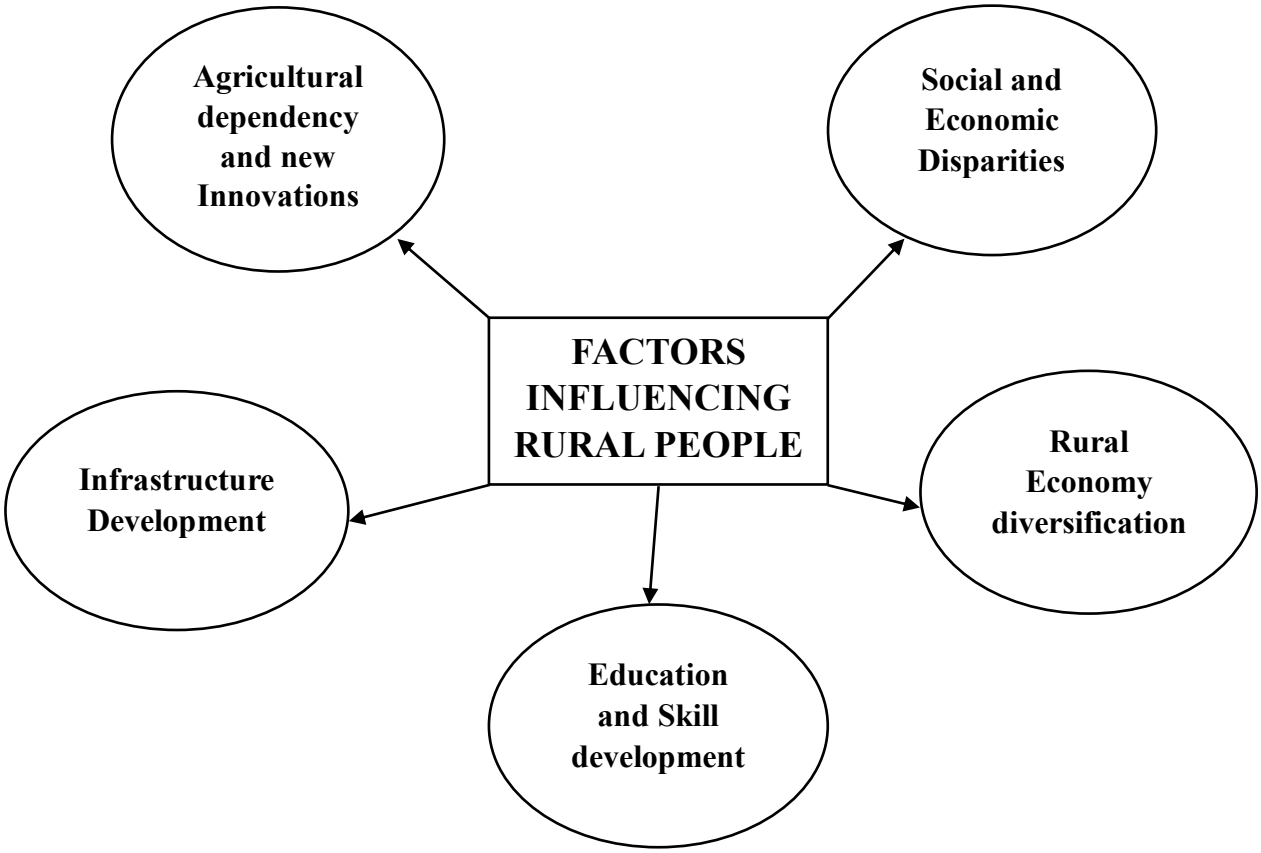
Rural locations have fewer economic possibilities than metropolitan areas, which drives higher unemployment and poverty rates. One of the main projects to increase livelihood security in rural India and offer employment is the 'Mahatma Gandhi National Rural Employment Guarantee Act' (MGNREGA). This programme makes it certain for rural households 100 days of paid employment annually, helping generate cash and promote infrastructure development.

Notwithstanding these difficulties, rural India significantly contributes to the national economy, especially agriculture, which still forms the pillar of the national economy. Furthermore, rural areas are rich in cultural legacy and customs, vital to preserving India's varied fabric.

In India, efforts to assist rural development centres on bettering infrastructure, increasing access to healthcare and education, and advancing environmentally friendly farming methods. Achieving balanced and equitable development—a primary goal of many government policies and initiatives— depends on attending to the needs of the rural population.

1.5.1. Factors Influencing Rural People

Figure 1.6. Factors influencing the rural people



Source: Author's Presentation

a. Agricultural Dependency and Innovations:

Agricultural Practices: Small and marginal farmers comprise a significant portion of the agricultural workforce, and Rural India's economy mostly depends on agriculture. Often practising subsistence farming, these farmers deal with scattered land ownership, reliance on monsoon rains, and lack of modern agricultural technology.

Agricultural Innovations: Initiatives like the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) for improved irrigation and the launch of digital platforms like e-NAM (National Agriculture Market) to enable better market access for farmers have modernised agriculture in rural India.

b. Social and Economic Disparities:

Poverty and Inequality: India's rural areas show higher rates of poverty than its cities. There are apparent economic gaps; Scheduled Tribes (STs) and Scheduled Castes (SCs) are particularly prone to social isolation and poverty.

Migration: Rural-to-urban migration is typical due to limited employment chances and higher possibilities in metropolitan areas. However, this migration sometimes results in problems, including urban congestion and the building of unofficial cities.

c. Infrastructure Development:

Rural infrastructure, including roads, electricity, and sanitation, has experienced notable progress thanks to many government programmes. Aiming to give unconnected communities an all-weather road connection, the Pradhan Mantri Gramme Sadak Yojana (PMGSY) seeks to improve rural mobility and economic activity.

Digital Inclusion: Promoting internet connectivity and digital literacy in rural areas would help the Digital India effort close the digital divide separating urban and rural areas. Programmes like Bharat Net want to link every Gram Panchayat—village council—with fast internet.

d. Education and Skill development:

Skill development: The government has started several initiatives aimed at rural young people to improve their employability through skill development. Projects like the Deen Dayal

Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) concentrate on giving rural youth employment possibilities and skill training.

Literacy rates: Though rising, rural areas still trail behind their metropolitan counterparts. Another issue is gender differences in literacy; female rates in rural areas are much lower than men's.

e. Rural Economy diversification:

Non-agricultural employment: A diverse rural economy with non-agricultural employment prospects is essential. Small-scale companies, hand cravers, and rural industries are urged to help lower reliance on agriculture through their development. *Microfinance institutions and self-help groups (SHGs)* are essential in enabling rural women and promoting entrepreneurship. These organisations offer financial services and help rural communities' income-generating projects.

1.5.2. Rural Investors

Rural investors are defined as those who have permanent residence in the villages and are investing in any asset class, as stated by the Reserve Bank of India (2011). According to the census conducted in 2011, the government of Haryana determines that a village is considered to be one in which the population is fewer than 5000 people, and the members of the panchayat are elected. Since the Economic Reforms of 1991, India's Gross Domestic Product (GDP) has seen a tremendous expansion, and the proportion of the GDP contributed by the service sector has also expanded (World Bank, 2020). Even though the urban population is expanding far quicker than the rural population, most of the population, which accounts for sixty-five per cent of the total, continues to reside in rural areas and work in the agricultural industry. Most investors in rural areas are unfamiliar with the stock market. The most common investments in rural areas are mutual funds, bonds, derivatives, post office savings, and bank deposits. Rural investors' only concerns regarding their investments are Safe and secure returns. As a result of the restricted work prospects available in rural areas, most people spend their money on agricultural land. After that, they invest in gold, but because of changes in the price of gold, they continue to sell it in a rush (Kapoor, 2016). They prefer to invest in LIC insurance policies rather than other types of insurance. Most rural residents want to keep their money in the post

office or bank deposits because they prefer to get cash in their hands easily and security of their capital than mere returns (Lokhande, 2015). The findings of the other study also demonstrated that rural investors place more trust in the goods and services the government provides. Persons with high levels of education invest in ways that are not typical; mutual fund investments and direct stock market investments have a place in their portfolios. This is in contrast to a further study, which found that persons living in rural areas followed the same investing pattern. However, it is significantly lower because of the education individuals determine it possesses (Lad, 2018). Here are a few points that emerge from the previous literature:

1. Conservative approach:

Rural investors are cautious investors who prefer safe and low-risk assets like fixed deposits, gold, and real estate to erratic ones like stocks or mutual funds.

2. Preference for Tangible assets:

They usually invest in tangible assets, especially land and cattle, because they think they are safer and more familiar.

3. Dependent on informal networks:

Often, family, friends, and local community leaders have more of an impact on investment decisions than do qualified financial consultants.

4. Financial Literacy:

Rural investors often lack financial literacy, which influences their comprehension of different investment options and the advantages of diversification.

5. Long-term approach:

Investors often have a long-term view and concentrate on preserving capital and growing gradually rather than making quick money.

6. Low risk tolerance:

Rural investors are usually not risk-tolerant and avoid high-risk ventures because they have little savings and income streams.

7. Stable income streams:

Because agriculture is subject to weather and market swings, many rural investors desire steady and predictable investment returns.

8. Reducing the level of risk through diversification:

When rural investors diversify, they typically do so within well-known asset classes and combine a variety of low-risk investments to spread out any hazards.

9. Avoiding market volatility:

The fear of losing money and the lack of faith in market processes usually keep people away from the volatility of stock markets and other high-risk ventures.

10. Cultural influence on choices:

The customs and social mores of society significantly impact investment decisions. For example, conventional investments are frequently preferred because most cultures accept them.

11. Dependence on first-hand experience:

Decisions about investments are greatly influenced by past personal experiences and anecdotal evidence, occasionally resulting in reluctance to find new financial solutions.

12. Availability of information:

A cautious investment approach is reinforced because judgments are frequently based on little or out-of-date knowledge due to restricted access to financial information and advice.

13. Belief in financial institutions:

Rural investors may have less faith in official financial institutions, which affects their readiness to interact with banks, stock exchanges, and other official investing venues.

14. Government policies influence:

Government policies and incentives, such as tax breaks or subsidies on specific kinds of investments, can significantly influence decisions made by rural investors.

15. Impact of cooperative societies:

Providing financial goods and reliable guidance, cooperative societies and local credit unions frequently play a significant role in rural investment decisions.

CHAPTER - 2

2. PROBLEM OF STATEMENT, REVIEW OF LITERATURE AND RESEARCH GAP IDENTIFICATION

2.1. PROBLEM STATEMENT

Higher degrees of financial vulnerability are frequently associated with rural locations, including restricted access to economic resources, reduced financial literacy, and reliance on traditional means of subsistence. Through research on the investment habits of rural investors, we can pinpoint ways to reduce financial vulnerability, advance financial inclusion, and strengthen economic resilience in rural areas.

Decisions on investments are greatly influenced by risk tolerance and perception. Rural investors may have different risk preferences than urban investors because of differences in income stability, sensitivity to outside shocks (like agricultural risks), and psychological aspects shaped by cultural norms. Planning risk management plans that suit rural investors' risk preferences and financial objectives requires understanding how they view and react to investment hazards.

Knowledge of rural investors' investing behaviour can inform the pattern and execution of focused legislative capability to support balanced economic growth in rural regions. By identifying obstacles to investment participation and opportunities for financial empowerment, authorities can customise programs to promote an environment favourable to rural investment, promoting economic growth and lowering inequality.

Even with initiatives to advance financial inclusion, formal financial services and investment opportunities are still out of reach for rural areas. By examining the investing habits of rural investors, we can pinpoint obstacles to financial access, such as inadequate infrastructure, knowledge asymmetries, and regulatory limitations. Removing these obstacles will increase the availability of financial services, enable rural investors to make wise investment choices, and promote equitable economic growth.

Addressing the particular possibilities and problems within rural economies, boosting financial inclusion, and promoting sustainable development requires understanding investment behaviour, risk tolerance, and financial choice-making among rural shareholders. By filling in

the gaps in the body of knowledge, this study can produce insightful information that enables financial institutions, policymakers, and development practitioners to promote the economic health and prosperity of rural areas.

The research questions which emerged are as follows:

a) How do rural investors determine their investment objectives, become aware of different asset classes, and review the performance of their portfolios?

b) What is their risk-bearing capacity towards their investments?

c) What is their satisfaction level and ability to earn money with their investment decision-making?

d) How did their risk-bearing capacity impact their decision-making?

2.2. REVIEW OF LITERATURE

Reviewing previous studies is crucial in directing and influencing the course of new research projects. Conducting a systematic review of existing studies allows the researcher to develop a profound grasp and detailed insight into the relevant previous research related to the subject. Our study follows the standard technique by comprehensively evaluating existing literature on investment behaviour, risk-bearing capacity, and investment decision-making across all asset classes. During the review process, we intentionally assess various studies conducted worldwide and nationally, such as empirical and survey-based research. The known research was systematically evaluated in four components. Part 2.2.1 depicts investment behaviour, Part 2.2.2 shows risk appetite, Part 2.2.3 explains investment decision-making, and Part 2.2.4 details the correlation between risk appetite and investment decision-making.

2.2.1 INVESTMENT BEHAVIOUR

Conventional finance research suggests that investors are rational individuals who aim to maximise wealth while limiting risks. The core ideas of standard finance are based on arbitrage principles developed by Modigliani (1978), the portfolio principles introduced by Markowitz (1952), the Capital Asset Pricing Model (CAPM) proposed by Sharpe (1964), and the option pricing model formulated by Black and Scholes (1973). The basic principles work together to create the conventional finance model, which illustrates an investment model focused on objectives. This approach combines critical theories to offer a complete picture of how investors behave and make financial decisions.

Investors' rational behaviour is strongly backed by the Efficient Market Hypothesis (EMH), a fundamental theory in standard finance developed in the 1960s by Paul Samuelson (1965) and Eugene F. Fama (1970). According to the EMH, a market is considered efficient when security prices fully incorporate all existing information. The theory argues that in an efficient market, prices act as an accurate and appropriate signal for the best distribution of resources. Fama (1965) contributed significantly to defining our comprehension of market dynamics and the impact of information on investment choices.

Investor rationality was a fundamental belief in conventional finance theory until the 1960s. Behavioural finance emerged around this time and questioned the premise of rationality in investors by highlighting irrational behaviours caused by cognitive mistakes and emotional biases. Kahneman and Tversky (1979) influential research challenged the conventional idea of investor rationality.

This challenge to rationality was fundamental in the development of current finance theories. Later studies conducted by experts like (Barber & Odean, 2001), and (Hirshleifer & Subrahmanyam, 1998), and they also explored the preconceived notion and cognitive biases that have a substantial impact on investor behaviour. This research found that investors exhibit loss aversion, feeling more remarkable anguish from losses than pleasure from gains (De Bondt et al., 1985).

When evaluating investment opportunities, investors analyse the risks and rewards to create a portfolio that matches their goals and risk tolerance (Barber & Odean, 2001). Investors base their financial decisions on valuing wealth, considering psychological nuances that may influence their selections. This changing comprehension of investor behaviour deviates from the conventional belief in complete rationality in finance. However, research on investors' irrational behaviours has mainly concentrated on capital market investments. Surprisingly, there is a noticeable lack of research on investors' habits in personal financial planning. Existing research primarily focuses on analysing the factors that exert influence on investment decisions and determining the preferred choice of investment options between different demographic groups.

Research has shown that demographic factors like age, gender, wealth, and education impact investors' choices (Sundén & Surette, 1998; Lewellen et al., 1977). However, there is a significant deficiency as these studies do not provide a reliable measure for evaluating if

investors' decision-making effectively aligns with their investment goals, especially with objectives-oriented financial planning.

The study by Bhola et al. (2012) aims to investigate participants' demographic features and investment behaviours across different occupations. The results demonstrate a robust and favourable correlation between the respondents' occupations and the factors that influence their investment choices, including investment objectives, guiding principles, criteria for choosing financial institutions, and sources of information.

Similarly, Dar and Kumar (2023) found that unemployed people are not very confident in their investment decisions. The study yields valuable insights that benefit survey participants and the companies offering investment choices. So, the null hypothesis emerged as follows:

H_{05}: There is no significant relationship between the investment behaviour of different occupations of rural investors.

Individual investors are driven by their past experiences or by conducting a thorough investment evaluation process when making investment choices. Experience significantly influences investors' perceptions of risk, affecting their attitude towards risk and total risk tolerance (Kaustia & Knupfer, 2008) (Malmendier & Nagel, 2011) (Seru et al., 2010). Byrne's 2005 research highlights a positive association between financial experience and the inclination to accept risks.

Researchers have emphasised the highly significant influence of an individual investor's collected investment experience on their decision-making, especially regarding anchoring bias and overconfidence (Corter & Chen, 2006). These observations highlight the importance of an investor's journey and the lessons learned from previous experiences in influencing their present financial decisions. This study recognises the remarkable impact of investment experience on the decision-making process of individual investors in financial investments. This psychological trait enhances our comprehension of financial investment behaviour by highlighting the complex relationship between experience and behaviour processes (Chen et al., 2007; Mak & Ip, 2017). So, the null hypothesis has been formed from the literatures is as follows:

H_{07}: There is no significant relationship between the investment behaviour of different years of investment experience of rural investors.

Non-financial considerations are crucial to financial factors that exert influence on the decisions of retail investors. The non-financial aspects include corporate governance (CG), brand reputation, perceived political connections, loyalty to a company's products, perceived ethical standards upheld by the firm, and the level of media attention, as indicated in studies by various researchers such as (Akhtar et al., 2011), (Athar & Usmani, 2009), (Balatbat et al., 2004), (Bashir et al., 2013), (Farooq & Sajid, 2015), (Himmelberg et al., 1999), (Klapper & Love, 2004), (Nagy & Obenberger, 1994), (Vyas, 2014), (Sultana & Pardhasaradhi, 2012), (Usmani, 2012), and (Yue-Fang, 2010).

Media focus pertains to a corporation's visibility in the media and the information it distributes. The media is one of the most authentic sources of information, providing valuable perspectives on a company's worth, particularly in cases of restricted corporate transparency (Wu & Lin, 2017). The increasing importance of media attention in investing decision-making is evident due to the wide range of media sources accessible to individual investors, such as newspapers, stock market-focused TV channels, 24-hour news channels, and various different social media platforms. Tetlock (2007) discusses how media reporting can impact the sentiment of individual investors. (Tetlock et al., 2008) explored this connection further, stating that media attention positively correlates with a firm's fundamentals. A study by Nofsinger (2001) observed that investors react promptly to favourable media reports. Hong and Stein (2000) proposed that bad news reaches individual investors at a slower pace. Thus, any favourable news can influence decision-making supporting the stock, as Bennet et al. (2011) indicated. According to Mandell (2006), financial literacy is the knowledge necessary for making critical financial decisions. The Financial literacy and awareness are essential for making educated and logical investing decisions. Individuals with financial literacy better understand financial concepts and can make well-informed decisions on money matters (Hogarth & Hilgert, 2002). Individuals with poorer levels of basic financial literacy are less likely to participate in stock investing (Bucher-Koenen & Ziegelmeyer, 2011). (Sivaramakrishnan et al., 2017) highlighted the importance of financial literacy in influencing the choice to invest in equities. Van Rooij et al. (2011) found that people with limited financial literacy view equities as intricate assets, causing them to steer clear of investing in them. Moreover, persons with inadequate financial literacy find it challenging to include non-financial instruments in their financial choices (Borgers & Pownall, 2014). Financial literacy is crucial for allowing individuals to understand and make informed decisions about investing options that align with their financial objectives.

The authors highlighted that demographic characteristics significantly influence investors' behaviour and decisions (Maditinos et al., 2007) (Sadi et al., 2011). The influence of demographic considerations on the choice of investment products is apparent in the studies of (Charles & Kasilingam, 2013), (Fellner & Maciejovsky, 2007), and (Mittal & Vyas, 2008). Other researchers have pinpointed age and gender as critical characteristics that impact investment behaviour and investors' decision-making processes (Kabra et al., 2010). The author emphasises that age and gender plays important role in exerting the influence the investment behaviour. Huberman and Jiang (2006) identified a negative association between age and the quantity of money held, indicating that investors tend to reduce their holdings as they grow older. Due to the persistent acknowledgement in the literature of age as a crucial component significantly linked to investment behaviour, it is essential to focus on it in this study (Geetha & Ramesh, 2012; Olekar & Yadav, 2016). Hence, the null hypothesis from the literature are:

H_{01}: There is no significant relationship between the investment behaviour of male and female rural investors.

H_{02}: There is no significant relationship between the investment behaviour of different age groups of rural investors.

Gender is one of the important demographic features that significantly impacts the complex choices in the investment process and determines investors' overall behaviour. Abundant research indicates noticeable gender disparities in risk attitudes, resulting in variances in the choice of financial investment products (Gunay & Demirel, 2011). Multiple studies confirm that women investors tend to be less risky than men in investment, as shown by their more conservative attitude (Fellner & Maciejovsky, 2007; Agnew et al., 2008).

Financial service providers must consider these gender-based differences in risk perception and investment decisions. Understanding gender disparities in investment behaviour is crucial to successfully meeting investors' needs. This study carefully examines the gender aspect to provide valuable insights into how gender influences individuals' decision-making in financial investments (Agnew et al., 2008) (Speelman et al., 2013).

Previous studies highlight the importance of sociological factors such as education level, income level, and marital status in moulding investors' behaviour and impacting their decision-making processes (Mahmood et al., 2020). Marital status and the presence of dependents can influence investment choices. Individuals with families may prioritize stability and low-risk investments to ensure financial security for their dependents. Single individuals or couples

without children might be more inclined to pursue higher-risk, higher-reward investments (Al-Ajmi, 2008; Shaikh & Kalkundrikar, 2011). Al-Ajmi's (2008) preliminary investigation examined a direct association among income, education, and risk bearing capacity. Shaikh and Kalkundrikar's (2011) study found that annual income, qualification, and marital status influence investors' behaviour of investment and choices of investments. Mak and Ip (2017) conducted an exploratory study investigating the complex interaction of rational, demographic, and emotional factors influencing investment behaviour. The research used regression methods to thoroughly investigate how demographic, sociological, and psychological factors influence investment behaviour. The study discovered a detailed relationship between different demographic characteristics and the patterns of investing choices. The study investigated that multiple factors, including age, annual income, education level, gender, and marital status, substantially impact investment behaviour (Arianti, 2018). Higher income levels generally provide more disposable income to invest, enabling individuals to diversify their portfolios and potentially take on more risk. Lower-income investors might focus on safer, more conservative investments due to limited funds and a greater need for financial security (Kalyan & Gupta, 2021). Qualification level influences financial literacy, which in turn affects investment behaviour. Individuals with higher levels of education are often more knowledgeable about financial markets and investment strategies, making them more likely to engage in diversified and sophisticated investment practices. Conversely, those with less financial education may prefer simpler and more familiar investment options (Agrawal et al., 2022). The researchers used sophisticated regression methods to reveal the detailed connections between demographic data and the nuanced investment decision-making landscape. This study provides important insights into the complex framework influencing individuals' investment habits, highlighting factors including rational considerations, emotional aspects, and demographic data. Therefore, the null hypothesis from the literature is:

H_{03}: There is no significant relationship between the investment behaviour of married and unmarried rural investors.

H_{04}: There is no significant relationship between the investment behaviour of various educational backgrounds of rural investors.

H_{06}: There is no significant relationship between the investment behaviour of various income groups of rural investors.

The authors found that qualification level has a statistically reliable impact on investing decisions (Fares & Khamis, 2011). Rizvi and Fatima (2015) established a highly significant positive link between income and investing frequency. Research continually provides evidence confirming the substantial importance of sociological characteristics, such as qualification level, annual income level, and marital status, in determining investment choices and overall investor behaviour (Fares & Khamis, 2011; Geetha & Ramesh, 2012). Based on the thorough literature analysis, this study recognises the significance of three distinct sociological attributes: annual income, qualification, and marital status. The study attempts to enhance understanding of how sociological elements impact investors' decision-making processes in financial ventures.

Sarkar and Sahu (2018) studied how demographic variables, awareness levels, and perceived risk attitudes affect the investment behaviour of 400 residents from West Bengal. The research used probit regression analysis to explore the complex relationships among these factors. The research discovered that age and annual income substantially impacted the participants' tendencies towards prospect and herding biases. The probit regression study revealed that social learning and financial knowledge dynamics influenced market prejudice and herding bias. The results highlight the intricate relationships among demographic traits, levels of awareness, risk attitudes, and different biases in investment behaviour. This study provides very deep understanding of the complex network of factors influencing individuals' investing decisions, emphasising the significance of demographic factors and the impact of knowledge and learning on attitudes towards financial markets and expanding on previous studies into family businesses and the significant influence of family beliefs and principles on organisational operations (Sharma et al., 2003) (Stavrou, 1998).

Ajzen's (1991) theory of planned behaviour examines the financial decision choices conducted in family-owned companies. Ajzen's (2002) theoretical framework thoroughly comprehends human action beyond total voluntary control. Ajzen (1991) suggests that perceived behavioural control affects behavioural decisions indirectly through intention and directly. This complex framework offers a thorough perspective for analysing and forecasting financial decision-making behaviour in family businesses. It considers the interconnection of attitudes, perceived norms, and perceived behavioural control as key factors influencing the intentions and actions of decision-makers in this setting.

The Return on Agriculture (ROA), often known as the new investment theory, is a conceptual framework and empirical approach frequently used to analyse investments marked by irreversibility and uncertainty (Dixit & Pindyck, 1994). It offers a systematic method for evaluating investments in scenarios where choices are permanent and results are unpredictable, considering the ability to adjust the time of these investments. ROA highlights the significance of factoring in the option value of investments, potentially causing a postponement in investment choices. This contrasts with the conventional Net Present Value (NPV) method, which fails to account for irreversibility, timing flexibility, and uncertainty in investment returns. In contrast, ROA explicitly integrates these factors into its analysis. Critics contend that these elements are crucial in farmers' investment decisions and can significantly impact their decision-making. Relying simply on the NPV technique may not fully capture and assess the complex decision-making processes of farmers.

Aregbeyen and Mbadiugha (2011) conducted a study to investigate the factors influencing investing choices among 2000 Nigerians. Their research shows a complex interaction of economic, social, cultural, and psychological elements influencing investing decisions. Social elements were identified as the primary influencers, receiving the highest marks from the respondents. Economic factors ranked second due to their significant impact on investment decisions. Psychological considerations ranked third in influencing individuals' investment decisions, highlighting their significant impact. Cultural aspects had the lowest scores, ranking them as the fourth and least influential factor in the decision-making process for share investments. This investigation highlights the complex interactions and different levels of impact that various elements have on the decision-making process in investments.

Albert (2011) studied the knowledge levels of securities market items in the Ghanaian financial market. The study concentrated on a sample of employees from various university institutions in Kumasi, particularly those associated with Christian Services University College, Garden City University College, and University of Education, Winneba-Kumasi. According to the findings, approximately 68% of the respondents in the research area showed financial awareness. This indicates that 32% of the surveyed respondents are likely to lack economic knowledge. The study revealed a vital feature of the respondents' behaviour despite their relatively high level of financial understanding. Around 20% of employees with financial knowledge had not started investing in financial market items. Even among people with financial expertise, there seems to be a significant lack of desire or interest in participating in investment activities. This insight emphasises the need to promote financial literacy and

address motivational variables to stimulate active participation and investment in the financial system.

An individual's investing behaviour can be analysed using Ajzen's (1991) theory of planned behaviour (TPB), which builds upon (Fishbein & Ajzen, 1975) theory of reasoned action (TRA) and Ajzen and Fishbein's (1980) research. TRA proposed that intention is the direct predecessor of behaviour. An individual's behaviour is impacted by their behavioural intention (BI), which is fashioned by the person's attitude towards a specific action (A) and subjective norms (SNs). Attitude towards behaviour refers to an individual's positive and negative feelings about carrying out a specific behaviour depends upon the results of the outcomes of their choice. Social norms (SNs) refer to an individual's judgement of how desirable a given behaviour is to people who are important to them. The TPB expanded on the TRA by adding a new element called "perceived behaviour control" (PBC), which relates to the necessary skills and knowledge for acting. PBC refers to an individual's impression of their capability to perform a specific action. TPB offers a thorough insight into the components that affect individual conduct by including attitudes, subjective standards, and perceived behaviour control.

Riaz et al. (2012) study explores the complex interactions of investor behaviour, analysing the subtle impact of risk propensity, asymmetric information, and problem framing. The inquiry focuses on the mediating impact of risk awareness, which is essential in influencing investors' choices regarding investment. The study tries to determine the importance of each independent variable to investors in their decision-making process. The study reveals a crucial conclusion: Investors' behaviour is closely connected to how information is presented and their natural inclination for taking risks when making judgements. Information framing and investors' risk tolerance significantly influence their investment style. This highlights the intricate nature of decision-making processes and stresses the importance of comprehending the informational background and psychological elements, such as risk propensity, influencing investor behaviour. The research gives a deep understanding of the complex structure of investing decisions, revealing the linked factors that impact investors' choices in the financial sector.

Dhanaiah and Ram Prasad (2015) conducted a detailed analysis of over 60 articles. The inquiry focused on investors' attitudes towards savings, the impact of demographic determinants on investing decisions, awareness of financial instruments, and individual investors preconceived notions regarding the investment. The research utilised several methodologies, including

ANOVA, factor analysis, SEM (Structural Equation Modelling), and regression analysis, with the latter being the most commonly used method. The investigations predominantly utilised judgmental, convenience, and snowball sampling methods. The analysis mainly focused on mutual funds and shares, neglecting derivatives like futures and options. Dhanaiah and Ram Prasad emphasise the necessity for additional investigation into investor risk tolerance levels and perceptions, stating that these aspects are insufficiently studied in the current literature. Their research supports the need for a more extensive examination of the complex terrain of investor behaviour and decision-making in financial markets.

Bhushan (2014) studied investor awareness and preferences for investing options. Investors are more familiar with traditional investing channels than modern and postmodern, less well-known possibilities. The poll, which included 516 participants, highlighted the lack of awareness regarding these developing financial tools. The study promotes a proactive change in investor awareness towards emerging financial investment prospects. Investors should expand their knowledge beyond conventional methods and acquire new investing opportunities. Investors must stay informed and knowledgeable about developing possibilities to optimise their investment portfolios in the changing economic scenario.

Bhushan and Medury (2013) conducted a study to analyse employees' investment behaviours, specifically focusing on gender inequalities. One hundred eighteen participants in Himachal Pradesh were included in the investigation, revealing their strong preference for secure investing options. The study emphasised that individuals were delighted with their investments in recurring deposits, fixed deposits, and savings accounts. The research illuminates the investment behaviour of employees, specifically focusing on gender relations. The 118 participants from Himachal Pradesh were a representative sample demonstrating a common trend of preferring investing in low-risk assets. The findings highlighted that investors were satisfied with their decisions regarding recurring deposits, fixed deposits, and savings accounts.

In their study, Manocha et al. (2023) found that the moderation effect indicates that the relationship between attitude and investment intention, as well as financial risk propensity and investment intention, is significantly impacted by the respondents' age. Additionally, the results suggest that marital status among rural individuals plays a role in moderating these interactions. However, education does not appear to have any moderating influence on the relationships examined. Nigama and Deepika's (2024) research offers an in-depth analysis of investment behaviour and preferences across diverse demographic groups. The findings reveal a strong

inclination toward short-term investments, limited financial literacy, and the impact of external factors on investment decisions. To cultivate a culture of strategic and disciplined investing, the study suggests implementing extensive financial education programs, encouraging early investment habits, utilizing digital platforms, promoting workplace investment initiatives, expanding investment options, and focusing outreach efforts on women and low-income groups. Additionally, it highlights the need for a stable economic environment, employment opportunities, regulatory oversight, and investor protection measures to enhance public trust in financial markets and investment products.

Kumar et al. (2025) revealed that social influence significantly impacts financial attitude in both studies, while perceived risk has an insignificant effect. Additionally, financial knowledge played a significant role in shaping financial attitude in Study U but had no notable impact in Study R. Moreover, the results indicated a strong relationship between financial attitude, financial planning, investment intention, and investment behaviour in both studies. Other analyses highlighted notable differences in awareness levels, investment preferences, and sources of information. Urban investors demonstrated greater awareness and a stronger dependence on digital media, while rural investors relied more on traditional sources. The study identified key factors contributing to these variations, such as access to information, educational background, and socio-economic status (Vishakh & Jayalakshmi, 2025).

2.2.2 RISK APPETITE

The researchers stated that risk is closely connected to profit and loss (Elmiger & Kim, 2003) and (Finucane et al., 2000). Although there are two aspects, the human perception of risk tends to focus more on its connection to prospective losses. Renn (1998) highlighted the critical influence of human behaviour on defining risk, stating that it is directly connected to the level of concern investors have over the probable results of future occurrences. Garland (2003) highlighted the subjective nature of risk in this situation.

Hillson and Webster (2005) argued that several cognitive and emotional aspects influence perceived risks. Henrich defined risk perception as a cognitive error, whereas Olsen and Cox (2001) emphasised the behavioural aspect of risk awareness. The authors emphasised the crucial significance of risk perception in financial decision-making, which can be affected by factors including demography and personality (Garling et al., 2009). Studies on risk perception have produced varying and sometimes contradictory findings. Slovic (1999) recognised demography as a critical factor influencing perceived risks. Barber and Odean (2001) found

that men generally take more chances than women and unmarried men tend to take more risks than married men; (Yao & Hanna, 2005) also mentioned the difference between married and unmarried individuals in their study. While studies such as (Grable, 2000), (Bernasek & Shwiff, 2001), (Weber et al., 2002), (Grable & Roszkowski, 2007), and (Yao et al., 2011) suggest that men tend to be more risk-prone than women, (Yao & Hanna, 2005) and (Friedberg & Webb, 2006) did not find definitive proof of gender disparities in risk awareness. Then, in the literature of Fisher and Yao (2017) and Thanki et al. (2022), a difference has emerged in risk tolerance while making investment choices. So, the null hypothesis from the literature is:

H_{08}: There is no significant relationship between the risk appetite of male and female rural investors.

H_{10}: There is no significant relationship between the risk appetite of married and unmarried rural investors.

Financial risk tolerance and behaviour (FRB) are essential concepts in economics, psychology, finance, and management science. These ideas have essential consequences for service providers and policymakers aiming to launch new financial products. Understanding a person's financial risk behaviour is crucial for efficiently meeting their demands. Investors with low risk tolerance prioritize capital preservation and prefer stable, low-risk investment options like government bonds, fixed deposits, and savings accounts. Their main goal is to protect their capital rather than seeking substantial profits. Those with moderate risk tolerance are open to taking on some level of risk in exchange for potentially higher returns. They typically diversify their investments across a mix of mutual funds, bonds, and equities. Their strategy aims to achieve a balance between growth and income while maintaining a moderate level of risk. On the other end of the spectrum, investors with high risk tolerance are willing to face significant fluctuations in their investment values for the chance of large profits. They often invest in speculative and high-yield assets such as high-risk bonds, commodities, real estate, and stocks. Their primary goal is to achieve high growth and substantial capital appreciation, accepting the possibility of considerable losses along the way. Understanding one's risk tolerance is crucial for making informed investment decisions that align with financial goals and comfort levels (Roszkowski et al., 2009). A conceptual framework was developed to explore the relationship between financial risk tolerance and investment decision-making. The framework posited that sub-variables of financial risk tolerance, including personality type, sensation seeking, and self-efficacy, have a positive influence on investment decision-making. The study concluded that

financial risk tolerance assessment should be conducted prior to making investment decisions to minimize the likelihood of individuals making suboptimal investment choices that could result in financial losses (Amponsah et al., 2025).

Financial risk tolerance is a significant element that influences risky behaviours. According to Irwin (1993), a high level of financial risk-bearing capacity increases the likelihood of an investor choosing riskier investments. Investing in such opportunities can increase an investor's wealth, as demonstrated by research conducted by Hanna and Chen (1998) and Yao and Hanna (2005). People predisposed to risk-taking will likely exhibit high Financial Risk Behaviour (FRB) levels. The correlation between (FRB) and (FRT) has been confirmed in multiple research by (Bailey & Kinerson, 2005), Risk tolerance and risk behaviour are closely related concepts in the realm of investing, each playing a critical role in shaping an investor's approach to managing their portfolio. Risk tolerance refers to an individual's ability and willingness to endure fluctuations in the value of their investments. It is influenced by various factors, including financial goals, time horizon, and personal comfort with uncertainty and potential losses. An investor's risk tolerance is generally determined by their financial situation, investment objectives, and psychological factors (Chang et al., 2004), Risk behaviour, on the other hand, is the actual actions an investor takes based on their risk tolerance. It reflects how they implement their investment strategy and respond to market changes. For instance, an investor with high risk tolerance might engage in riskier investment activities, such as trading high-volatility stocks or investing in speculative ventures. Conversely, an investor with low risk tolerance will likely prefer more conservative actions, such as allocating funds to stable, low-risk assets (Coleman, 2003). The relationship between risk tolerance and risk behaviour is integral to successful investing. Ideally, an investor's risk behaviour should align with their risk tolerance. Misalignment can lead to poor investment outcomes; for example, if an investor with low risk tolerance engages in high-risk behaviours, they may experience undue stress and make impulsive decisions during market volatility. Similarly, an investor with high risk tolerance who adopts overly conservative behaviours may miss out on potential gains (Grable et al., 2008). The growing significance of comprehending FRT is emphasised by its consequences for investors and financial product or service providers. Retail investors benefit from a detailed comprehension of FRT, which helps them make well-informed decisions, avoid specific difficulties, and boost confidence in their selections. Knowledge helps improve financial decision-making and strengthens confidence in one's choice making capacity. Understanding the symbiotic link between FRT and FRB is crucial for navigating the complexities of the

financial landscape. Many financial advisors and individuals confuse (FRT) with an individual's risk awareness (Davey, 2006). Jaccard and Blanton (2005) explain that behaviour refers to any visible activity carried out by an individual. They argue that every activity has a unique beginning and end, usually occurring inside a particular environmental setting. Due to the inherent variety in human conduct, acts can have positive and negative consequences.

Within personal finance, activity can be categorised as deep focus on the aim or voluntary, and according to (Grable et al., 2008), comprising financial management and money management. This highlights that financial behaviour is not a singular concept but consists of intentional activities to attain particular financial goals. It is essential to understand that financial risk tolerance, referring to a person's readiness to deal with economic uncertainty, is separate from the behaviours they exhibit in their financial decision-making. The main aim of money management is to produce gains and enhance wealth. Risk is essential to every economic choice, and it is widely accepted that no return can be gained without taking risks. As defined by (Kannadhasan, 2006) and (Kannadhasan & Nandagopal, 2010), risk is the unpredicted unfavourable fluctuation in returns compared to what was anticipated from investments, significantly influencing financial results.

Financial risk tolerance (FRT) means that personal readiness to ready for the adverse fluctuations in investment value or results that differ from what was anticipated (Grable & Lytton, 1999a, 1999b). It is commonly understood that a solid readiness to take risks, indicated by a high Financial Risk Tolerance (FRT), is crucial for building wealth (Yao & Hanna, 2005). Mismanagement of the financial environment might decrease wealth, leading to overdue notices from lenders or other mortgage institutions (Grable et al., 2008). Understanding and evaluating FRT and FRB is essential for making optimal decisions that involve balancing risk and reward, as stated by Moreschi in 2004. FRT substantially impacts various financial decisions, such as wealth consolidation, retirement planning, portfolio allocation of investments, insurance choices, and other parts of finance and investing that rely on this behavioural aspect (Hanna et al., 2001).

Financial advisors benefit from a thorough grasp of Factor Risk Tolerance (FRT) to create an ideal portfolio that maximises profits while managing risk by combining investors with different FRT levels (Schirripa & Tecotzky, 2000). Recognising the significant influence of FRT and FRB on investment choices, multiple studies by researchers like (Grable, 1997), Investors with low risk bearing capacity prioritize capital preservation over high returns. They

tend to favour safe, low-risk investments such as government bonds, fixed deposits, and savings accounts, These investors are willing to accept some degree of risk for the potential of higher returns. They often diversify their investments across a mix of assets, including mutual funds, bonds, and stocks, aiming for balanced growth and income, Investors with high risk bearing capacity are comfortable with significant market fluctuations and potential losses. They seek high returns and invest in more volatile assets such as high-yield bonds, commodities, and stocks (Grable & Lytton, 1999a). Those exhibiting conservative behaviour, often due to low risk tolerance, invest in stable, low-risk assets and avoid high-volatility investments. Their portfolios are typically geared towards steady, predictable returns, Investors with balanced risk behaviour combine both conservative and aggressive strategies. They diversify their portfolios with a mix of asset classes, balancing potential growth with the need for stability, Investors with aggressive risk behaviour, driven by high risk bearing capacity, pursue high-growth opportunities. They invest in high-risk, high-reward assets and are more active in trading, seeking to capitalize on market movements (Grable & Lytton, 1999b), an individual's risk bearing capacity and behaviour is crucial for making informed investment choices. Alignment between risk bearing capacity and behaviour ensures that investment strategies are suitable for the investor's financial goals and psychological comfort, leading to better long-term outcomes and a more satisfying investment experience (Coleman, 2003) (Grable & Joo, 2004) (Hallahan et al., 2004), and others do have thoroughly investigated various factors. These characteristics include demographic, social, environmental, and cognitive dimensions among many nations and time periods. The investigations attempt to classify investors according to their risk bearing capacity, offering significant insights for choice-making.

It is crucial to understand that FRT is not a fixed characteristic. It varies among individuals, over time, and even between countries. Van de Venter et al., (2012) emphasised that life experiences impact an individual's changing risk bearing capacity. FRT is a complex attitude which is effected by multiple elements, constituents like environmental and neurodevelopmental components, as (Trone et al., 1996) discussed. External events like the subprime mortgage crisis in 2008 and the Greece crisis in 2010 have substantially impacted the financial landscape and other subtle concerns. Asset devaluation, inflation in India, and economic challenges like rising unemployment or reduced salaries have raised financial risk for investors, as shown in studies by (Bricker et al., 2011) and (Yao et al., 2011). These crises need a re-evaluation of FRT because of the changed economic circumstances, highlighting the significance of regular assessments. It is essential to highlight that FRT is not a fixed

characteristic. It varies among individuals, over time, and even between countries. As Van de Venter et al. (2012) emphasised, life events impact an individual's risk bearing capacity. FRT is a complex attitude influenced by multiple factors, including environmental and psychosocial components, as Trone et al. (1996) discussed. Furthermore, these events highlight the importance of regularly reassessing risk tolerance. This evaluation helps investors match their investment choices with market conditions and adapt their risk behaviour accordingly. The changing economic environment highlights the importance of regularly reevaluating FRT, allowing investors to make educated decisions and adjust to shifting market conditions. Failure to properly evaluate risk tolerance can result in less-than-ideal financial choices. Overestimating an individual's risk tolerance can lead to choosing an excessively aggressive portfolio while keeping other variables such as gender, annual income, and qualification constant (Kannadhasan, 2015; Subramaniam & Athiyaman, 2016). An incongruity between the selected investment portfolio and an individual's financial risk bearing capacity may aggregate into investor discontent, heightening financial strain and influencing financial risk management. Therefore, accurately evaluating risk tolerance is crucial for making well-informed and appropriate financial choices. Hence, the null hypothesis from the literature is:

H_{11}: There is no significant relationship between the risk appetite of various educational backgrounds of rural investors.

H_{13}: There is no significant relationship between the risk appetite of various income groups of rural investors.

Behavioural finance has recently utilised the principle of risk aversion in investigations. Risk aversion is the extent to which individuals are unwilling to take on risk. Establishing this threshold, whether risk perception or risk-bearing capacity, is crucial in behavioural finance research. It is suggested that certain biases and cognitive characteristics influence individuals' tendencies towards risk perception. Assessing financial risk-bearing capacity usually includes three main dimensions: analysing actual investment behaviour, analysing investor behaviour in controlled experiments, and using surveys for assessment (Faff et al., 2008).

Lönnqvist et al. (2015) emphasise the usefulness and dependability of risk attitude surveys as effective instruments for assessing individuals' risk awareness. Hallahan et al. (2004) claim that shareholders can estimate their risk-bearing capacity levels. Charness et al. (2013) suggest that a more straightforward approach to quantifying risk preference results in a more reliable and precise measurement. Despite various findings, several research has not definitively linked the

quantified amount of risk aversion to accurate behavioural results (Corter & Chen, 2006) (Durand et al., 2019) (Pinjisakikool, 2017). One possible reason for this lack of link is calculated risks to the extent that are related to theoretical situations, while actual risk behaviours are specific to each context. Individual emotions can lead to a distinction between expressed risk perception and actual risky financing actions. Typically, risk-averse people may want more danger when experiencing emotions like irritation, panic, happiness, sorrow, or aspiration. Historical occurrence of events with appropriate financial products and overall financing history influence decision-making. Although there is an association among risk aversion and risky investing choices, it may not necessarily result in a consistent outcome. Hence, the null hypothesis from the literature is:

H_{14}: There is no significant relationship between the risk appetite of various years of investment experience of rural investors.

An individual's desire to participate in risky investments indicates their tendency to invest in markets or assets linked to elevated levels of risk. Although this tendency is sometimes assumed to be associated with a general predilection for taking risks, it is not always the case. Weber et al. (2002) argue that the inclination for risk-taking is influenced by the specific situations in which the risk occurs. McCarty (2016) also recognises that the propensity to take risks can differ according to the situation. Pinjisakikool (2017) presents a controversial topic by examining whether attitudes towards risk are peculiar to specific contexts or universal. Sanou et al. (2018) contend that measures relevant to particular areas are more practicable and appropriate, this can include challenges such as price wars, market share erosion, and the need to constantly innovate to stay ahead. Competition risk can impact profitability, market position, and overall business strategy. To manage these risks, companies need to stay informed about industry trends, differentiate their products or services, and adapt quickly to changes in the competitive landscape.

Investment preference refers to the specific selection of investment instruments that deviate from risk aversion and involve engaging in risky ventures. Individuals who consistently evaluate and judge situations are expected to have a strong association between their willingness to take risks and their desire to participate in risky investments. People with a high tendency for risk-taking and a strong preference for risky investments are inclined to choose equities and derivatives. On the other hand, individuals with lesser risk-taking propensities and a restricted preference for risky investments are likely to favour bonds and bank savings.

Multiple research studies have found a notable correlation between investment decisions and attitudes towards risk (Warneryd, 1996).

Research has shown a strong and pragmatic association among the high-risk bearing capacity and acquiring stocks and other risky assets (Hariharan et al., 2000) (Corter & Chen, 2006) (Aren & Zengin, 2016). Some research has not consistently confirmed a direct link among taking the risk and financing preferences (Aren & Aydemir, 2014). McCarty (2000) suggests that one possible reason for this contradiction is that risk-taking may be intrinsic to an individual's character. Aren and Canikli (2018) endorse this idea and highlight that the correlation could differ according to the investment tools utilised. Hillson and Webster (2005) argue that personality qualities are not the only elements that determine risk-taking but are also influenced by many emotional, cognitive aspects and demographic factors such as facts, statistics, financial skills, gender, marital status, age, and qualification should be taken into notice when studying the association among the risk-taking and investment choices of the investors which is also mentioned in other literature (Alber & Gamal, 2019). So, the hypothesis from the study is:

H_{09}: There is no significant relationship between the rural investor's risk appetite of different age groups.

Several research papers had established in their studies about the strong connections among financial skills, risk propensity, and investing choices (Guiso & Japelli, 2009) (Sjöberg & Engelberg, 2009) (Aren & Zengin, 2016). The association among the financial skills and investing decisions is highlighted, showing that persons with lower financial literacy choose bank deposits, while those with better financial literacy prefer equities.

Pinjisakikool (2017) suggests that the five personality qualities significantly influence the connection among the risk bearing capacity and financial behaviour. (Tauni et al., 2017a) explored how information affects financial instruments in stock trading across individuals with varying personality types. Their research shows that more information is linked to increased stock trading among those with conscientiousness, extraversion, and agreeableness qualities. On the other hand, a reduction in trade volume is noticed in individuals who exhibit neuroticism. This detailed comprehension highlights the complex relationship between personality traits, information, and financial decision-making.

Durand et al. (2019) support this view by presenting data that shows that persons with neurotic tendencies participate in fewer trading activities. The consistent findings from multiple studies

enhance our comprehension of how personality traits, especially neuroticism, impact financial conduct. Combining these findings enhances understanding of the complex dynamics in the interaction among personality traits, risk tolerance, and trading behaviour. Studying demographic characteristics, especially gender, is a central focus in many studies, although the results are inconsistent. Multiple studies, such as those conducted by (Clark & Strauss, 2008) (Gibson et al., 2013) (Lönnqvist et al. (2015), and (Pinjisakikool, 2017), indicate that men tend to engage in more risk-taking behaviour. Research suggests that men are more inclined to make hazardous investing decisions than women (Hariharan et al., 2000) (Aydemir et al., 2017). Studies by (Aren & Aydemir, 2014) and (Aren & Canikli, 2018) show that male investors investing in equities, while women prefer bank savings. Arano et al. (2010) found that female investors are more inclined towards risk than male investors. Conversely, some researches (Croson & Gneezy, 2009) (Tauni et al., 2017a) suggest no apparent connection between gender and willingness to take risks.

Diverse findings in the literature challenge prevalent beliefs regarding age and risk-taking. Some research indicates that younger people are more likely to take risks, while other studies propose that older adults may have varying risk-taking tendencies compared to middle-aged individuals. Some research does not conclusively prove a connection between age and risk propensity (Hallahan et al., 2004) (Tauni et al., 2017a) (Aren & Canikli, 2018). It is widely believed that single individuals who do not have family responsibilities are more inclined to take chances. Research on the correlation among the marital status and risk behaviour frequently does not confirm this assumption. Previous researches has not shown a definite relationship among marital status and risk-taking behaviour.

Gibson et al. (2013) and Aren and Canikli (2018) discovered no apparent connection among qualification level and risk bearing capacity. Both research mainly examined financial risk bearing capacity. Qualification level does not inherently correspond with financial skills. Having an undergraduate or graduate education does not guarantee advanced financial literacy. Financial risk-taking is more accurately linked to financial literacy than overall education level. This detailed comprehension highlights the significance of considering the particular context of financial decision-making when examining its connection with education. Neoclassical finance focuses on helping individuals make the best financial choices by using various mathematical models, especially risk assessment-related ones. Financial markets are fundamentally uncertain, a characteristic not captured by the quantifiable aspect of risk (Aren, 2018).

Behavioural finance centred on the critical differentiation among risk and unpredictability. Behavioural finance aims to uncover the fundamental reasons driving individuals' actions rather than concentrating on the procedural components of decision-making (Senkardesler, 2016). The goal is to understand and clarify the elements that affect risk aversion and investment choices by examining different cognitive and emotional biases. Behavioural investment centred on the subjective evaluation of unexpected outcome, highlighting the importance of how risk is quantified, perceived, and tolerated and the level of aversion shown, in contrast to neoclassical finance. Subjective risk assessment is crucial for comprehending investment choices and preferences. The critical focus of behavioural finance is not just measuring risk but understanding how it is subjectively perceived and tolerated, as well as the level of aversion shown. Having a nuanced understanding is crucial for interpreting investing decisions and preferences.

Risk aversion is when individuals are unwilling to tolerate a specific amount of risk-bearing capacity to some extent, whether risk perception or risk-bearing capacity, is crucial in behavioural finance research. Various biases and psychological factors are assumed to influence individuals' conduct in terms of risk aversion. Financial risk tolerance is usually measured using three main methods: analysing actual investing activity, evaluating investor behaviour in controlled experiments, and conducting surveys (Faff et al., 2008).

Lönnqvist et al. (2015) emphasise the usefulness and dependability of risk attitude surveys as efficient instruments for assessing individuals' viewpoints on risk. Hallahan et al. (2004) state that shareholders can evaluate their risk-bearing capacity. Charness et al. (2013) suggest that a more straightforward component to quantify risk preference leads to a more reliable and precise measurement. Despite various methods, some studies have not consistently linked the quantified amount of risk aversion with accurate behavioural results (Corter & Chen, 2006) (Durand et al., 2008) (Pinjisakikool, 2017). One reason for the absence of a link could be that the risk levels measured are generally related to hypothetical scenarios, whereas specific contexts influence actual risk behaviours. Additionally, personal emotions might create differences between the expressed aversion to risk and real action in risky investments. Usually, those who avoid risks may feel inclined to seek additional danger due to emotions like irritation, frightened, happiness, sorrow, or their desire. Historical participation with pertinent financing instruments and overall financing history significantly impact decision-making. The association among risk perception and risky financing choices is intricate and inconsistent.

Risky investing intent refers to the individual's willingness to invest in markets or assets that are considered risky. Although often linked to a tendency to take risks, this association is not always definitive. Weber et al. (2002) and McCarty (2000) argue that the propensity to take risks may fluctuate based on the particular circumstances related to the perceived risk.

Pinjisakikool (2017) complicates the matter by proposing that the debate on regardless the uncertainty related viewpoints are context-focused or universal is still unsettled. In contrast, Sanou et al. (2018) support using region-focused assessments as more feasible and suitable. Investment preference refers to the financial instruments individuals select, separate from their risk aversion and purpose to make hazardous investments. Individuals with stable assessments are expected to show a significant association between a propensity for risk-taking and a desire to make risky investments. People with a high-risk tolerance and a strong preference for hazardous investments are more likely to choose shares and derivatives, whereas those with a lesser risk bearing capacity and less interest in risky investments are predicted to choose bonds or fixed deposits. Several academics have established the fact that the meaningful connections among financing decisions and attitudes towards risk, as shown in studies by Warneryd (1996) and other scholars.

Furthermore, other studies, like those by (Hariharan et al., 2000), (Corter & Chen, 2006), and (Aren & Zengin, 2016), have emphasised a vital and beneficial correlation among high-risk bearing capacity and investment in stocks or other risky assets. Some research has not been able to definitively show a connection among the risk perception and financing choices, as pointed out by Aren and Aydemir (2014). Risk-taking can be viewed as a character characteristic that may exhibit different behaviours based on the investment instruments used, as supported by Aren and Canikli (2018) and systemic risk affects multiple entities and can lead to significant economic disruptions. Effective management of systemic risk is vital for maintaining the stability of the financial system and economy. By addressing potential vulnerabilities and implementing robust safeguards, policymakers and institutions can help prevent crises and ensure economic resilience by McCarty (2000).

The researchers stresses that risk-taking is impacted by emotional and cognitive factors in addition to personality attributes (Hillson & Webster, 2005). Demographic aspects such as facts, figures, consciousness, financial skills, gender, marital status, age, and qualification should be taken into consideration while working on this matter. Research has emphasised the critical connections among financial literacy, risk propensity, and investing choices. (Guiso &

Japelli, 2009) (Sjöberg & Engelberg, 2009), and (Aren & Zengin, 2016) have shown that persons with low financial literacy tend to choose bank savings. In contrast, those with high financial literacy tend to prefer stocks.

Financial literacy has a pivotal role in how individuals perceive investment risk and evaluate the risk of financial instruments (Guiso & Japelli, 2009) (Wang et al., 2011) (Tauni et al., 2017a). Multiple research has continuously shown a significant relationship among financial skills and the likelihood of taking risks and participating in risky investing activities (Peress, 2004; Aren & Canikli, 2018). Significant data shows a correlation between a lack of financial knowledge and a tendency to choose stocks as an investment option. Financial literacy's importance is evident as academics such as (Guiso & Japelli, 2009) (Wang et al., 2011), and (Tauni et al., 2017a) have consistently recognised its impact on individuals' views of financial risk. This pertains to evaluating the risk linked to different investing tools, highlighting the diverse effect of financial awareness on choice-making in the finance sector. The correlation between financial literacy and a willingness to accept risks, as demonstrated by Peress (2004) and Aren and Canikli (2018), indicates the complex interaction between knowledge and risk tolerance. Individuals with latest financial knowledge are having more chances to feel at ease with taking risks, which can impact their choices to participate in activities linked to risky investments.

Research by Van Rooij et al. (2007), Guiso and Japelli (2009), and Van Rooij et al. (2011) has shown that there is a negative correlation between lower financial literacy and a preference for stocks. This indicates that people with limited financial knowledge may be more inclined towards conservative investment choices. Financial literacy is crucial in influencing attitudes towards risk and guiding investing preferences towards or away from volatile assets like equities.

Sizeable research has been done previously on the demographic variable of gender, resulting in varied findings. The researchers tells us with their studies that men are having high chances to engage in risky activity compared to women, as indicated by studies conducted by (Clark & Strauss, 2008) (Gibson et al., 2013) (Lönnqvist et al., 2015), and (Pinjisakikool, 2017). Research indicates that men tend to have high chances of daring financing plans than female investors (Hariharan et al., 2000) (Aydemir et al., 2017). Further studies conducted by Aren and Aydemir (2014), Aren and Canikli (2018) indicate that men tend to favour investing in equities while women lean towards bank savings. The authors have found that females show a

higher risk-taking tendency than male (Arano et al., 2010). Some researches, including those conducted by Croson and Gneezy (2009) and Tauni et al. (2017a), dispute the existence of a notable correlation between gender and risk bearing capacity. Other researchers also highlight that cognitive gender, rather than physiological gender, is more important in explaining risky behaviour. They observe that persons with more masculine features tend to show higher investment performance and trading volumes (Durand et al., 2008).

Research findings vary regarding the assumption that young individuals are more inclined to take risks. Some research provides evidence for this idea Dulebohn (2002); Pinjisakikool (2017), while others propose that older persons may display either stronger or lower inclinations towards risk-taking Wang and Hanna (1997) or that the middle-aged group prefers to engage in the least amount of risk-taking (Clark & Strauss, 2008). Some research does not definitively show a connection between age and propensity for taking risks (Hallahan et al., 2004) (Tauni et al., 2017a) (Aren & Canikli, 2018). The belief that unmarried individuals are highly likely to take risks because they lack family responsibilities is widely accepted. However, studies on marital status and risk bearing capacity frequently doesn't support this idea. The researchers discovered that there is no notable correlation among qualification level and risk bearing capacity, particularly in investment risk behaviour. These studies emphasise that a higher education level does not always correspond with advanced financial literacy. It stresses the importance of appropriately linking investment risk bearing capacity with overall financial skills and general education level (Gibson et al., 2013) and liquidity risk is crucial for financial institutions, businesses, and investors who need to meet short-term obligations. Effective liquidity risk management ensures that organizations can meet their financial commitments, maintain operations, and avoid distress during periods of market instability. By understanding and mitigating liquidity risk, entities can safeguard their financial health and operational continuity (Aren & Canikli, 2018).

Examining demographic parameters such as sexual category, lifetime, marital status, and qualification level uncovers a complex and occasionally contradictory scenario. Due to its complexity, it is crucial to consider several contextual and psychological elements when examining the association among demographics and risk bearing capacity. Research suggests that individuals with more income and more incredible wealth tend to have higher financial risk tolerance (Chaulk et al., 2003). Risk is inherent to all forms of investment and can impact individual assets as well as entire portfolios. Effectively managing market risk is crucial for preserving capital, achieving investment objectives, and maintaining financial stability. By

understanding and mitigating market risk, investors can better navigate market fluctuations and protect their portfolios from significant losses (Finke & Huston, 2003) (Gibson et al., 2013). Credit risk is inherent in lending and credit-related activities, affecting banks, financial institutions, and investors. Effective management of credit risk is essential for financial stability and profitability. By assessing and mitigating credit risk, lenders and investors can protect themselves from significant financial losses and ensure the long-term viability of their credit portfolios (Grable, 2000) (Hallahan et al., 2004). Regulatory risk is the potential for financial loss or operational disruption due to changes in laws, regulations, or policies. It arises when a company fails to comply with new or existing regulations, which can lead to fines, legal penalties, or increased compliance costs. Managing regulatory risk involves staying informed about regulatory changes, ensuring compliance, and maintaining good relationships with regulatory authorities (Hawley & Fujii, 1993) (Yao et al., 2004). (Sung & Hanna, 1996) found a direct association among the non-financial income and risk bearing capacity. (Hochguertel, 2003) found a connection between income unpredictability and reduction of financial risk bearing capacity. (Sung & Hanna, 1996) showed a direct link among risk bearing capacity and having cash equivalents to more than three to six months of income. Other studies have also study demonstrated a favourable correlation between non-financial assets and increased risk bearing capacity (Yao et al., 2011).

Gibson et al. (2013) found no strong connection among wealth and investment risk bearing capacity. However, Hawley and Fujii (1993) discovered a disproportionate association among wealth and risk bearing capacity. Financial responsibilities are essential in shaping risk-taking behaviour. (Leibowitz & Henriksson, 1988) and (Sharpe & Tint, 1990) laid the groundwork for investors to consider liabilities while deciding on portfolio allocations. Grable and Joo (1999) confirmed a strong direct correlation among investment risk bearing capacity and the degree of financial soundness. The researchers also suggests that more income is connected with greater risk bearing capacity, but income unpredictability is connected with lower risk bearing capacity. The correlation between wealth and financial risk tolerance is unclear and differs among research findings. This comprehensive comprehension highlights the complex nature of financial decision-making, which is affected by income, wealth, unpredictability, and financial obligations.

The authors also found a positive association among using the investment analyst and an individual's risk bearing capacity (Gibson et al., 2013). Bernasek and Shwiff (2001) found that people increased the extent of risk in their retirement funds after consulting with investment

counsellor. Van de Venter and Michayluk (2007) has not found any statistically strong effect of meeting with the investment analyst on investment risk bearing capacity. Previous studies on the correlation between using a financial planner and financial risk tolerance offer conflicting views. Various research has examined the influence of self-employment on risk tolerance, yielding conflicting results. Sung and Hanna (1996) found a direct correlation among independent self-employed investors and increased risk bearing capacity. Halek and Eisenhauer (2001) disagreed and stated that self-employed investors is associated with lower risk tolerance. Brown et al. (2011) claimed a direct connection between one's risk attitudes and the chances of pursuing free-lance investors in the future. Yao et al. (2005) found that employment position is essential in understanding financial risk tolerance. Past studies have shown that including work status is crucial for managing and comprehending the fluctuations in financial risk tolerance in empirical investigations (Subramaniam & Athiyaman, 2016). So, the hypothesis that comes out of the literature is:

H_{12}: There is no significant relationship between the rural investor's risk appetite of different occupations.

Embrey and Fox (1997); Gutter and Fontes (2006) agreed that individual investors who want to receive an endowment are more having high chances of investing in equities. Harness et al. (2009) have found that anticipating an endowment is linked to a more significant percentage of total assets invested in different financial instruments. Prior extensive studies confirm that investment horizons significantly impact portfolio allocation. Butler and Domian (1991) emphasised the importance of the investment horizon in asset allocation, stressing the risk-reducing advantages for investors with a longer time frame, known as "time diversification." The authors also discovered a direct relationship between an extended financial planning horizon and higher allocations to stocks and bonds (Zhong & Xiao, 1995) (Hariharan et al., 2000).

Previous research repeatedly shows that people in poor health are more likely to choose investments with lower risk levels (Coile & Milligan, 2009) (Edwards, 2008) (Fan & Zhao, 2009) (Love & Smith, 2010) (Rosen & Wu, 2004). Yogo (2016) found that ill health detrimentally impacts the mix of portfolio holdings in retirement funds. Gandelman and Murillo (2013) emphasise the significance of health satisfaction in elucidating relative risk aversion. The research shows that inheritance expectations, investment horizons, and health state significantly influence investors' risk choices and portfolio decisions.

The research by Sudhahar and Maivadivu (2023) explores the risk appetite of young individuals and offers relevant, practical recommendations for investors, the government, venture firms, and regulatory authorities such as SEBI. By thoughtfully implementing these suggestions, stakeholders can enhance their potential for profitable outcomes through strategic risk-taking, ultimately supporting the nation's overall growth and development. Thomas et al. (2024) findings are noteworthy, showing no statistically significant differences in financial proficiency among generations, although Generation Z achieved the highest average scores. This highlights the need for continuous financial education efforts aimed at younger individuals. Additionally, Generation Z demonstrated the highest risk tolerance, followed by Generation Y and Generation X, reflecting a greater inclination toward riskier investments among younger generations. Despite advancements in technology, there were no significant generational differences in technology dependency, indicating a uniform influence of technology on investment behaviour across age groups.

The study revealed that various demographic factors, including age, education, employment status, annual income, and workplace nature, influence women's investment confidence. As women grow older, their confidence in investing tends to decline. However, higher education levels contribute to increased investment confidence. Working women exhibit greater confidence in investing compared to those who are not employed, and confidence further rises with higher annual income. Additionally, women employed in finance-related industries display higher investment confidence than those in non-finance sectors, emphasizing the significance of workplace nature in shaping investment confidence. Similarly, risk appetite and exposure to risky assets in investment portfolios are also influenced by these demographic factors. As women age, their willingness to take risks decreases, leading to lower exposure to risky assets compared to younger women. Employment status plays a role, with working women holding more risky assets than their non-working counterparts. Additionally, higher annual income correlates with a greater risk appetite. Women in finance-related industries tend to have more exposure to risky assets than those in non-finance sectors, highlighting the workplace environment as a crucial factor affecting women's investment risk preferences (Sharma et al., 2024). The findings of another research indicate that two critical factors, "Investor Foundations" and "Risk-Taking Approach," influence stock investors' risk tolerance. Additionally, the study emphasizes the impact of demographic variables such as gender, marital status, education level, and financial training on investment decisions (Dhingra & Aggarwal, 2024).

2.2.3 INVESTMENT DECISION MAKING

Investment options reflect an individual's financial decision-making approach and characteristics. Different types of investments range from low-risk options like bank deposits to high-risk options like equity market investments. Shareholders diversify their portfolios as per their characteristics and preferences. Individuals consider factors such as return and risk when choosing between bank deposits and stock market investments. Recommendations from financial analysts and market rumours play a significant role in stock market investment decisions. According to Shah et al. (2021), family member input is crucial for investing in fixed deposits. According to the World Gold Council, in 2020, India will be the top consumer of gold, accounting for 20% of the global demand for gold. The survey revealed that the primary motivation motivating individuals to purchase or invest in gold is its everyday use as a hedge against risk. It is utilised for consistent long-term investment returns and for balancing portfolios with riskier assets (Verma & Sharma, 2014). Demographic elements like gender, lifetime, education, spousal relationship, and investment skills influence the decision-making of individual investors regarding asset classes such as bank deposits, bonds, mutual funds, and shares (Chang & Wei, 2011; Mathanika et al., 2017). The gender of individual investors affects their overconfidence level in investing; male investors tend to be more self-assertive than female investors across several variables (Morgan, 1992; Arti et al., 2011). Therefore, the null hypothesis from the literature is:

H_{15}: There is no significant relationship between the investment decision-making of males and females.

H_{16}: There is no significant relationship between the investment decision-making of different age groups of rural investors.

H_{17}: There is no significant relationship between the investment decision-making of married and unmarried rural investors.

H_{18}: There is no significant relationship between the investment decision-making of the different educational backgrounds of rural investors.

An individual investor's investment behaviour is examined based on the rationality or irrationality of their decision-making. Rational decision-making involves making investment decisions based on logical reasoning and thoroughly analysing the necessary materials for a specific asset. In contrast, irrational decision-making is based on illogical or emotional factors

such as heuristics and availability bias, which falls under behavioural finance, as described by Tversky and Kahneman (1992). The findings confirm the influence of herd behaviour, overconfidence, and mental accounting in investment decision-making. Additionally, age and gender were identified as factors moderating the impact of these biases on the investment choices of Indian investors. The results also suggest that female investors exhibit a stronger tendency toward herd behaviour than their male counterparts (Raj, 2025). The media significantly influences individuals' conduct in how they approach various investment opportunities (Davis, 2006). Various elements influence individuals' investment behaviour and decision-making, including cultural mindsets, political changes, and general election dates (Ahmed et al., 2022). The research indicates that a country's budget impacts individuals' investment behaviour, reflected in stock market indices. The study found that short-term volatility after the budget is higher than long-term volatility before the budget (Gupta et al., 2022).

Rational decision-making involves a systematic and logical cognitive proceedings to attain an coherent and superlative outcome. The rational choice method has been suggested to attain the intended result of a choice-making procedure. Rational choice method argues that decision-makers evaluate various options from various circumstances before making a selection. Full rationality requires individuals to have boundless cognitive powers. Human beings possess diverse natures and have cognitive limitations. Due to this factor, people's decision-making cannot follow complete logic. Simon (1956) later introduced a new idea called bounded rationality. It implies that people make irrational decisions due to insufficient information and memory mistakes. Bounded rationality is a more pragmatic account of personal choice-making of individuals.

Investors' demographic traits significantly influence rational investment decisions, behavioural biases, and behavioural considerations. Lin (2011) found that individual shareholders utilise a logical choice-making procedure when selecting their investments. Financial products are susceptible to several behavioural errors. The authors has discovered that the investing rationality of particular investors is influenced by their family relations, organic traits, cognitive characteristics, and manner of living (Mathuraswamy & Rajendran, 2015). The authors also found that lifetime and qualification do not strongly affect self-assertive bias (Zaidi & Tauni, 2012). Additionally, there is a notable correlation among financial expertise and self-assertive bias. Bhandari and Deaves (2006) discovered through a survey of about 2,000 defined contribution pension plan members that men exhibit higher confidence levels than women. The

researchers found that men have a higher tendency towards the disposition effect than females when considering demographic factors (Costa et al., 2017). Dhar and Zhu (2006) discovered that persons in white-collar line of work and high pay earners exhibit a reduced disposition effect. Lin (2011) discovered that females exhibit a higher tendency for herding behaviour than males when examining the connection between demographic traits and herding bias. Additionally, they found that younger investors exhibit a higher tendency for herd behaviour than older investors.

Sultana and Prardhasaradhi (2011) emphasise the need to conduct risk profiling for asset allocation. Underestimating risk tolerance could lead investors to miss opportunities in the Indian Stock market. The study revealed that socioeconomic characteristics, including marital status, earnings, employment, and various dependents, correlate with risk tolerance. In contrast, education level and frequency of investment decisions are not correlated with risk tolerance—Rastogi (2015) advocates for including behavioural characteristics in investors' investment decisions. Behavioural finance can explain financial investment concerns that conventional finance theory cannot adequately address. It was suggested that behavioural biases differ between genders and occupations. India falls under the conservative population group when it comes to saving. The study is crucial for directing significant savings into the economy to promote overall economic development and provide investors with inflation-adjusted positive returns. Investments and investment decision-making are crucial in countries such as India. Both industry and academia are interested in understanding how individuals choose investment options to allocate their funds. Researchers seek the crucial aspects influencing the choice of investment modes.

Decision-making is choosing one option among multiple possibilities following a comprehensive review. Karlsson et al. (2004) emphasised the difficulty individuals face while making decisions about their finances daily, highlighting its significance despite its intricate nature. Researchers widely acknowledge the significance of researching consumer decision-making processes.

Prior research on the common public way of conduct and investment act of assistance has identified several factors that affect customer needs and preferences. These factors include life process, age, qualification, sexual category, income, and the specific financial product or service being evaluated (Gerrans & Murphy, 2004) (Gough & Sozou, 2005) (Beckett et al., 2000) (Howcroft et al., 2003).

Various factors influence individual decision-making, such as the complexity of the decision, time constraints, knowledge about the product, previous experience, level of involvement, cognitive needs, socioeconomic status, demographics, and sources of information (Bettman & Park, 1980; Johnson et al., 1989; Lee & Geistfeld, 1998; Moore & Lehman, 1980; Chandra & Kumar, 2011).

Yearly bonus, expected yields, and the companies financial soundness significantly impact individual investors (Baker & Haslem, 1974). Evangelos (2015) done a research to examine the effect of different economic factors on individual shareholders in Greece. They focused on variables such as accounting information, personal demands, and suggestions from advocates.

The researchers has examined the different elements that impact shareholders behaviour, focusing on variables such as anticipated corporate earnings, requirements for diversification, and previous organisational performance (Nagy & Obenberger, 1994). Their findings emphasised the significance of conventional criteria for maximising wealth, prioritising them over modern considerations such as environmental track record and ethical posture.

Hodge (2003) examined how investors perceive the quality of earnings, the independence of audits, and the utility of audited financial information. The study found a connection between worse evaluations of the quality of earnings and an increasing dependence on audited financial statements when making investment choices.

According to Prabha and Malarmathi (2015), India is familiar for its rich civilisation and historical conventions. The family members maintain tight ties, unlike in other industrialised countries. Family members plays a crucial part in the financial choice-making procedure, and the same principle applies when investing in the equity market. Most people believe that the Indian equity market is akin to betting and are reluctant to invest their hard-earned money in it. They primarily choose standard investment options. The investors' risk tolerance will be the mean of all household members' risk tolerances. Well planned choice-making is nearly unattainable in this scenario, particularly in nations like India. Family members play a significant role in guiding financial decisions. It is necessary to dispel this notion by assessing the risk appetite and selecting the investment path accordingly.

Mistry (2015) asserts that individuals put their cash at considerable risk in the stock market in pursuit of potentially high returns. Identifying the preferred source of information might influence an individual's decision-making skills and reactions in various market scenarios. Investors are categorised into cautious, opportunistic, and speculative groups based on their

psychological qualities. Most investors do not take numerous financial factors into account before investing. Small investors are impartial regarding corporate happenings, showing no prejudice towards speculative domestic events or global economic potential. Behavioural finance analyses how emotions and cognitive biases impact investors' decision-making. Investors are becoming more sophisticated and informed daily, and their interest in share market financing can be enhanced through practice or an investor qualification programme.

Gour (2021) stated that contemporary investors are increasingly well-informed and knowledgeable. They find it intriguing to explore various investing opportunities. Investing in various assets is a compelling activity that appeals to individuals from many backgrounds, regardless of their career, financial status, qualification, or household history. This research concluded that there is no substantial correlation among the profile of small shareholders, including qualifications, age, line of work, and their investing decisions. Recommendations, advertisements, companies' financial statements, dividend policy, institutional investors' investment behaviour, and overseas market crises impact investors' investing decisions. The study found that educated individuals are more likely to participate as retail investors in the stock market. In their study, Bonna and Amoah (2019) examine how culture impacts investment decision-making. He finds that there is a substantial dependence on intuition for financial decisions. This permits cultural elements to influence the decisions that are made significantly. An individual's particular qualities influence intuition and judgment. The individual's value systems and cultural heritage determine these factors. Cultural influences, including uncertainty avoidance, time perception, cultural reasoning, decision-making principles, and oral tradition, influence the extent to which investors allocate their capital to the future. Oral tradition, in particular, has a crucial role in influencing the transmission of knowledge for investment decisions. Most respondents based their choices on information gathered from friends. Friends significantly impact decisions about banks, stocks, and other investments. Other research reveals that overconfidence, age, and education level positively influence green investment decisions, whereas investment experience tends to reduce such decisions. Moreover, no significant evidence was found to suggest that herding behaviour and income affect green investment choices (Trinarningsih et al., 2025).

The research found the different elements and methodology Greek investors, including white-collar and common people, employ to assess possible inclusion to their financial portfolios (Maditinos et al., 2007). Common shareholders depend on newspapers/media and perception in the public spheres for financial choices, while white-collar shareholders depends on basic

principles and scientific analyses and less on depository analysis. The investment horizon is directly related to the significance of professionals' techniques for stock analysis. Specific techniques appear to have varying effects on the performance of professionals.

Gender is an essential demographic characteristic that has a considerable impact on the intricate decision-making process and is a significant factor in determining the overall behaviour of investors. According to Gunay and Demirel (2011), a substantial body of research reveals that there are discernible sexual category differences in risky attitudes, leading to variations in the choices of financially funded products and services. The fact that female investors tend to be more risk-antagonist than males is demonstrated by the fact that they have a more conservative mentality (Fellner & Maciejovsky, 2007) (Agnew et al., 2008). This is the conclusion reached by several studies. These gender-based disparities in risk perception and investment decisions are something that providers of financial services need to consider. In order to successfully meet the various requirements of investors, it is important to have a solid apprehension of the gender differences in investment behaviour. This study takes a comprehensive look at the gender component in order to provide significant insights into how gender affects the decision-making process of individuals when it comes to financial investments (Agnew et al., 2008; Speelman et al., 2013).

According to previous research (Mahmood et al., 2011; Al-Ajmi, 2008; Shaikh & Kalkundrikar, 2011), sociological characteristics like qualification level, income level, and spousal relationship play a significant role in shaping the behaviour of investors and influencing the decision-making processes that they engage in. In the preliminary analysis that Al-Ajmi (2011) conducted, he discovered a direct connection between risk tolerance, education, and income. The findings of the research conducted by Shaikh and Kalkundrikar (2011) demonstrated that elements such as income, qualification, and spousal relationship impact the behaviour and choices made by investors.

According to (Fares & Khamis, 2011), the level of education has a statistically strong influence on the decisions made about investments. According to Rizvi and Fatima (2015), a considerable positive connection exists between the frequency of investment and the amount of income. Research consistently provides data that confirms the critical impact of sociological traits, such as qualification level, income level, spousal relationship and occupation, in shaping financial choices and overall financial behavioural aspects (Fares & Khamis, 2011; Geetha & Ramesh, 2012; Hemlatha, 2019). These characteristics include education, family income, marital status,

and occupation. As a result of the comprehensive review of the appropriate literature, this investigation acknowledges the significance of three separate social characteristics: marital status, educational attainment, income and occupation (Rasyid et al., 2018). By conducting this study, the researchers hope to understand better how sociological factors influence investors' decision-making processes in financial projects. Hence, the hypothesis from the study is:

H_{19}: There is no significant relationship between the investment decision-making of various occupations of rural investors.

H_{20}: There is no significant relationship between the investment decision-making of different income groups of rural investors.

An investigation of the complex interaction of rational, demographic, and emotional elements that influence investment behaviour was carried out by Mak and Ip (2017) in the form of an exploratory study. The research used regression methodologies to investigate how demographic, sociological, and psychological factors influence investment behaviour. By doing this research, the researchers were able to establish a comprehensive connection among different demographic elements and the patterns of financial choices. According to the study's findings, several factors significantly impact investment behaviour. These factors include age, income level, education level, gender, and marital status. In order to uncover the intricate relationships between demographic data and the complex landscape of investment decision-making, the researchers employed advanced regression approaches.

The research by Aregbeyen and Mbadiugha (2011) examined the factors influencing investment decisions among a sample of 2000 Nigerians. Their research demonstrates the intricate interplay of economic, civic, civilisational, and cognitive elements that impact financial decisions. The respondents gave the highest ratings to social components, recognised as the main factors influencing the outcome. Economic considerations are ranked second, primarily because of their substantial influence on investment decisions. The influence of psychological factors on individuals' investment decisions was ranked third, underscoring their substantial importance. Cultural factors were found to have the lowest ratings, indicating that they ranked fourth and were the minor relevant component in the decision-making process for share investments. This inquiry emphasises the intricate interplay and varying degrees of influence that different components exert on the decision-making process in investments.

In particular, researchers have highlighted the enormous influence that an individual investor's accumulated investment experience has on their decision-making, particularly regarding

anchoring bias and overconfidence (Corter & Chen, 2006). These insights highlight the significance of an investor's trip and the lessons they have learnt from their previous experiences in affecting their current financial options. The findings of this study acknowledge the critical influence that previous investment experience has on the decision-making process of individual investors in the realm of financial investments. According to Chen et al. (2007) and Mathanika et al. (2017), this psychological characteristic increases our understanding of the behaviour associated with financial investments by drawing attention to the intricate interaction between experience and the decision-making processes. So, the hypothesis from the literature is:

H_{21}: There is no significant relationship between the investment decision-making of various investment experienced rural investors.

Regarding the financial elements influencing retail investors' decisions, non-financial concerns are paramount. Corporate governance (CG), brand reputation, awareness of political connections, commitment to a firm's products, awareness of ethical standards upheld by the firm, and the level of media attention are some of the non-financial aspects, as indicated in studies conducted by various researchers, including (Akhtar et al., 2011) (Athar & Usmani, 2009), and others.

An inherent constraint of the Theory of Planned Behavior (TPB) is its incomplete representation of individual behavioural patterns, which restricts its practicality (Kim, 2023; Bertoldo & Castro, 2016). Prior conduct Ouellette and Wood (1998); Conner et al. (1999); Knussen et al. (2004) contributes a crucial part in moulding intention and future behavioural decisions despite its omission from the TPB model.

Past behaviour pertains to the behaviours or responses of an individual about previous stimuli. Aarts et al. (1998) propose that previous encounters have the potential to develop into instinctive reactions that are activated by external stimuli. This can result in individuals perpetuating specific behaviours influenced by previous experiences. Verplanken et al. (2014) contend that prior behaviour can cause individuals to ignore fresh information and depend on familiar options. Likewise, through repetitive investment activity, investors may employ streamlined decision-making, minimising the search for information and placing greater reliance on previous decisions. Individuals may infer that the present circumstances are comparable to previous encounters, causing them to engage in repetitive actions without reassessment (Aarts et al., 1998).

Earlier studies have been acknowledged as a crucial antecedent of intention and way of acting (Kidwell & Jewell, 2008) (Kovac et al., 2016) (Sandberg et al., 2016). Some academics suggest using it as a supplementary factor for predicting intention within the Theory of Planned Behaviour framework (Bagozzi et al., 2000). There is ongoing discussion on incorporating previous actions into the TPB. While some researchers advocate for its inclusion as an independent elements (Bentler & Speckart, 1979), (Ajzen, 1991) proposes that it may have a more significant influence as a mediator between other factors and behaviour. This study examines the association among previous behaviour and shareholder intention, with attitude as an intermediary.

After participating in stock investment, investors may selectively remember previous experiences, validating their attitude and purpose for future investments. According to Ajzen (1991), previous activities might impact investors' views about conduct, which can then influence their future behaviours. The aim of this research is to investigate the choice-making process of Indian investors.

A comprehensive analysis of more than sixty studies by Dhanaiah and Ram Prasad (2015) investigated the way of behaving of shareholders in the stock market. The study investigated the inclination of investors to save money, how demographics impact investing decisions, the level of understanding regarding financial goods, and the prevalent biases that affect individual investors. The researchers utilised various statistical approaches, with regression analysis being the most frequently utilised. Primarily, the research relied on convenience and snowball sampling methodologies, in which samples are constructed through different referrals. For the most part, the research concentrated on equities and mutual funds, with derivatives such as futures and options receiving just a tiny amount of attention. In their article, the authors emphasise the importance of conducting additional risk perception and tolerance studies. They believe these two topics are not well investigated in the existing body of research. Their work has highlighted the significance of continuing research into the complex world of investor behaviour and decision-making within financial markets.

Lo and Repin (2005) conducted a pioneering study that investigating the effect of emotions on financial decisions made by professional traders. Their distinctive methodology entailed observing the physiological reactions of 10 derivatives traders. The researchers sought to capture emotional responses during trading activity by assessing physiological indicators such as sweating and pulse rate. Their research uncovered a correlation between increased emotional

arousal and notable market occurrences, such as intense price fluctuations. Lo and Repin propose that proficient traders exploit their emotional condition to make prompt decisions in rapidly moving markets.

Manocha et al. (2023) highlight that financial self-efficacy plays a crucial role in shaping the attitudes of agrarian rural investors, while its impact on personality traits and financial knowledge is minimal. These factors collectively influence investment intentions. Additionally, social influence has a limited effect on the thought processes and actions of agrarian rural individuals. The study further emphasizes that investment intention serves as the primary driver in reinforcing the investment behaviour of these investors.

Oehler and Horn (2024) create three distinct investor profiles based on varying risk attitudes and seek investment portfolio recommendations from ChatGPT and 17 robo-advisors. These recommendations are then compared against a benchmark established from academic literature. ChatGPT's suggestions closely align with both the investor profiles and the benchmark, whereas only three of the 17 robo-advisors provide recommendations that meet the benchmark across all profiles. Additionally, three robo-advisors fail to meet the benchmark for any profile. Their findings suggest that ChatGPT offers superior financial guidance for one-time investments compared to robo-advisors. A key policy implication is the need for clear disclosure that independent, advanced chatbots can serve as a reliable source of information for retail investors.

2.2.4. RISK APPETITE AND INVESTMENT DECISION-MAKING

According to Lintner's (1969) research in psychology and decision-making science. Regarding risk bearing capacity, individual shareholders can generally be divided into three elements: risk seekers, risk-neutral individuals, and risk averters. Risk seekers choose to invest in high-risk opportunities, risk-neutral individuals prefer investments with a balanced degree of risk and potential profit, and risk averters prefer assets with a lesser degree of risk (Bodie et al., 2014). The degree of appetite for different hazards substantially impacts the decision-making procedures.

A personage's investing risk bearing capacity is effected by their stock portfolio. Individuals who prefer lesser investing risks typically select investments with lower overall risk levels. In contrast, individuals comfortable with more significant risks choose investments with higher overall risk levels. Investor risk bearing capacity significantly effects financial choice-making processes. Evaluating the risk profile measures a client's readiness to accept investing risks to

achieve particular returns. Personal profiling entails utilising quantitative and qualitative techniques to thoroughly examine a personage's non-investment history, hence assisting in developing optimal financial strategies.

In their study, Wulandari and Iramani (2014) investigating the effect of risk tolerance on the choice-making procedure of economic lecturers. They discovered a notable impact. Falahati and Paim (2012) found that the willingness to take risks differs depending on the sexual category and age of shareholders while choosing financial measurements. The researchers examined that risk bearing capacity and perceived risk have a negative correlation. Risk bearing capacity has a direct and positive effect on the choice of related to risky investment instruments, and it also indirectly influences decisions through perceptions of risk (Duong & Huong, 2017). Drawing upon behavioural finance theory and prior research, we can formulate the following null hypotheses:

H_{22}: There is no relationship between risk appetite and investment decision-making of rural investors.

As per the research (Yuh & DeVaney, 1996; Hariharan et al., 2000; Cardak & Wilkins, 2009), risk tolerance is a significant factor that plays a significant role in influencing decision-making in various financial and investing settings. To be more specific, it has been shown that personage who have a higher risk bearing capacity tend to allocate fewer resources to risk-free assets (Hariharan et al., 2000). On the other hand, risk-resistant families are having more chances to spend a smaller share of their wealth on high-risk projects (Cardak & Wilkins, 2009).

Since most investments include different uncertainty levels, matching investments with individuals' risk profiles is essential. Nevertheless, risk profiling can be complex and time-consuming, prompting numerous investors to seek assistance from financial advisers. However, McCrae (2006) has pointed out that the methodologies frequently used by investment analyst to read the clientele risk attitudes are typically casual and open to discussion on their validity. In addition, studies suggest that advisors often give more importance to clients' financial risk tolerance, possibly overlooking their overall risk perceptions (Irving et al., 2010) (Wang et al., 2011). It is worth noting that investors with less expertise may have a different perception of risk compared to their advisers (Diacon, 2004). This difference in perception can result in a disconnect, which may lead to recommendations that are not aligned or failures in the process of assessing risk.

As Grable (2000) described, investment risk bearing capacity is the highest level of unpredictability an individual is trying to tolerate while making a investment choices. This concept is broadly accepted in personalised investments (Grable, 2008). In this study, investment risk awareness refers to shareholders trust, their point of view, judgments, and sentiments about the risk qualities of financial products. This definition is based on (Pidgeon et al., 1992) understanding of risk awareness. The authors consider this meaning superior as it effectively encompasses the various aspects of risk perception. Prior studies frequently analyse the distinct effects of various risk factors on choice-making without taking them into account collectively. In a recent research, Nguyen et al. (2016) investigated the effect of risk bearing capacity on personage financial choices in a investment advisory setting, which aligns with the main topic of this paper. Nevertheless, their analysis focused exclusively on the correlation among the risk bearing capacity and investment choices.

Multiple international studies have investigated investment attitude and risk tolerance (FRT) in financial choices. The researchers conducted a research to examined the impact of investment attitude, financial skills, and income on investing decisions among scholars in Indonesia (Arianti, 2018). Consistent with previous researchers, the research discovered that investment attitude and income considerably influence investing choices. Investors with excellent salaries are more likely to invest because they have more disposable income after covering essential expenses. However, financial literacy did not have a notable impact on investing decisions. Furthermore, research conducted by Aboagye and Jung (2018) and Arianti (2018) demonstrated a strong correlation between financial behaviour, income, and investment satisfaction among investors.

In investment management, Ahmad et al. (2017) emphasised the significance of comprehending institutional behaviour, as it has the potential to impact asset pricing and market behaviour. Behavioural biases in finance can lead fund managers to make decisions that expose portfolios to various behavioural hazards. In contrast, Parmitasari (2018) examined the influence of financial moral code on the conduct of investors in the equity market and their level of investment contentment in Makassar, Indonesia. The researchers posited that the ethical principles and actions related to investment impact the level of financial contentment experienced by investors. Specifically, it suggests that ethical considerations influence happiness by shaping the conduct of investors.

Rabbani et al. (2020) conducted a study in the United States to study how amazing seeking and locus of control affect the willingness to take financial risks in retirement financial depository among pre-retiree golden ager. The research revealed a direct relationship between sensation seeking and Financial Risk Tolerance (FRT). Additionally, personage with an external locus of control adaptation exhibited lower FRT as they tended to blame losses on external sources. On the other hand, those who have an internal locus of control are more likely to attribute their investment success to their abilities. Naqvi et al. (2020) managed a research investigating the effects of biopsychosocial elements on FRT and financial satisfaction. The research found that commotion seeking, self-respect, and disposition substantially impact FRT among small shareholders in China. Additionally, the study revealed that the association among these elements and FRT is moderated by macroeconomic literacy.

In summation, Mukit (2020) examined the relationship among sociodemographic characteristics and the extent of FRT among share market shareholders in Bangladesh. The research revealed that spousal relationship, household size, and investment accountability were significant factors in explaining the variability in FRT levels. Specifically, married individuals, larger families, and those with more significant financial duties tended to have lower FRT. In contrast, Ainia and Lutfi (2019) examined the correlation among risk bearing capacity, risk awareness, self-assertive, and loss perception in the investing choice-making process of Indonesian workers. The study discovered a strong correlation among risk bearing capacity overconfidence and financial choice-making.

A practical approach is to initiate risk identification by formulating a plan or policy. Developing a risk management framework is frequently advantageous. Evaluating risk within a particular time frame is primarily influenced by the resources and the risk characteristics. Individuals sometimes utilise their knowledge and comprehension of a given circumstance to form assessments regarding possible advancements (Hsu et al., 2012).

Regulatory frameworks substantially impact financial organisations' risk-taking behaviour and frequently determine their risk management approach. Governments in advanced economies have progressively reduced their involvement as insurers and administrators of specific risks. Value at risk (VaR) is invaluable for assessing an institution's total risk. Risk managers are responsible for identifying the component hazards that impact the overall risk most (Crouhy et al., 2001).

Froot and O'Connell (2003) posit that the observable market position and trade fluctuations shape individual investors' risk preferences. They closely examine many global institutional investors' financial resources and social status. According to Shu et al. (2005), Taiwanese individual investors tend to believe in mean reversion.

The concept of tolerance, as a moral virtue for individuals, has deep historical origins. Contemporary civilisations have established that the government's authority should have restrictions, the expression of disagreement should be safeguarded, and adherence to societal norms is not mandatory for fulfilling social obligations. Tolerance stems from a humble and introspective recognition of the inherent constraints of human beings. Inclusive communities are susceptible to intolerance from extremist entities. Tolerance is frequently linked to the process of developing views that are grounded in logical and rational thinking (Fiala, 2005).

We are drawn to investment gains but also worried about investment risk. The possibility of losing the capital invested in a singular business endeavour might be intimidating. When making investing decisions, it is essential to have a realistic understanding of the potential returns the market can provide and the dangers involved (Burton, 2001).

This study depends on educational attainment, age, socioeconomic status, gender, and nationality. According to Christiansen's (2006) research, individuals with a top level of qualification tend to keep their substantial amount of their wealth in stocks and bonds. Highly educated individuals tend to exhibit greater tolerance for risk due to their comprehensive comprehension of market dynamics. As people age, they generally favour fixed-income securities over investments with more significant returns but higher risks. Younger investors possess the capacity to assume more significant risks due to their extended timeframe for recuperating from potential losses. Shanmugam et al. (2023) found that individuals' risk-taking propensity increases as they grow older. Poterba and Samwick (2001) discovered no statistically strong connection among the age of investors and the proportion of shares in their portfolios. However, there is a constructive link among age and the allocation of shares, as noted by Yoo (1994). As individuals near retirement, the proportion of stocks in their investment portfolios often diminishes.

Individuals lacking adequate savings are generally unable to engage in investment activities. A direct correlation exists between wealth and risk tolerance. Bruce and Johnson (1994) discovered that women in the United States generally exhibit a lower propensity for taking financial risks than men. Lewellen et al. (1977) determined that sexual category was the third

most significant element in shareholders style. According to Schubert (2006), male investors generally have a lower aversion to risk compared to women, which results in discrimination against women in the labour market. In Pakistan, it is common for women to be homemakers while males assume the financial burden of household expenditures. Men proactively pursue lucrative investing prospects through market research and surveys.

Investors' personalities significantly influence investment decisions, affecting their risk tolerance. Investor bearing capacity means that to which degree that a shareholder is willing to bear the adverse effects of the investment or deviations from anticipated returns (Grable & Lytton, 1999). In addition, according to Davies (2014), risk tolerance is a wide-ranging psychological characteristic that plays a crucial role in defining an individual's readiness to take on risk, which can affect their prospective financial gains. Multiple studies have shown that investors with a greater capacity to handle risk are likelier to choose investments with higher risk levels than persons who are cautious and avoid risk (Kannadhasan, 2015). On the other hand, risk-averse investors are reluctant to engage in risky activities. Risk-averse investors have a narrower range of risk tolerance compared to risk-takers.

People with a propensity for taking risks tend to engage in aggressive and daring investment activities, while risk-averse people tend to be less aggressive (Mishra & Lalumiere, 2011; Lauriola et al., 2013). Experienced investors with extensive knowledge and expertise in investment frequently consider market efficiency while making investment choices. Market efficiency, as indicated by the presence of bull and bear markets, directly influences the performance of funds. Fund performance tends to rise during bull markets and decline during imperfect markets. According to Grable (2013), there is a constructive correlation among stock prices and investors' risk bearing capacity, meaning that as stock prices climb, investors become more willing to take on higher degree of risk. The decision-making process in investment can differ between seasoned investors and novices. Potential investors can invest funds in products depending on their anticipated financial gains. This study specifically targets young adults between 18 and 29, encompassing individuals currently pursuing undergraduate studies, those who have just completed their studies, and a subset of employed individuals. Individuals with minimal engagement in financial investing are prone to depend on their characteristics when confronted with investment choices. However, individuals with pertinent investment expertise also shape their decision-making processes. This serves as the driving force behind our study.

The significance of financial literacy in shaping an individual's risk appetite. Well-informed investors are better equipped to assess risks and potential returns, which directly influences their risk tolerance. The research examines how different levels of financial literacy affect an individual's willingness to take risks. Additionally, demographic factors such as age, income, and occupation play a role in determining risk tolerance. By analysing these elements, the study uncovers how various investor profiles impact their comfort with risk. Furthermore, market conditions are explored as dynamic factors that influence risk appetite. Economic cycles, market volatility, and global events shape investors' risk perceptions. The study investigates how these external conditions interact with investor preferences. Additionally, risk perception is examined, as subjective evaluations play a crucial role in investment decisions. The research delves into cognitive biases, emotional reactions, and past experiences that contribute to how individuals perceive and manage risk (Bansal & Jain, 2023).

According to the findings of Acharya et al. (2023), teachers have average levels of financial literacy, and the level of risk influences their judgments about investments they are willing to take, the level of investment skill they possess, and their income level. The study finds that having a better understanding of finances has a positive influence, both on saving and investing behaviours. Empirical findings indicate that the advancement of digital finance positively influences rural household consumption. Further analysis reveals that financial literacy serves as a mediating factor, while risk preference plays a moderating role. Additionally, the effect of digital finance on rural household consumption varies significantly across different regions. Notable differences are also observed between rural residents who use the Internet and those who do not. These insights offer a valuable foundation for understanding the relationship between digital finance and rural consumption behaviour, contributing to the development of targeted financial policies to foster rural economic growth (Zhang & Zhou, 2025).

2.3. RESEARCH GAP IDENTIFICATION

2.3.1 Research on semi-urban and rural areas has been sparse. What little has been done for rural residents has been concentrated in a few research papers, and other research papers mainly focused on major metropolitan areas. Therefore, it is essential to research how rural investors invest in various semi-urban and rural areas (Kappal & Rastogi, 2020).

2.3.2 The investment behaviour of rural investors has never been studied before in Haryana due to economic progress and leading state in the per capita income, by which the people of

Haryana have shown their interest in various investment classes (Adhana & Yadav, 2022) (Lokhande, 2015).

2.3.3 With the increase in the investment from the people of Haryana, the need to identify their risk appetite also emerged, by which their tolerance power to handle the volatility and anticipation returns from different investment avenues also need to be explored (Sachse et al., 2012).

2.3.4 The investors' decision-making also needs to be explored as the investors' desire and satisfaction have yet to be researched in the context of the rural investors, and the decision-making plays a significant role in analysing the investment behaviour of the investors (Jariwala, 2015; Manocha et al., 2023).

2.3.5. The Impact of demographic factors, risk appetite and investment behaviour on decision-making needs to be studied by which we will learn about the various factors affecting their behaviour and decision-making process (Lokhande, 2015; Manocha et al., 2023).

CHAPTER - 3

3. Research Methodology

This chapter covers the research approach used in carrying out the current study. Part 3.1 describes the research objectives, and Part 3.2 lists the study variables. Part 3.3 presents the methodology and research design, Part 3.4 presents the statistical analysis, and Part 3.5 describes validity and reliability.

3.1. Objectives of the Study

There are four objectives in this study:

1. To study the investment behaviour of rural investors.

2. To identify the risk appetite of rural investors.

3. To explore investment decision-making by rural investors.

4. To study the relationship between risk appetite and investment decision-making of rural investors.

3.1.1 Hypothesis of the study

Given the above objectives, the following null hypothesis is demonstrated for the research:

H_{01}: There is no significant relationship between the investment behaviour of male and female rural investors.

H_{02}: There is no significant relationship between the investment behaviour of different age groups of rural investors.

H_{03}: There is no significant relationship between the investment behaviour of married and unmarried rural investors.

H_{04}: There is no significant relationship between the investment behaviour of various educational backgrounds of rural investors.

H_{05}: There is no significant relationship between the investment behaviour of different occupations of rural investors.

H_{06}: There is no significant relationship between the investment behaviour of various income groups of rural investors

H_{07}: There is no significant relationship between the investment behaviour of different years of investment experience of rural investors.

H_{08}: There is no significant relationship between the risk appetite of male and female rural investors.

H_{09}: There is no significant relationship between the rural investor's risk appetite of different age groups.

H_{10}: There is no significant relationship between the risk appetite of married and unmarried rural investors.

H_{11}: There is no significant relationship between the risk appetite of various educational backgrounds of rural investors.

H_{12}: There is no significant relationship between the rural investor's risk appetite of different occupations.

H_{13}: There is no significant relationship between the risk appetite of various income groups of rural investors.

H_{14}: There is no significant relationship between the risk appetite of various years of investment experience of rural investors.

H_{15}: There is no significant relationship between the investment decision-making of males and females.

H_{16}: There is no significant relationship between the investment decision-making of different age groups of rural investors.

H_{17}: There is no significant relationship between the investment decision-making of married and unmarried rural investors.

H_{18}: There is no significant relationship between the investment decision-making of the different educational backgrounds of rural investors.

H_{19}: There is no significant relationship between the investment decision-making of various occupations of rural investors.

H_{20}: There is no significant relationship between the investment decision-making of different income groups of rural investors.

H_{21}: There is no significant relationship between the investment decision-making of various years of investment experienced rural investors.

H_{22}: There is no relationship between risk appetite and investment decision-making of rural investors.

3.1.2. Conceptual Framework

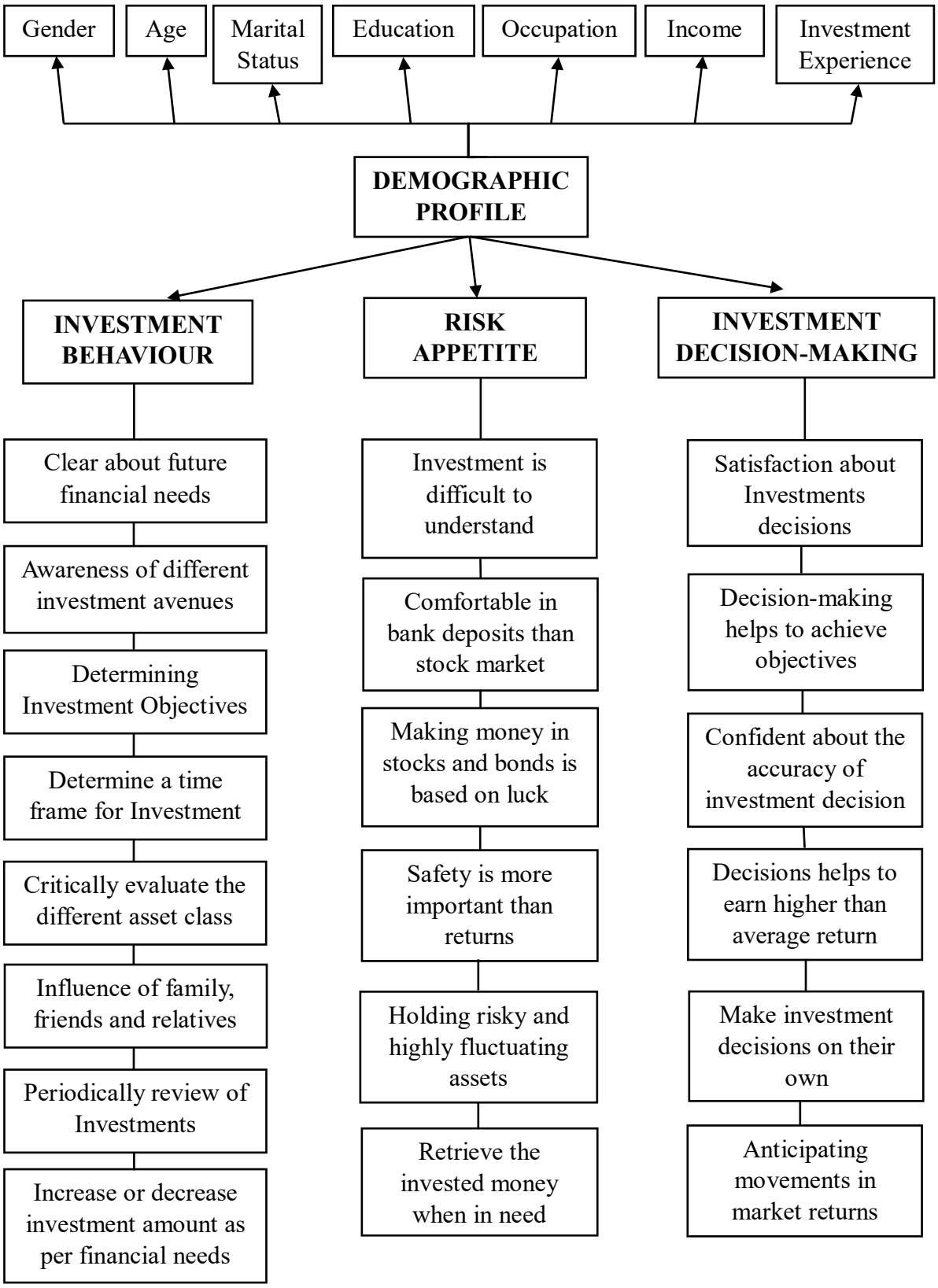


Figure 3.1. Conceptual framework of objectives

3.2. Study Variables

This study will study investment behaviour, identify risk appetite, explore investment decision-making, and study the relationship between risk bearing capacity and investment decision-making. The objective-wise variables are here as follows:

First Objective—To study investment behaviour, descriptive statistics and the difference between the demographic profiles of rural investors and their behaviour parameters have been analysed.

Second Objective—To identify risk appetite, the descriptive and the difference between the demographic characteristics of investors and their risk appetite have been analysed.

Third Objective—To explore investment decision-making, the descriptive and the difference between the demographic profile and their investment decision-making have been analysed.

Fourth Objective – To study the association among risk appetite and investment choice-making in which risk appetite is an independent variable and investment decision-making is a dependent variable.

The question sheet was categorised into seven parts: the first part is demographic profile, the second part is investment avenues, the third part is sources of information on investments, the fourth part is investment objectives, the fifth part is investment behaviour, in the sixth part risk appetite of the investors, then in the seventh part investment risk, in the eighth part is Investment decision making of rural investors.

a. A nominal data scale has been used to collect data on demographic profiles, i.e., gender, age, marital status, education, occupation, income, and investment experience.

b. The section on investment avenues was taken from the literature (Lokhande M.A., 2016), where the respondents were asked to tick the multiple options in which the shareholders are investing.

c. Then, the sources of information were determined using a five-point Likert scale to get the responses (Prithviraj & G, 2016).

d. Then, in the investment objectives, the five-point Likert scale was used (Bishnoi, 2014).

e. Then, the five-point scale of investment behaviour, which was reliable and validated, was adopted (Rastogi & Gupta, 2020).

f. Then, the risk appetite scale has been adopted from (Kannadhasan, 2015; Sachse et al., 2012), which is fully reliable and validated with a five-point Likert scale.

g. The scale of investment decision-making with a reliable and validated scale has been adopted (Sarwar & Afaf, 2016).

3.3. Research Design and Methodology

3.3.1. Research design

The study has used a Descriptive Research Design, in which differences among the demographic attributes concerning Investment Behaviour, Risk Appetite, and Investment decision-making and the relation between Risk appetite and Investment decision-making have been analysed through Structural Equation Modelling (SEM).

3.3.2. Sample size

As per Krejice & Morgan (1970), the sample size for a population of more than ten lakh has been calculated as 384, but the researcher has been able to collect 431 samples from rural areas of all districts of Haryana which is proportionately distributed as per the population. The formula of the sample calculator has been presented below:

$$n = \frac{x^2 Np(1-p)}{e^2(N-1)+x^2 p(1-p)}$$

where n = Sample size

x^2 = the table of chi-square at 1 degree of freedom at the desired confidence level

N = the population size

P = the population proportion, which is assumed to be 0.50 of the population size

e = the degree of accuracy expressed as a proportion (0.05)

3.3.3. Sampling Framework

Table 3.1.

AMBALA		
Villages	**Targeted population**	**Sample Size**

Bishangarh	3,95,085	14
Dhulkot		7
Total		**21**

Source: Census and Author's calculations

Table 3.2.

BHIWANI		
Villages	**Targeted population**	**Sample Size**
Tigrana	5,17,434	8
Manheru		5
Total		**13**

Source: Census and Author's calculations

Table 3.3.

CHARKHI DADRI		
Villages	**Targeted population**	**Sample Size**
Lingapur	2,58,717	2
Badhra		4
Total		**6**

Source: Census and Author's calculations

Table 3.4.

FARIDABAD		
Villages	**Targeted population**	**Sample Size**
Panechan	1,97,090	2
Rajpur Kalan		7

Total		**9**

Source: Census and Author's calculations

Table 3.5.

FATEHABAD		
Villages	**Targeted population**	**Sample Size**
Jakhal	4,48,148	22
Kullan		19
Chandupura		17
Meond Kalan		11
Narail		4
Talwara		6
Total		**79**

Source: Census and Author's calculations

Table 3.6.

GURUGRAM		
Villages	**Targeted population**	**Sample Size**
Adampur	2,76,800	1
Bahora kalan		6
Fazalwas		7
Total		**14**

Source: Census and Author's calculations

Table 3.7.

HISAR

Villages	Targeted population	Sample Size
Chanot	7,03,622	1
Bir Hisar		12
Dhingtana		9
Bhaini Badshahpur		10
Total		**32**

Source: Census and Author's calculations

Table 3.8.

JHAJJAR		
Villages	**Targeted population**	**Sample Size**
Beri Khas	4,40,207	7
Mukandpur		3
Total		**10**

Source: Census and Author's calculations

Table 3.9.

JIND		
Villages	**Targeted population**	**Sample Size**
Naraingarh	6,07,162	12
Rasidan		10
Total		**22**

Source: Census and Author's calculations

Table 3.10.

KAITHAL

Villages	Targeted population	Sample Size
Naina	5,15,157	8
Shergarh		5
Total		**13**

Source: Census and Author's calculations

Table 3.11.

KARNAL		
Villages	**Targeted population**	**Sample Size**
Shahpur	6,19,281	15
Saidpura		10
Total		**25**

Source: Census and Author's calculations

Table 3.12.

KURUKSHETRA		
Villages	**Targeted population**	**Sample Size**
Jhansa	4,20,029	5
Kheri Ramnagar		8
Total		**13**

Source: Census and Author's calculations

Table 3.13.

MAHENDRAGARH		
Villages	**Targeted population**	**Sample Size**
Kapuri	4,77,518	6

Nangal Choudhary		8
Total		**14**

Source: Census and Author's calculations

Table 3.14.

MEWAT		
Villages	**Targeted population**	**Sample Size**
Alwalpur	4,00,342	12
Akera		6
Total		**18**

Source: Census and Author's calculations

Table 3.15.

PALWAL		
Villages	**Targeted population**	**Sample Size**
Pahladpur	4,03,794	13
Pirthla		6
Total		**19**

Source: Census and Author's calculations

Table 3.16.

PANCHKULA		
Villages	**Targeted population**	**Sample Size**
Morni	1,51,275	7
Total		**7**

Source: Census and Author's calculations

Table 3.17.

PANIPAT		
Villages	**Targeted population**	**Sample Size**
Sanauli Khurd	3,69,898	8
Asan Kalan		6
Total		**14**

Source: Census and Author's calculations

Table 3.18.

REWARI		
Villages	**Targeted population**	**Sample Size**
Kamalpur	4,08,989	9
Bhagwanpur		7
Total		**16**

Source: Census and Author's calculations

Table 3.19.

ROHTAK		
Villages	**Targeted population**	**Sample Size**
Bahmanwas	3,71,838	9
Jasia		5
Total		**14**

Source: Census and Author's calculations

Table 3.20.

SIRSA

Villages	Targeted population	Sample Size
Nimla	5,87,042	9
Jogiwala		10
Desujodha		7
Total		**26**

Source: Census and Author's calculations

Table 3.21.

SONIPAT		
Villages	**Targeted population**	**Sample Size**
Mirzapur Kheri	5,91,102	17
Anandpur		8
Total		**25**

Source: Census and Author's calculations

Table 3.22.

YAMUNANAGAR		
Villages	**Targeted population**	**Sample Size**
Behrampur	4,48,374	10
Baroli Majra		5
Kotra Kahan Singh		5
Total		**20**

Source: Census and Author's calculations

3.3.4. Sampling Technique

A judgemental sampling technique, which is non-probability sampling, was used. It occurs when the researcher's judgment determines the selection of elements of the study.

3.3.5. Data Sources

The data was collected from primary sources of rural investors holding assets. The structured question sheet was prepared to collect the responses from the respondents.

3.4. Data Analysis

After compiling all the information, the data was entered into the Statistical Package for Social Sciences (SPSS), Smart PLS, and Excel. The data were analysed through MS-Excel of demographic profile, Investment Avenues, Objectives and Sources of Information; SPSS was used for the descriptive analysis and the Kruskall-Wallis H test for measuring the difference between the demographic profile and the Investment Behaviour, Risk appetite and Investment Decision Making. To check the relationship between risk appetite and decision-making, the Smart PLS-Sem has been used to measure the causal association between the variables.

In descriptive statistics, the data is presented in mean and standard deviation. The non-parametric Kruskall-Wallis H test has been used with the help of SPSS as it is the alternative to the parametric test of ANOVA because the data is not normally distributed, which was measured through the Kolmogorov-Smirnov and Shapiro-Wilk test where the p-value < 0.05 (Mishra et al., 2019), this test applies to the data that can be ranked which includes ordinal data like Likert scale or continuous data that are not normally distributed, another assumption for the Kruskall-Wallis H-test is that it observes independent group of variables which are not related to each other. In this method, the H-test follows a chi-square distribution with k-1 degrees of freedom, where k is the number of groups. This test is less sensitive to outliers and heterogeneity of variances compared to ANOVA; the test statistic, H, is calculated based on the ranks and number of observations in each group. The formula is:

$$H = \left(\frac{12}{N(N+1)} \Sigma \frac{R_i^2}{n_i}\right) - 3(N+1)$$

Where N is the total number of observations across all groups, R_i is the sum of ranks for group i, and n_i is the number of observations in group i.

Then, while analysed through the Smart PLS-Sem, which combines the factor loading, Cronbach alpha, composite reliability, and average variance extracted and multiple regression to check the relationship between the observed and latent variables, the hypothesis testing of the relationship was measured. Factor loading refers to the correlation between observed variables and underlying latent constructs; though factor loading above 0.70 is considered

acceptable, loadings above 0.50 also seem sufficient. Then Cronbach's alpha, which is a measure of internal consistency, indicates the closeness of a group of items; it is used to analyse the reliability of the composite score formed by summing the multiple items, it ranges from 0 to 1, with higher values indicating better values, a value above 0.70 is generally considered for research. Then there is one more measure of internal consistency, i.e., composite reliability, which takes into account the factor loadings of each indicator; it provides a more accurate estimation of the reliability of the construct and composite reliability values above 0.70 are typically considered acceptable. Average variance extracted measures the amount of variance captured by the construct indicators relative to the amount of variance due to measurement error. AVE is calculated as the average of the squared factor loadings, with a value above 0.50, which means that more than 50% of the variance of the indicators is explained by the latent construct, which is considered acceptable. The discriminant validity refers to the level to which a construct is genuinely different from other constructs in the model; it means that the construct is measuring something unique and not just reflecting other variables; there are two standard methods, i.e., Fornell-Larcker criterion, which is the square root of AVE of each construct that should be greater than the highest correlation of any other construct and Heterotrait-Monotrait ratio (HTMT) is the ratio between-construct correlation to within-construct correlations, the value below 0.90 measures the good discriminant validity. Then, the Variance inflation factor (VIF) for multicollinearity measures the degree of multicollinearity among the independent variables in a regression model. High multicollinearity can increase the variance of coefficient estimates and make the model unstable; the values of VIF of more than 10 reflect multicollinearity. However, some researchers use the value of 5 as well. In structural equation modelling (SEM), VIF measures the indicators so they do not excessively correlate.

3.5. Reliability and Validity

3.5.1. Reliability

Essential psychometric criteria of scale validity include reliability. Reliability is the capacity of an instrument to consistently deliver the same result, assuming that the group of respondents and the surrounding circumstances stay the same. It shows no chance of error and regularly measures the underlying concept with respectable accuracy (Leedy & Ormrod, 2001; Hair et al., 2008; Hair et al., 2013). Reliability is dependent mainly on internal consistency. It explains the degree of correlation between the several scale items within the same construct.

Cronbach alpha is the widely used technique to determine internal consistency (Churchill, 1979; Peter, 1981). Internal consistency increases with the increase in Cronbach's alpha value. Generally speaking, estimates of observed variance are low when reliabilities are less than 0.70. The current work uses Cronbach's alpha to evaluate the dependability of several constructions. Cronbach alpha has also been used for a pilot study in which data from 57 respondents were taken, in which the alpha value of investment behaviour is 0.851, risk-appetite's alpha value is 0.821 and investment decision-making alpha value is 0.815.

Table 3.23. Cronbach's alpha for the construct

S.No.	**Variables**	**No. of Respondents**	**Number of Items**	**The alpha value of the construct**
1.	Investment Behaviour	431	16	0.920
2.	Risk Appetite	431	10	0.725
3.	Investment Decision Making	431	8	0.833

Source: Author's Calculations

3.5.2. Validity

The validity of the several constructs of interest has been investigated using the validity criteria of Campbell and Fiske. Convergent and divergent validity were two construct validity principles predicted by Campbell and Fiske (1959). To what extent have several attempts to quantify the validity been successful? This is known as convergent validity. Comparatively, discriminant or divergent validity looks at how well a set of items representing one construct distinguishes that construct from another set of things representing another separate construct (Bagozzi et al., 1991). The scale has been validated as the researcher has adopted it from the previous literature. For this study, ten academic and four industry experts have evaluated the questionnaires for face validity, and the questionnaire has also been converted to the Hindi language, which the Hindi language expert validates for the comfort of the respondents as they belong to the rural area. Academics from management, commerce, and research make up all of them. The researcher personally called every expert to ask them to review the questionnaire and offer any changes.

CHAPTER - 4

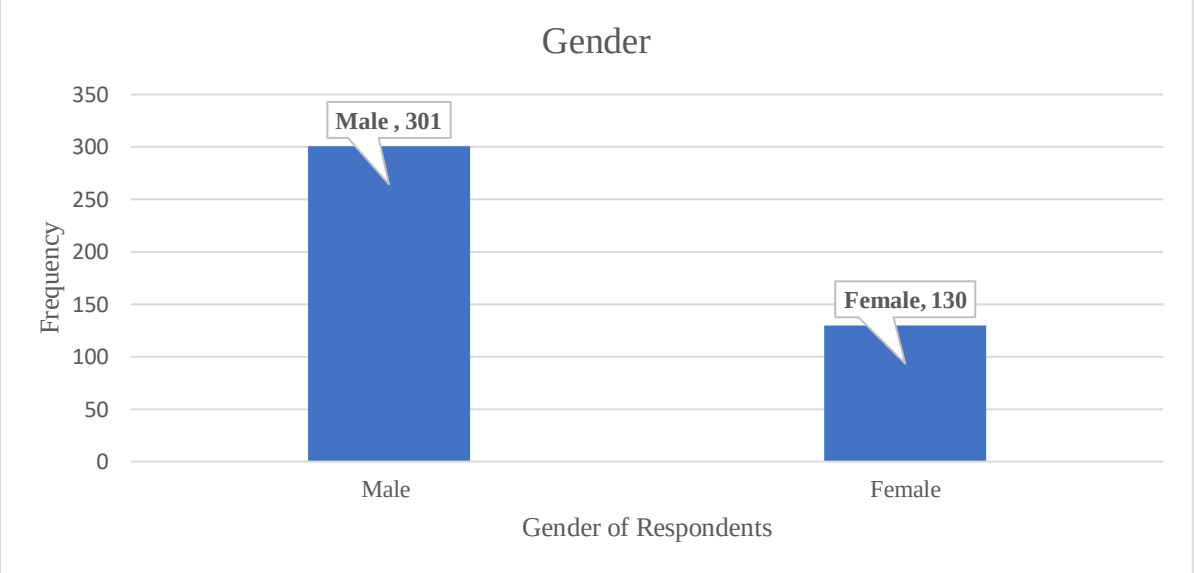
4. DATA ANALYSIS

4.1. Demographic Profile

This section investigates the demographic profile of rural investors from whom the data was collected. The respondents are those who hold or invest in any asset. This section includes the categories of rural investors based on gender, age, marital status, village, district, qualification, occupation, annual income, and investment experience.

4.1.1. Gender

Figure 4.1. Gender Status of the Respondents

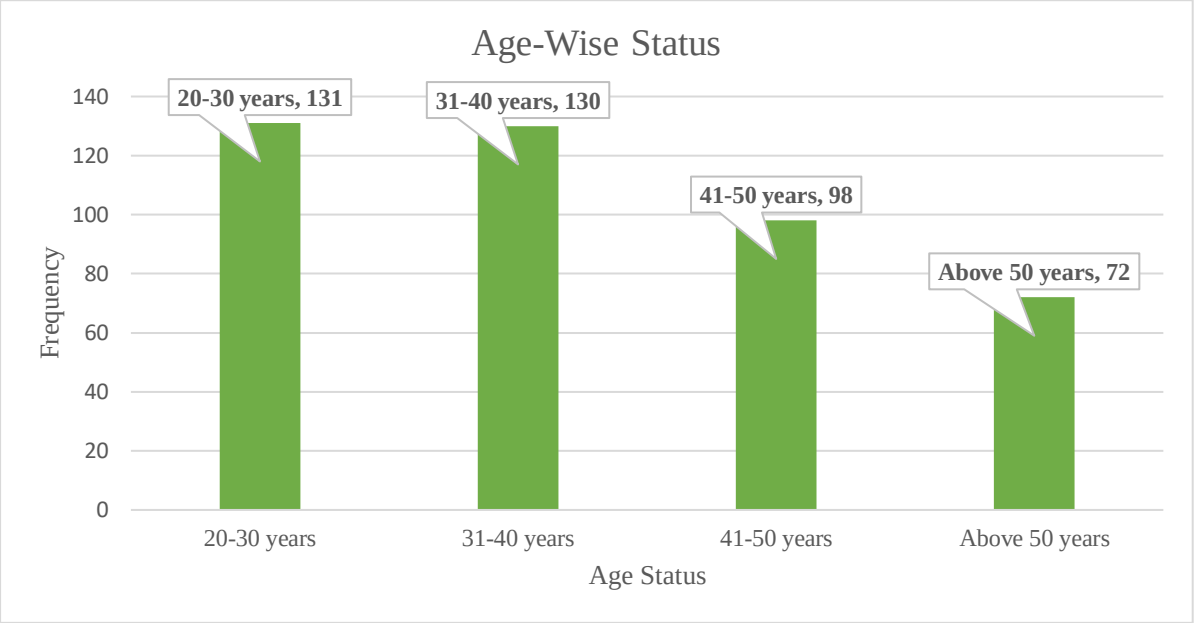


Source: Author's Calculations

The figure shows that out of the 431 respondents, 301 males and 130 females responded to our questionnaire. Gender is crucial in shaping investors' investment behaviour, risk appetite, and decisions, as women have a higher risk tolerance than men. The behaviour, i.e., confidence and conviction of holding or investing in any asset class, has been higher in men than in women, as mentioned in the literature (Marinelli et al., 2017; Bannier & Neubert, 2016). So, the research is inclined to the current literature in which males are more dominant in holding or investing their capital in various asset classes than their female counterparts, as interpreted above.

4.1.2. Age

Figure 4.2. Age-wise status of the respondents

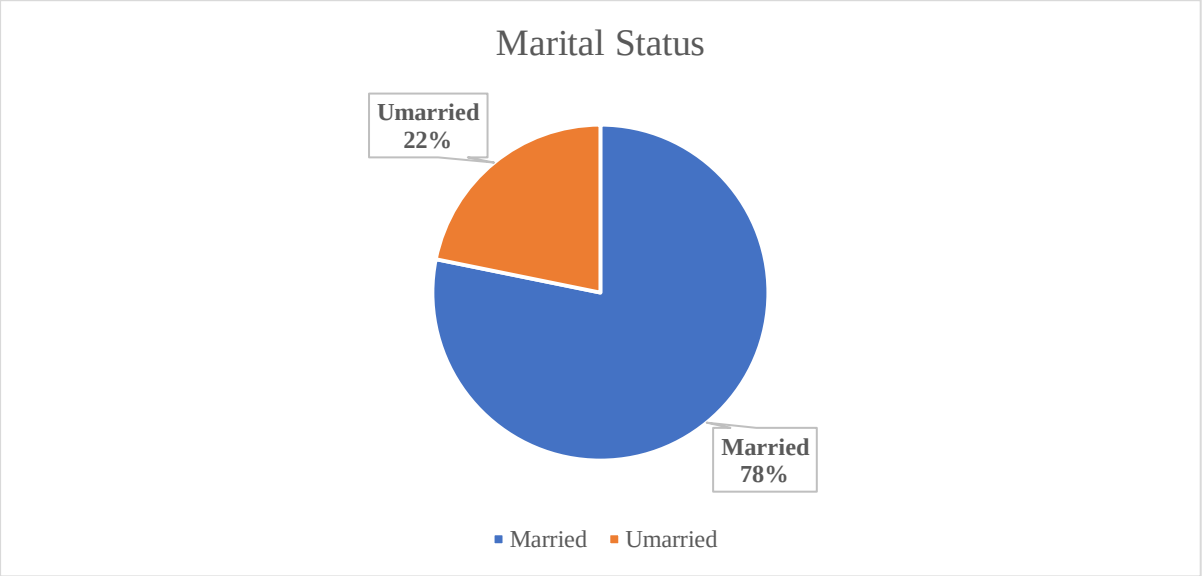


Source: Author's Calculations

The age of the investors had a vital role in deciding their investment behaviour, risk appetite and various investment selections, as mentioned in the literature (Charles & Kasilingam, 2013), which noted that the investors' awareness increased as they grew older in the age. They take less risk as age increases (Brooks et al., 2018). The figure shows that the 20-30 years to 31-40 years is the highest number of people in the investing segment with 131 and 130 people, respectively, then middle age person between 41-50 years with 98 people from this age group and at last the senior citizen people above the age of 50 years are 72, from which we can interpret that the young people are more investing than the older which is inclined with the existing literature.

4.1.3. Marital-Status

Figure 4.3. Marital Status of the Respondents

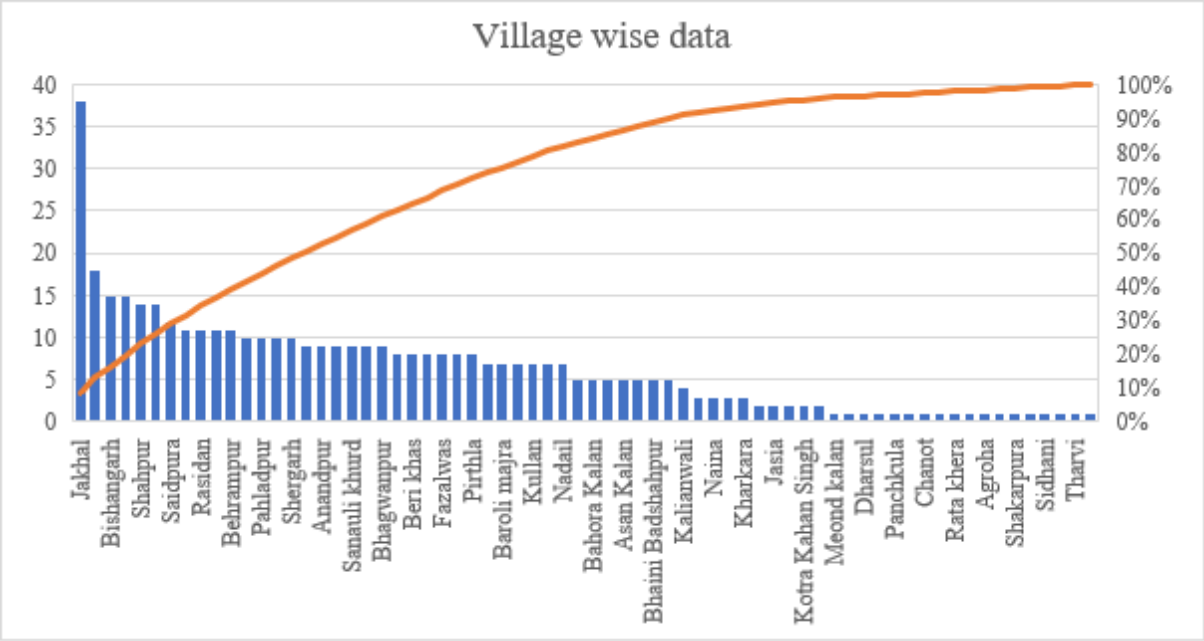


Source: Author's Calculations

The figure shows that 337 people are married and 94 are unmarried, which we can interpret as married people investing more in different assets than unmarried ones, which is inclined to literature. (Bertocchi et al., 2011) (Christiansen et al., 2015) The authors found that married people have more capacity to take risks than single people. Looking more profoundly at the literature, it shows that women's tendency to take risks increased compared to men who took fewer risks than their wives. Marriage also changes the behaviour in which the chances to invest in any asset increase as individuals marry. Decision-making also includes their partner's consent if they want to invest somewhere. (Christiansen et al., 2015).

4.1.4. Villages

Figure 4.4. Villages of the Respondents

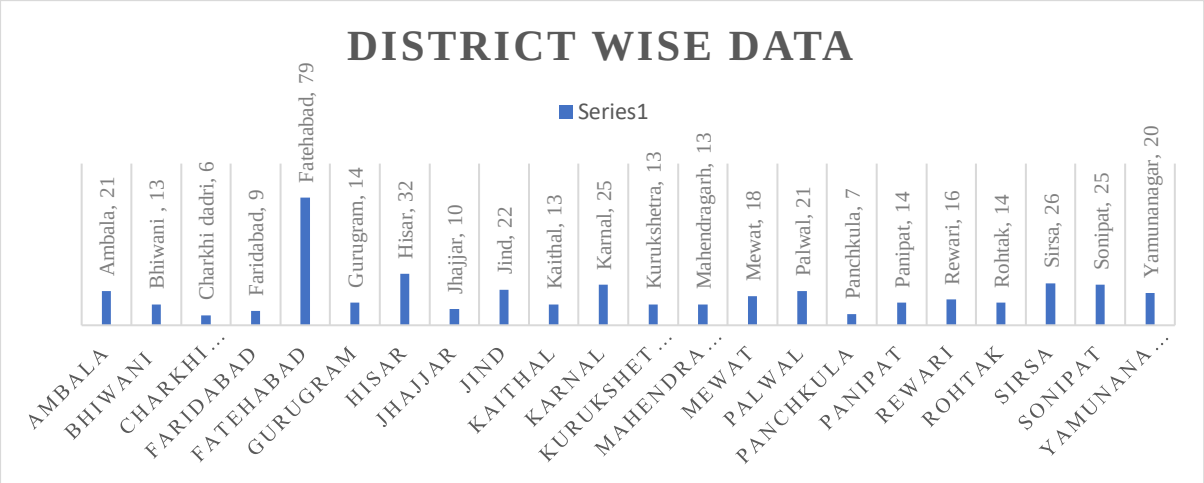


Source: Author's Calculations

The figure shows 68 villages from where the data was collected, and the data was collected from around three villages in every district. A few towns like Jakhal, Bir Hisar, and Mirzapur Kheri have the highest number of respondents.

4.1.5. District

Figure 4.5. Districts of the Respondents

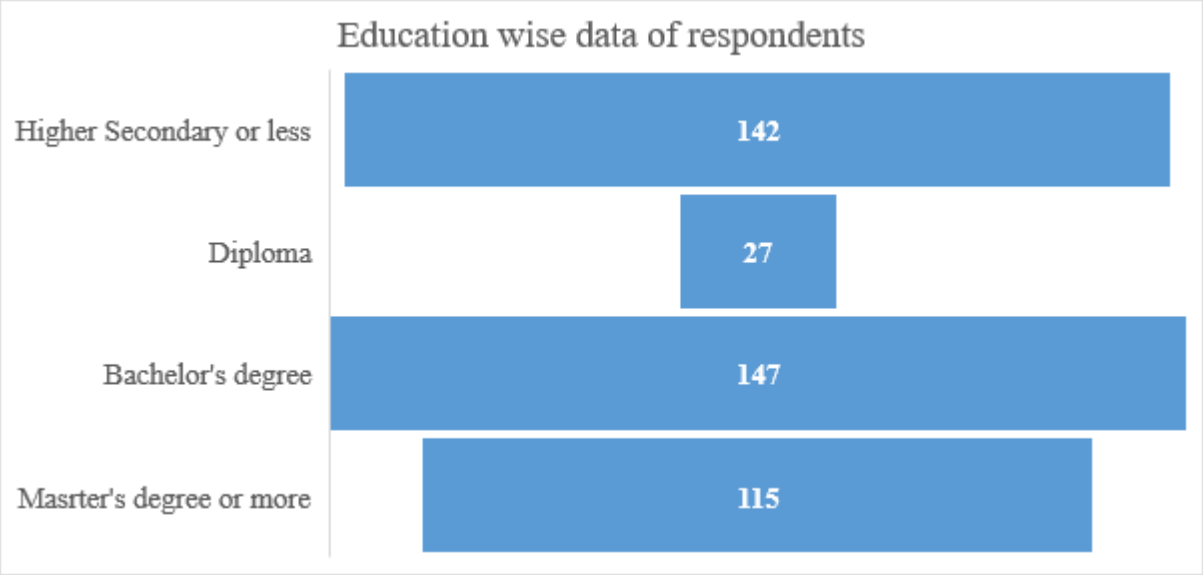


Source: Author's Calculations

The figure shows the 22 districts of Haryana from where the data was collected proportionately; the highest number of data was collected from Fatehabad with 79, Hisar with 32, Sirsa at 26, and the districts where the rural population was the lowest was Faridabad at nine at, Gurugram 14, Panchkula 7 and Charkhi Dadri 6.

4.1.6. Education

Figure 4.6. Education of the respondents

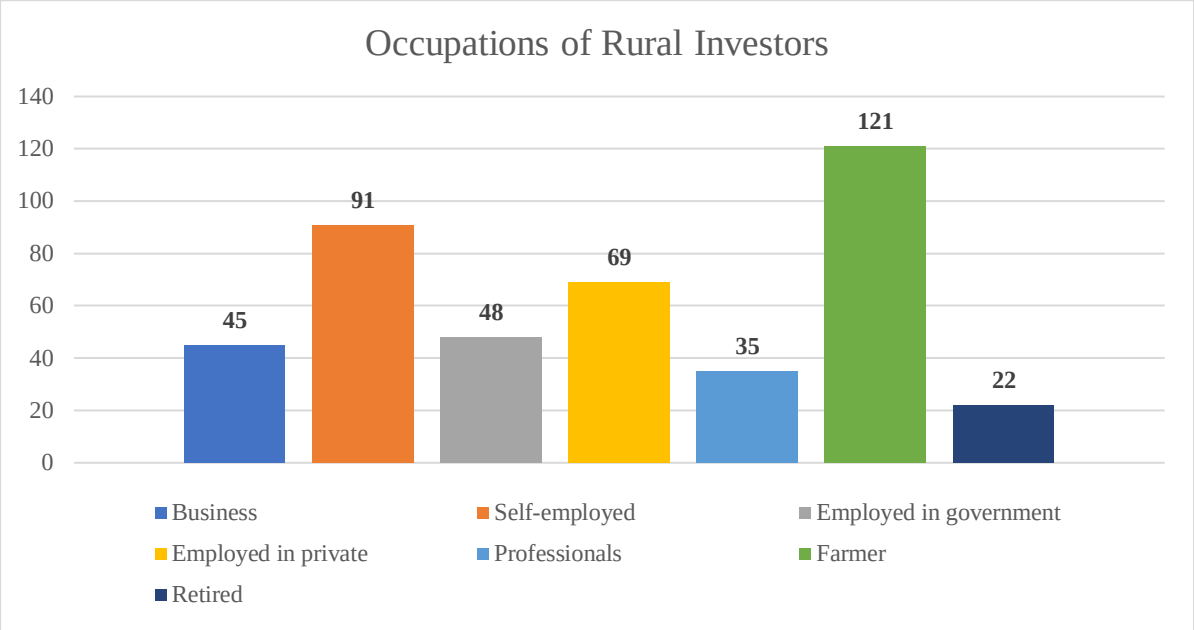


Source: Author's Calculations

The figure shows that the highest number of investors hold a Bachelor's degree, with 147 people from this segment, and near to that, some people only completed 12th standard or less educated, and people with master's degrees or more educated are 115. The lowest number of people who have a diploma is 27 people. As concluded in the literature (Lokhande, 2016), the education of rural people does have an impact on their choice of investment avenues. Still, the people's awareness is the same regardless of the educational background of the investors. Our study is inclined to the existing literature concerning that most people either graduate or study less than the higher secondary level and are investing as per their capacity.

4.1.7. Occupation

Figure 4.7. Occupation of the respondents

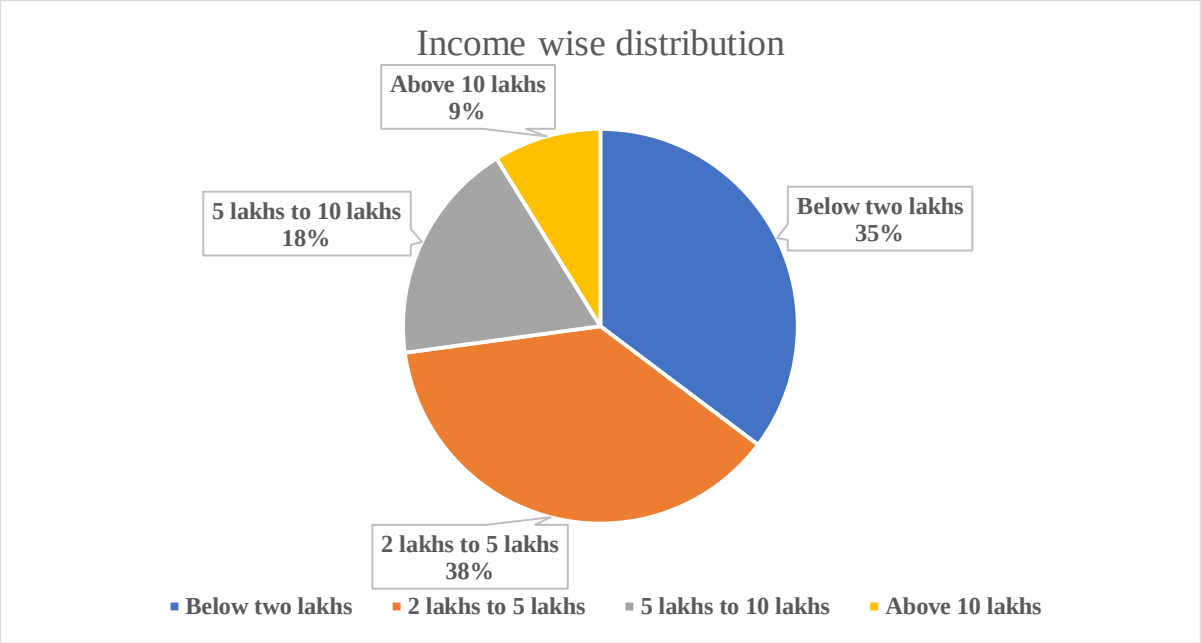


Source: Author's Calculations

The figure shows that the occupation of the rural investors, as most of the people are engaged in farming with 121, and the self-employed people doing the jobs for themselves seasonally or temporarily account for 91 in the study. The private employees come into place with 69 people. Government employees come with 48, business people with 45 people, professionals like lawyers, CAs, and doctors with 35, and lastly, retired people with 22 who have invested with their savings or pension. The effect of the occupation on investment behaviour, risk appetite and individual decision-making has been mentioned in the existing literature. (Lokhande, 2016), which suggests that people with safe side earnings, like salaried people and people in business, are investing continuously, but other people, like self-employed and farmers, have less capacity to take risks, which impacts their decision-making as well (Hill et al., 2019).

4.1.8. Annual Income

Figure 4.8. Annual Income of respondents

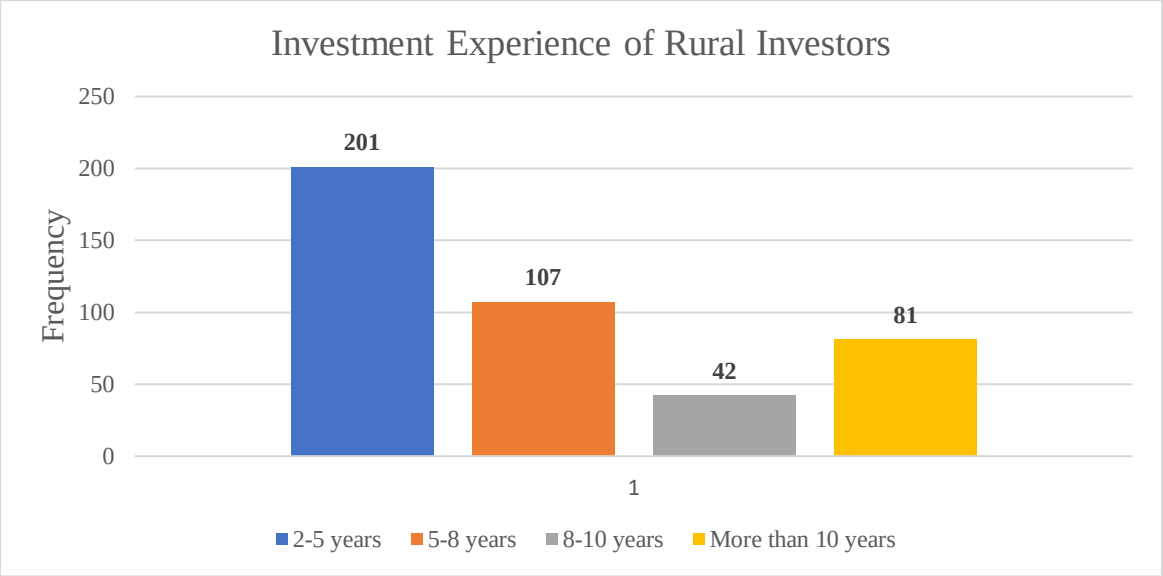


Source: Author's Calculations

The figure shows that out of 431 people who are investing in different asset classes, people with income less than two lakhs account for 152(35%) who are investing in any asset class, then people with two lakhs to 5 lakhs are 162(38%) after that person with five lakhs to 10 lakhs are around 79(18%) people. Lastly, the number of people with over ten lakhs who account for the upper class is 38(9%) are investing in assets; our study has been inclined with the literature (Prakash et al., 2014), which tells his survey that the people with high income are high-risk takers than the low-income people, income is that amount of the individual who satisfies the needs and wants of the households and personal demands as well (Erwin & Karmini, 2012), the high or low income of the investors does impact their decision making, attitude and financial behaviour of the individual. (Atmaningrum et al., 2021).

4.1.9. Investment Experience

Figure 4.9. Investment Experience of the Respondents

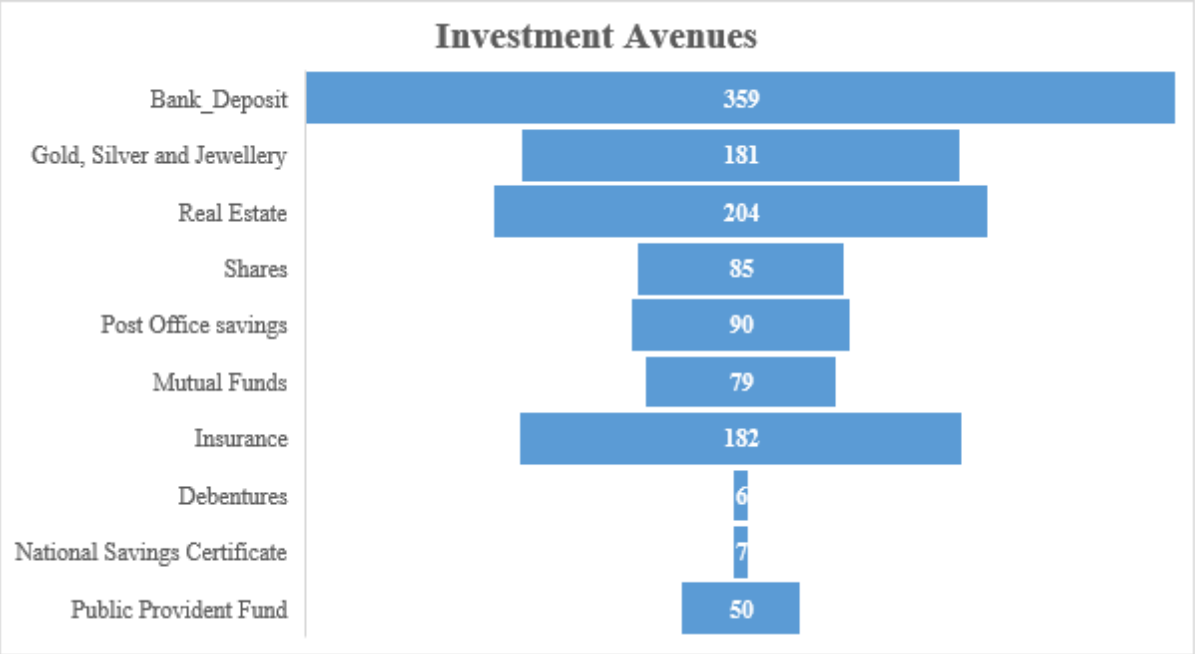


Source: Author's Calculations

The figure shows the rural investors' investment experience as the researcher has taken people with at least two years of experience. Hence, the most significant number of people with 2-5 years of experience are in the sample account for 201 people out of 431, then people with 5-8 years of experience are investing, then people having highest experience of more ten years is 81 people, and the least number of people with 42 having experience of 8-10 years are investing in the different asset classes. A study by (Mak & Ip, 2017) It tells us that investors are impacted by their past investment experience, which further impacts their investment behaviour; as investors' experience increases with time, their appetite to take risks also increases, resulting in their investment decision-making.

4.2. Investment Avenues

Figure 4.10. Investment Avenues of Respondents

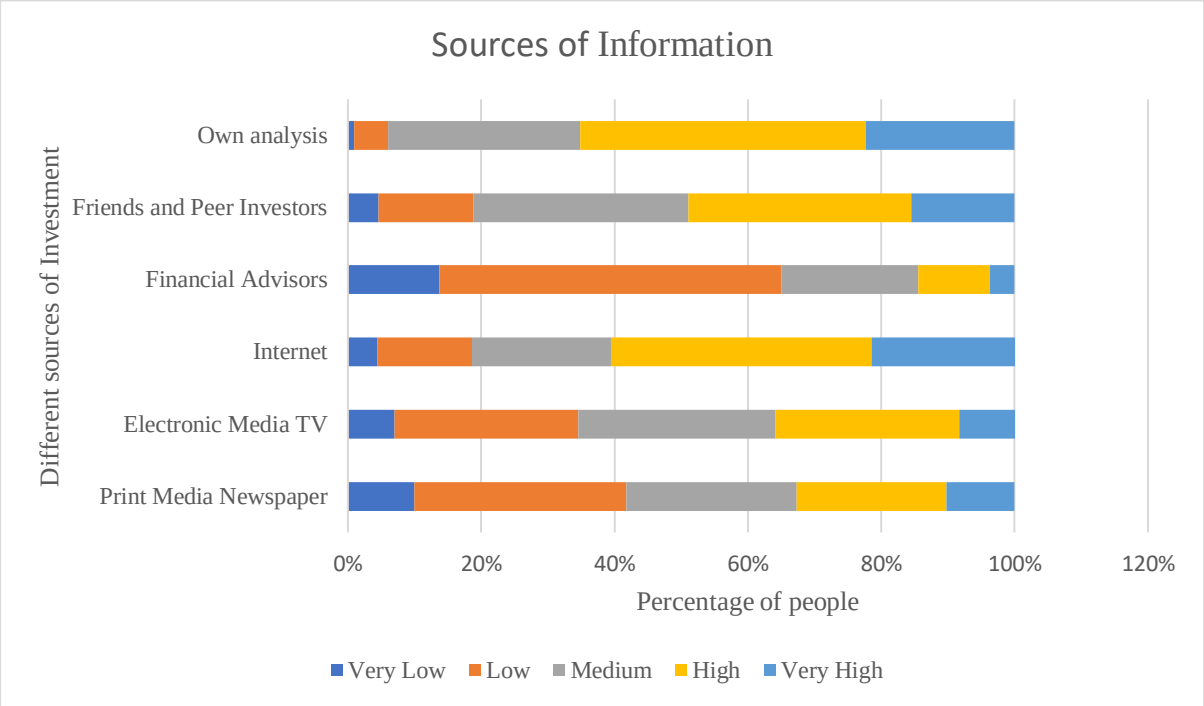


Source: Author's Calculations

The figure shows that bank deposits, like fixed and other deposits, are leading at 359. Then, for gold, silver, and jewellery, 181 people chose real estate like buildings, land, property, etc., in which 204 people invested. Insurance comes in fourth place with 182 people, and debentures and national saving certificates are being chosen by the least number of people, i.e., 6 and 7, respectively; we can interpret from the data that rural investors look more at safe assets, like bank deposits, real estate, gold & jewellery than other risky assets like shares, mutual funds, which aligns with the existing literature. (Lokhande, 2016) The researcher has concluded that safety and liquidity are still the priority of the rural people.

4.3. Sources of Information

Figure 4.11. Sources of Information on Investment



Source: Author's Calculations

Table 4.1. Source of Information

Investment Avenue	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Print Media Newspaper	43	137	110	97	44
Electronic Media TV	30	119	127	119	36
Internet	19	61	90	168	93
Financial Advisor	59	221	89	46	16
Friends and Peer Investor	20	61	139	144	67
Own Analysis	4	22	124	185	96

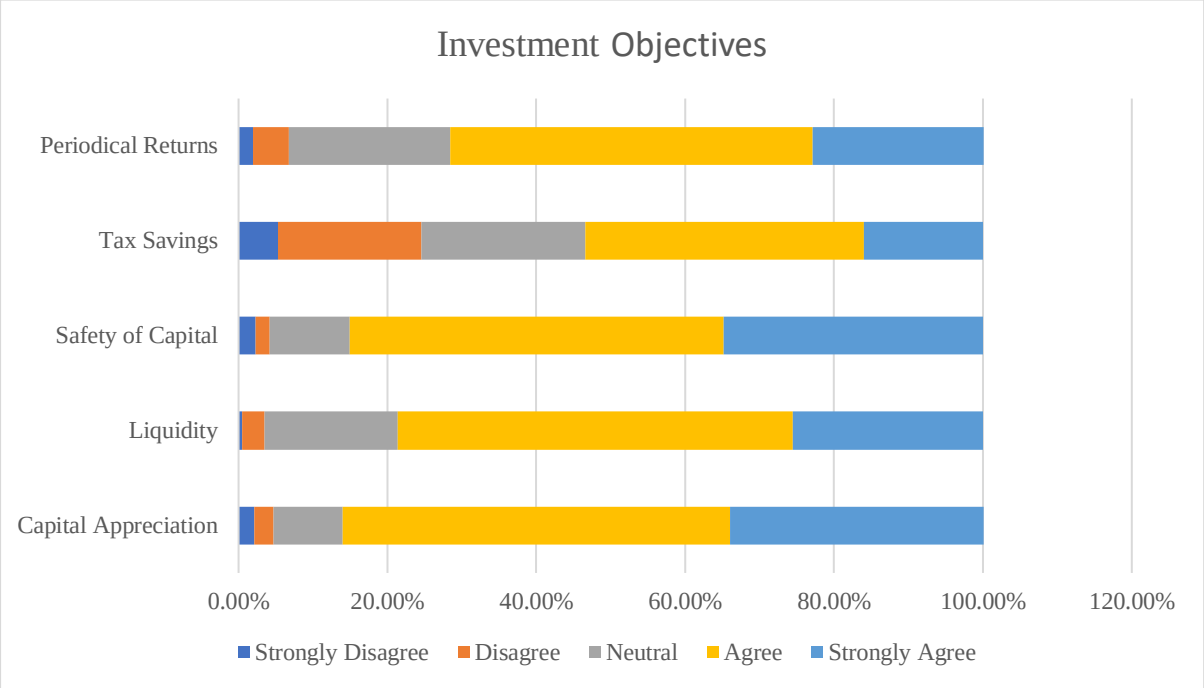
Source: Author's Calculations

The figure shows that the rural people very much lean towards the internet, based on their understanding and their friends and peer investors for their analysis; half percentage of the

people have used electronic media and print newspapers, and rural investors are not using financial advisors for their investments which is inclined with the literature (Prithviraj & Gokul, 2016), other than a financial advisor, the different sources of investment have not inclined with existing literature.

4.4. Investment Objectives

Figure 4.12. Investment objectives



Source: Author's Calculations

Table 4.2. Investment Objectives

Objectives	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Capital Appreciation	9	11	40	224	147
Liquidity	2	13	77	229	110
Safety of Capital	10	8	46	217	150
Tax Saving	23	83	95	161	69
Periodical Return	8	21	93	210	99

Source: Author's Calculations

The figure shows that capital appreciation, the safety of capital and liquidity are the highest chosen objectives by the investors and tax savings and periodical returns are being selected as the slightest preference for the investments; the objective of the safety of capital has been inclined with the literature (Bishnoi, 2014), other objectives are not inclined with existing literature as rural investors have different aim regarding the investment.

4.5. OBJECTIVES OF THE STUDY

4.5.1. To Study the Investment Behaviour of the Rural Investors

This objective was achieved with descriptive statistics, in which the researcher used the frequency, mean, and standard deviation as per the items in the investment behaviour.

Table 4.3. Descriptive Statistics of Investment Behaviour

Descriptive Statistics		
Items	**Mean**	**Std. Deviation**
IB-1	3.91	1.019
IB-2	3.66	1.066
IB-3	3.87	.957
IB-4	3.68	1.036
IB-5	3.77	1.038
IB-6	3.90	0.901
IB-7	3.87	1.003
IB-8	3.96	0.970
IB-9	3.75	1.055
IB-10	3.66	0.987
IB-11	3.58	1.005
IB-12	3.88	0.933
IB-13	3.41	1.154

IB-14	3.62	1.084
IB-15	3.88	0.962
IB-16	3.56	1.019

Source: Author's Calculations

In the table given above, the total number of samples is 431. The scale was strongly disagreed with a minimum value of 1 to a maximum value of 5 for the strongly agree. After seeing the mean score of all items, the researcher infer that the rural investors are leaning towards the agreement as the mean score of all items is more than 3, in the first item in which investors were asked for their views about the future financial needs, they responded with the Mean Score (MS) of 3.91 and standard deviation (SD) of 1.091, which means that the rural investors agree about that they are very much clear about their future financial needs and objectives, in the second item the investors was asked about the awareness of various investment avenues in which the MS is 3.66. The SD is 1.066, which indicates that most investors know bank deposits, equity, gold and real estate. In the third item the investors were asked about whether they are determining their investment objectives and goals before investing in which the MS of their response was 3.87 and SD was 0.957 which tells us about that they are think before investing in any asset class, in the fourth item the investors were asked about whether they invest first and then using the fund for other purposes in which their MS is 3.68 and SD is 1.036 which tells that the investors are investing first and then using their savings and other funds for their specific objectives, then in the fifth item the MS is 3.77 and SD is 1.038 which infers that the investors are trying to make a time frame in which they try to achieve their objectives of investing, then in the sixth item the MS is 3.90 and SD is 0.901 which infers that the investor are looking at all indicators like risk, return etc. before investing in any asset class. Then, in the seventh item, the MS is 3.87, and the SD is 1.003, which tells us that investors are analysing the historical information before investing in the assets; in the eighth item, the highest MS across all the items is 3.96 and the SD 0.970 which indicates that the choices of the investors are fully inclined with their investment objectives. The ninth item asks the investors about how they invest in different investment avenues for other objectives, for which the MS is 3.75, and the SD is 1.055, from which we can infer that they are very much investing in different for different objectives. The MS of the tenth item is 3.66, and the SD is 0.987, which results in the agreement on allocating their funds across different avenues based on their future funds. The eleventh item, which teaches a MS of 3.58 and a SD of 1.005, tells us that the influence of their

family members, friends and relatives on the investment decision is low on many investors and high on the other half of the investors. The MS of the twelfth item is 3.88 and the SD is 0.933 tells us that the investors are highly likely to review the performance of their investments from time to time, the thirteenth item MS is 3.41 which is the lowest among all the items and SD is 1.154 which is the highest, from which we can infer that the investors are not investing in particular asset for more extended period of time consistently, the fourteenth item MS is 3.62 and SD is 1.084 which tells us that the investors are constantly changing and deleting the assets from their portfolio with the changing objectives, then the fifteenth item which tells us about the changing in their investment amounts as per the financial needs from where we can infer while looking at their MS which is 3.88 and SD which is 0.962, the investors do decrease or increase the invested amount from their investments as per the compulsions in their life, and lastly the sixteenth item's MS is 3.56 and SD is 1.019 which tells us about that the rural investors do find it difficult in managing multiple investments at one point of time.

In the end, the descriptive statistics results suggest that rural investors' investment behaviour is tilted towards wealth maximisation; investing money with the motto of safety and investing in diversified, safe assets is aligned with the existing literature (Lokhande, 2015).

H_{01}: There is no significant relationship between the investment behaviour of male and female rural investors.

Table 4.4. Kruskall-Wallis test of gender and investment behaviour

Ranks				
Items	**Gender**	**Mean Rank**	**Kruskall-Wallis H**	**Asymptotic Sig.**
IB-1	1	219.29	0.814	0.367
	2	208.39		
IB-2	1	223.03	3.461	0.063
	2	199.72		
IB-3	1	215.19	0.048	0.826
	2	217.88		
IB-4	1	216.36	0.009	0.923

	2	215.17		
IB-5.	1	219.07	0.669	0.413
	2	208.89		
IB-6	1	215.10	0.058	0.809
	2	218.07		
IB-7	1	216.96	0.066	0.797
	2	213.79		
IB-8	1	220.54	1.535	0.215
	2	205.48		
IB-9	1	217.23	0.110	0.741
	2	213.15		
IB-10	1	216.40	0.011	0.915
	2	215.08		
IB-11	1	221.24	1.963	0.161
	2	203.86		
IB-12	1	222.95	3.680	0.055
	2	199.91		
IB-13	1	218.86	0.567	0.452
	2	209.38		
IB-14	1	224.20	4.873	0.027
	2	197.02		
IB-15	1	217.73	0.222	0.637
	2	211.98		

IB-16	1	224.19	4.835	0.028
	2	197.03		

Source: Author's Calculations

In the table given above, the Kruskall-Wallis H test has been applied (Ahammed & Smith, 2019; Sherwani et al., 2021) to see the significant relationship between the genders in the investment behaviour of the rural investors in which there are two categories under gender, i.e., male and female, and the responses were collected on the five point-Likert scales, the columns which were taken in this test are gender under which male represents with code (1) and female represents with code (2) are two categories, then several respondents which account for 431 where male accounts for 301 and females are 130, mean rank category wise, then Kruskall-Wallis H values item wise, then degrees of freedom, after that p-value and at last hypothesis result. Out of sixteen items of the investment behaviour, only two items have significant differences between the gender of the investors, i.e., the fourteenth item asked the investors whether they would change their portfolio if their objective to investment changed in which the p-value = 0.027 and the difference between the male and female is high where the mean rank of the male is 224.20. Female is 197.02, where females are not changing in their investments even if their objective has changed as compared to males; in the sixteenth item, where they were asked about the difficulty in managing multiple investments, has a p-value = 0.028, the data says that there is a significant difference between the male with 224.19 and female with mean rank 197.03 from where we can infer that the females are not finding it difficult to manage multiple avenues. As per the p-value > 0.05 of fourteen items, the alternative hypothesis has been accepted where there is a significant relationship between the males and females on investment behaviour, so our null hypothesis has been rejected which is inclined with the literature (Olekar & Yadav, 2016). In a nutshell, both males and females think similarly regarding investment behaviour.

H_{02}: There is no significant relationship between the investment behaviour of different age groups of rural investors.

Table 4.5. Kruskall-Wallis H of age and investment behaviour

Ranks				
Items	**Age**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**

IB-1	1	202.15	10.280	0.016
	2	205.36		
	3	247.33		
	4	217.76		
IB-2	1	218.45	7.847	0.049
	2	236.73		
	3	195.50		
	4	202.01		
IB-3	1	209.92	1.045	0.790
	2	223.39		
	3	212.06		
	4	219.08		
IB-4	1	207.74	5.536	0.137
	2	207.37		
	3	240.44		
	4	213.35		
IB-5	1	214.34	1.668	0.644
	2	208.23		
	3	217.97		
	4	230.37		
IB-6	1	208.37	3.466	0.325
	2	207.32		
	3	232.37		

	4	223.26		
IB-7	1	205.54	6.597	0.086
	2	203.92		
	3	238.73		
	4	225.90		
IB-8	1	210.34	5.078	0.166
	2	202.67		
	3	235.12		
	4	224.35		
IB-9	1	198.99	5.705	0.127
	2	222.76		
	3	234.19		
	4	209.98		
IB-10	1	211.53	0.345	0.951
	2	216.40		
	3	220.57		
	4	217.19		
IB-11	1	205.72	16.126	0.001
	2	231.80		
	3	239.43		
	4	174.29		
IB-12	1	210.37	0.601	0.896
	2	215.60		

	3	220.33		
	4	221.08		
IB-13	1	203.88	8.645	0.034
	2	224.64		
	3	238.90		
	4	191.27		
IB-14	1	214.76	1.248	0.741
	2	213.77		
	3	226.74		
	4	207.66		
IB-15	1	207.05	3.006	0.391
	2	209.47		
	3	229.41		
	4	225.82		
IB-16	1	198.61	5.043	0.169
	2	231.11		
	3	217.84		
	4	217.86		

Source: Author's Calculations

In the above given table, the age group has four categories of 20-30 years where the responses are 131 with code (1), 31-40 years with the responses of 130 with code (2), 41-50 years with the responses of 98 with code (3) and above 50 years of age with the responses of 72 with code (4) and total number of responses are 431, the data infers that out of sixteen items thirteen items have shown significant relationship with age group of the individuals whose p-value > 0.05 , other four items which have shown p-value < 0.05 have significant difference between the age group of the individuals, first item where the investors have been asked about whether they are

clear about the future financial needs in which p-value = 0.016 and it has shown the difference among the age groups where 41-50 years of age group has high agreement level of satisfaction about their future financial goals than the age group of 20-30 years which has the low mean among all age groups from which we can infer that the younger people are not clear about the future financial needs and their objectives, second item in which rural investors are asked about the awareness of various asset classes like bank deposits, mutual funds, equity, real estate etc. where the p-value = 0.049 in which the age group of 31-40 years has been highly aware of all of these asset classes than others and the age group of 41-50 years has been less aware about the different investment avenues from which we can infer that the middle age people have less ability to learn new things and other new age products (Clark et al., 2015), in the item number eleventh where the investors were asked about whether their decisions are influenced by their family, friends, or relatives in which data has shown a significant difference between the age groups where the p-value = 0.001 in which the people with 41-50 years of age group has been highly influenced by their family members, friends and relatives, as this is inclined with the (Kumar, 2009) and the investors with age group of over 50 years has been less influenced regarding the investment decisions, then the fourteenth item in which the investors were asked about whether they stay invested in the assets till they achieve their objectives of investing in which the data has shown the significant difference between the age groups where 41-50 years of rural investors have been agreeing that they stay invested in particular asset class till they achieve their objective of investment, and investors with the age more than 50 years are not staying invested as they might sell or buy new investment from time to time, so there is a relationship between the investment behaviour of various age groups. The general hypothesis of no significant relationship between the age and the investment behaviour of rural investors has been rejected which is inclined with the literature (Geetha & Ramesh, 2012), and an alternative hypothesis has been accepted.

H_{03}: There is no significant relationship between the investment behaviour of married and unmarried rural investors.

Table 4.6. Kruskall-Wallis Test of marital status and investment behaviour

Ranks				
Items	**Marital Status**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**

IB-1	1	216.94	0.102	0.749
	2	212.64		
IB-2	1	216.33	0.012	0.914
	2	214.83		
IB-3	1	212.80	1.168	0.280
	2	227.46		
IB-4	1	219.13	1.081	0.298
	2	204.77		
IB-5	1	209.57	4.546	0.033
	2	239.05		
IB-6	1	215.25	0.064	0.800
	2	218.70		

IB-7	1	213.74	0.572	0.449
	2	224.10		
IB-8	1	215.89	0.001	0.969
	2	216.40		
IB-9	1	214.56	0.231	0.631
	2	221.15		
IB-10	1	212.85	1.100	0.294
	2	227.28		
IB-11	1	215.10	0.089	0.765
	2	219.22		
IB-12	1	213.62	0.666	0.415
	2	224.52		

IB-13	1	210.41	3.356	0.067
	2	236.04		
IB-14	1	209.85	4.252	0.039
	2	238.06		
IB-15	1	210.78	3.114	0.078
	2	234.71		
IB-16	1	220.57	2.328	0.127
	2	199.62		

Source: Author's Calculations

From the given table, there are total responses of 431 and marital status row has two categories where married investors are 337 with code (1) and unmarried investors are 94 with code (2) and the results which comes out that the fourteen items out of sixteen are not supported the hypothesis, so there is a significant relationship between the marital status and Investment behaviour of the rural investors, the fifth item which asked the investors about whether they determine any time frame in which their objectives has to be achieved in which the married people has mean rank of 209 and the unmarried people has 239 with the p-value = 0.033 from which we can infer that the unmarried people are having the better time frame regarding their investment objectives in which they have to achieve their goals than married people, fourteenth item in which investors were asked whether they revise or change in their investment portfolio as per the changes in their investment objectives in which unmarried people are having the

mean rank of 238 and married people have 209 with p-value of 0.039 by which we can infer that the unmarried people are short term investors in which they revise their plans as per with changing their objectives and married people are not that impatient to tilting their mindset as per changing investment objectives. The hypothesis of no significant relationship between marital status and investment behaviour has been rejected which is inclined with (Agrawal et al., 2022), and the alternative hypothesis will be accepted,

H_{04}: There is no significant relationship between the investment behaviour of various educational backgrounds of rural investors.

Table 4.7. Kruskall-Wallis H test of education and investment behaviour

Ranks				
Items	**Education**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IB-1	1	195.58	11.877	0.008
	2	182.37		
	3	236.61		
	4	222.76		
IB-2	1	173.61	27.955	0.000
	2	260.54		
	3	232.30		
	4	237.04		
IB-3	1	186.80	16.452	0.001
	2	226.04		
	3	241.91		
	4	216.57		
IB-4	1	208.14	1.844	0.605
	2	201.59		

	3	224.66		
	4	218.02		
IB-5	1	193.30	8.173	0.043
	2	217.80		
	3	225.06		
	4	232.03		
IB-6	1	194.43	10.564	0.014
	2	201.65		
	3	238.26		
	4	217.55		
IB-7	1	196.04	13.359	0.004
	2	184.65		
	3	242.19		
	4	214.53		
IB-8	1	207.77	2.422	0.490
	2	201.43		
	3	226.80		
	4	215.79		
IB-9	1	187.65	17.104	0.001
	2	185.69		
	3	239.38		
	4	228.24		
IB-10	1	189.72	13.279	0.004

	2	205.33		
	3	239.39		
	4	221.06		
IB-11	1	197.08	7.579	0.056
	2	245.22		
	3	230.63		
	4	213.80		
IB-12	1	190.06	14.171	0.003
	2	190.76		
	3	232.00		
	4	233.50		
IB-13	1	179.71	26.700	0.000
	2	175.20		
	3	242.83		
	4	236.09		
IB-14	1	210.46	4.363	0.225
	2	179.80		
	3	227.74		
	4	216.33		
IB-15	1	202.97	3.747	0.290
	2	200.24		
	3	225.09		
	4	224.17		

IB-16	1	224.78	2.911	0.406
	2	203.70		
	3	204.38		
	4	222.90		

Source: Author's Calculations

From the table given above, there are total 431 responses in which education row has four categories where code (1) represents higher secondary or less with 142 responses, code (2) represents diploma with 27 responses, code (3) represents bachelor's degree with 147 responses and code (4) represents master's degree and more with 115 responses, results tells that there is no significant relationship between the education and the investment behaviour of rural investors i.e., there are ten items which supported the hypothesis out of sixteen items, as supported with the literature (Kalyan & Gupta, 2021; Agrawal et al., 2022), first item in which investors were asked about whether they are clear about the future financial needs and objectives in which p-value = 0.008 where bachelor's degree and master's degree investors are much more clearer about their future financial needs than the higher secondary and diploma educated rural investors, second item where the awareness of the individuals regarding the bank deposits, equity, gold and real estate were asked in which the p-value of the individuals was 0.000, in which the mean rank of the diploma, master's degree and bachelor's degree is the highest among all the investors, and the mean rank of the higher secondary or less who are less educated than other's are not that much aware about the different asset classes, in the third item where they asked about whether they determine their investment objective before investing in any asset, in which the p-value comes at 0.001 where the bachelor's degree have the highest mean rank which means that the awareness of different asset classes does depend on the education level of the individuals where the people who have studied only till the higher secondary or less have the least awareness among all the education levels of the rural investors, in the fifth item in which investors were asked about the time frame of investment in which they want to achieve the objective has a p-value of 0.043 where the investor's with master's degree or more do keep the time frame for their investment and investors with least education i.e., higher secondary or less are not keeping the time frame for investing in any asset class where the people. The sixth item tells us about the investor's were asked about whether they critically evaluate the investment's before investing like risk, return, liquidity etc. in which p-

value = 0.014 which supported the hypothesis from which the results suggested that the highly educated investors are more critically evaluated the investment avenues before investment than the less educated investors, in the seventh item in which the rural investor's were asked about whether they explore the historical or past information about the investment in which the investor's with master's and bachelor's degree are exploring the historical information much more than the investor's with higher secondary or less and diploma. The ninth item, with p-value = 0.001, in which the investors asked whether they invest in different investment avenues for different objectives, with master's and bachelor's degree investors agreeing more on this item than the less educated investors. In the tenth item, the investors were asked whether they allocate their funds across the different avenues in which the higher educated people allocate their money more than the less educated. In the twelfth item, they were asked whether they periodically reviewed their investments, in which higher educated individuals reviewed their investments periodically more than the less educated. In the thirteenth item, they were asked if they would stay invested till their objective of the investment was achieved. In contrast, the higher educated people stayed invested until they achieved their objectives than the lesser educated who did not stay invested as per their objectives. So, our hypothesis has been accepted as there is no significant relationship between rural investors' education and investment behaviour (Agrawal et al., 2022).

H_{05}: There is no significant relationship between the investment behaviour of different occupations of rural investors.

Table 4.8. Kruskall-Wallis H test of occupation and investment behaviour

Ranks				
Items	**Occupation**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp.Sig.**
IB-1	1	208.60	13.771	0.032
	2	212.16		
	3	237.83		
	4	247.46		
	5	218.96		
	6	190.54		

	7	236.05		
IB-2	1	268.53	56.110	0.000
	2	208.23		
	3	273.28		
	4	236.91		
	5	225.44		
	6	156.34		
	7	263.25		
IB-3	1	232.50	16.051	0.013
	2	212.81		
	3	239.98		
	4	246.53		
	5	199.47		
	6	187.54		
	7	230.20		
IB-4	1	195.74	3.471	0.748
	2	221.84		
	3	210.51		
	4	232.14		
	5	225.07		
	6	209.69		
	7	214.86		
IB-5	1	233.37	15.637	0.016

	2	216.88		
	3	226.65		
	4	231.49		
	5	203.57		
	6	188.13		
	7	278.07		
IB-6	1	230.72	9.125	0.167
	2	213.47		
	3	227.04		
	4	243.32		
	5	213.97		
	6	194.54		
	7	207.84		
IB-7	1	205.27	12.297	0.050
	2	212.38		
	3	232.86		
	4	254.46		
	5	204.44		
	6	203.39		
	7	183.23		
IB-8	1	206.21	9.906	0.129
	2	213.19		
	3	229.59		

	4	237.85		
	5	167.54		
	6	219.74		
	7	206.00		
IB-9	1	212.40	17.167	0.009
	2	219.19		
	3	247.29		
	4	240.04		
	5	212.34		
	6	183.90		
	7	248.91		
IB-10	1	192.36	9.753	0.135
	2	225.21		
	3	233.83		
	4	238.72		
	5	216.51		
	6	195.80		
	7	226.36		
IB-11	1	211.07	14.383	0.026
	2	214.68		
	3	242.72		
	4	247.04		
	5	189.94		

	6	208.15		
	7	160.50		
IB-12	1	213.28	7.461	0.280
	2	218.36		
	3	237.97		
	4	236.93		
	5	204.74		
	6	198.04		
	7	214.95		
IB-13	1	233.76	23.704	0.001
	2	210.32		
	3	243.89		
	4	255.48		
	5	215.54		
	6	177.91		
	7	228.70		
IB-14	1	228.96	11.280	0.080
	2	202.65		
	3	227.13		
	4	244.28		
	5	206.89		
	6	213.31		
	7	161.02		

IB-15	1	215.38	6.061	0.416
	2	206.82		
	3	217.42		
	4	243.95		
	5	226.76		
	6	204.91		
	7	208.34		
IB-16	1	238.94	13.214	0.040
	2	192.56		
	3	216.44		
	4	220.80		
	5	171.20		
	6	232.21		
	7	232.09		

Source: Author's Calculations

In the given table, there are 431 from the various occupation categories in which business background investors accounts for 45 which represents with code (1), then self-employed investors accounts for 91 which represents with code (2), third category is the investors who are employed in government are having 48 responses represents with code (3), fourth category consists of investors who are employed in private companies or enterprises with 69 responses represents with code (4), fifth category is of the investors who are professionals where the number of responses are 35 represents with code (5), sixth category is the investors who are farmers which accounts for 121 represents with code (6), seventh category is the investors who are retired with 22 responses represents with code (7), the results shows that there are nine items out of sixteen which are supported the hypothesis in which the p-values are less than 0.05, all the items where the p-value is < 0.05, the investors who are businessmen, self-employed, private or government employees are much more agreeing than the farmers and

retired people, like the highest difference among the occupations can be seen in the second item where they were asked about the awareness of investment avenues like bank deposits, equity, gold, real estate etc. in which government employees, private employees, businessmen, professionals etc. have more understanding of the investment avenues than the farmers who score 156 on the mean rank, after that the most minor difference among the occupations of the investor's is in the fourth item where investors have been asked about whether they invest first and then accumulated the remaining money for their investment objective, the p-value = 0.780 which means that there is most minor difference between the occupations of the rural investor's, everyone has been agreeing on this item, as majority of the items have been supported the hypothesis in which there is no significant relationship between the occupations and the investment behaviour of the rural investors which is inclined with the literature (Dar & Kumar, 2023).

H_{06}: There is no significant relationship between the investment behaviour of various income groups of rural investors

Table 4.9. Kruskall-Wallis H test of annual income and investment behaviour

Ranks				
Items	**Annual Income**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IB-1	1	178.44	28.184	0.000
	2	226.07		
	3	249.30		
	4	254.09		
IB-2	1	172.82	34.479	0.000
	2	227.77		
	3	254.46		
	4	258.61		
IB-3	1	184.78	18.770	0.000
	2	235.31		

	3	220.10		
	4	250.03		
IB-4	1	214.50	2.732	0.435
	2	207.36		
	3	226.25		
	4	237.53		
IB-5	1	180.69	21.651	0.000
	2	233.90		
	3	230.42		
	4	250.97		
IB-6	1	190.19	12.381	0.006
	2	232.39		
	3	220.06		
	4	240.92		
IB-7	1	183.38	18.999	0.000
	2	238.68		
	3	223.51		
	4	234.18		
IB-8	1	185.15	16.672	0.001
	2	233.57		
	3	231.87		
	4	231.50		
IB-9	1	164.58	45.387	0.000

	2	248.02		
	3	240.03		
	4	235.24		
IB-10	1	173.03	36.425	0.000
	2	238.68		
	3	223.19		
	4	276.26		
IB-11	1	176.02	31.703	0.000
	2	248.04		
	3	213.02		
	4	245.53		
IB-12	1	187.21	18.615	0.000
	2	224.21		
	3	231.39		
	4	264.18		
IB-13	1	173.57	31.819	0.000
	2	236.59		
	3	231.06		
	4	266.67		
IB-14	1	176.88	29.259	0.000
	2	233.30		
	3	230.54		
	4	268.49		

IB-15	1	197.21	6.465	0.091
	2	225.87		
	3	231.00		
	4	217.91		
IB-16	1	212.99	0.618	0.892
	2	214.87		
	3	217.68		
	4	229.34		

Source: Author's Calculations

From the above table, there are total 431 responses which collected from rural investors under four categories of annual income in which first category consists of investors with less than two lakhs income accounts for 152 responses with code (1), second category is for the income with two to five lakhs of 162 responses with code (2), then third category is the five to ten lakhs of income with 79 responses represents with code (3), fourth category is of income above ten lakhs represents with code (4) has 38 responses, and from the values of asymptotic significance the results which comes out that thirteen items out of sixteen items have been showing no significant relationship between the income and Investment behaviour, the crux of the study has been seen that the high income individuals are agreeing on most of the items than the low income individuals in which high income investors are very much clear about their future financial needs, awareness of different investment avenues, prioritising their investment objectives, they periodically review their investments etc., change their portfolio's as per the change in the objectives, three items where the investor's are thinking in same way like in fourth item they all invest first and then accumulated the remaining fund in their investment objective, after that in the fifteenth item where they all increase or decrease in their investments as per the changes in their financial needs, in the sixteenth item where they are finding difficulty in managing at a particular period of time, so the hypothesis of no significant relationship between the income and the investment behaviour has been accepted which inclined with existing literature (Arianti, 2018).

H_{07}: There is no significant relationship between the investment behaviour of rural investors different years of investment experience.

Table 4.10. Kruskall-Wallis H of investment experience and investment behaviour

Ranks				
Items	**Investment Experience**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IB-1	1	207.35	6.612	0.085
	2	206.47		
	3	234.29		
	4	240.56		
IB-2	1	227.53	6.048	0.109
	2	208.32		
	3	227.26		
	4	191.69		
IB-3	1	216.19	2.717	0.437
	2	209.64		
	3	242.57		
	4	210.15		
IB-4	1	211.75	0.654	0.884
	2	218.81		
	3	226.37		
	4	217.47		
IB-5	1	215.16	7.206	0.066
	2	194.86		
	3	244.82		

	4	231.07		
IB-6	1	211.82	6.863	0.076
	2	198.88		
	3	241.96		
	4	235.52		
IB-7	1	202.17	15.421	0.001
	2	201.70		
	3	246.55		
	4	253.38		
IB-8	1	205.17	6.847	0.077
	2	210.20		
	3	234.65		
	4	240.86		
IB-9	1	207.77	1.944	0.584
	2	220.68		
	3	226.64		
	4	224.72		
IB-10	1	201.48	9.388	0.025
	2	230.17		
	3	255.57		
	4	212.79		
IB-11	1	207.65	5.551	0.136
	2	226.04		

	3	248.86		
	4	206.43		
IB-12	1	212.51	3.938	0.268
	2	203.73		
	3	231.25		
	4	232.95		
IB-13	1	204.53	7.022	0.071
	2	224.25		
	3	255.81		
	4	212.91		
IB-14	1	200.06	8.571	0.036
	2	230.85		
	3	247.71		
	4	219.51		
IB-15	1	199.84	10.992	0.012
	2	216.28		
	3	228.51		
	4	249.23		
IB-16	1	214.22	1.805	0.614
	2	219.51		
	3	234.87		
	4	206.01		

Source: Author's Calculations

In the given table, there are four categories of investment experience in which first category is the two to five years of experience where the number of responses are 201 with code (1), second category is of five to eight years of experience where the responses are 107 with code (2), then in the third category consists of eight to ten years of experience where the number of responses are 42 represents with code (3), fourth category is of the more than ten years of experience with the 81 responses represents with code (4) and the inference from the table can be that twelve items out of sixteen items are not supported the hypothesis, so there is a significant relationship between the investment behaviour of different years of investment experience of rural investors (Mak & Ip, 2017), in seventh item where the investor's was asked about whether they are analysing the past performance, information like risk, return and other things about the avenue where they are invested has a p-value = 0.001 where investor's with more than ten years of experience have been analysing the asset more than the investor's with lesser years of experience, in the tenth item investors were asked about whether the investors are allocating their money in the different investible funds as per their objective in which the investor's with more than five years of experience are allocating their money among the different funds than the investors with less than five years of investors, in the fourteenth and fifteenth item in which the p-value is 0.036 and 0.012 respectively in which investors were asked about whether they are increasing or decreasing the amount of investments as per the financial need in the personal life, where also the people with more experience are changing the portfolio as per the change in the investment objectives, so the hypothesis of no significant relationship between the investment behaviour of different years of investment experience of rural investors which is aligned with (Mathanika et al.,2017).

The following table shows the hypothesis-wise difference between the demographic profile and the investment behaviour of rural investors.

Table 4.11. Hypothesis Result of Investment Behaviour

Null Hypothesis	Result	Research Supported
H_{01}: There is no significant relationship between the investment behaviour of male and female rural investors.	Rejected	(Olekar & Yadav, 2016)

H_{02}: There is no significant relationship between the investment behaviour of different age groups of rural investors.	Rejected	(Geetha & Ramesh, 2012)
H_{03}: There is no significant relationship between the investment behaviour of married and unmarried rural investors.	Rejected	(Agrawal et al., 2022)
H_{04}: There is no significant relationship between the investment behaviour of various educational backgrounds of rural investors.	Accepted	(Kalyan & Gupta, 2021; Agrawal et al., 2022)
H_{05}: There is no significant relationship between the investment behaviour of different occupations of rural investors.	Accepted	(Dar & Kumar, 2023)
H_{06}: There is no significant relationship between the investment behaviour of various income groups of rural investors	Accepted	(Arianti, 2018)
H_{07}: There is no significant relationship between the investment behaviour of rural investors' different years of investment experience.	Rejected	(Mathanika et al., 2017)

Source: Author's Output

4.5.2. To identify the risk appetite of rural investors

This objective was achieved using frequency, mean, and standard deviation and by checking the significant differences between rural investors' demographic attributes and risk appetite.

Table 4.12. Descriptive Statistics of Risk Appetite

Descriptive Statistics		
Items	**Mean**	**Std. Deviation**
RA-1	3.45	1.064
RA-2	3.64	1.047

RA-3	3.84	.885
RA-4	3.16	1.036
RA-5	3.69	.913
RA-6	2.76	1.003
RA-7	2.84	.982
RA-8	2.61	.924
RA-9	2.74	.955
RA-10	2.70	1.005

Source: Author's Calculations

The above table presents the descriptive statistics of the risk appetite of the rural investors in which there are 431 responses were taken for each statement; the minimum score given by the investors is 1, which means that there is a strong disagreement or low perception regarding the item, then the maximum score given by the respondents is five which means that solid agreement or high perception of the item, then the mean of every item offers the overall central tendency of every item, standard deviation which indicates the dispersion and spread of the responses on the mean, the higher standard deviation means the more significant variability in the responses than the lower standard deviation means less variation or highly consistency among the responses.

In the first item, the respondents were asked whether the Investing is challenging to understand. The average of the responses is 3.45, meaning there is moderate agreement that the investment is difficult to understand. The SD of 1.064 indicates that responses are mainly on the agreement side. The second item in which they were asked whether they are more comfortable putting their money in a bank account than in the stock market, in which a mean value of 3.64 indicates moderate agreement that the respondents are more comfortable putting their money in a bank account than the stock market. The SD of 1.047 means that most responses fall on the side of the agreement. In the third item in which people were asked about whenever the word risk comes to mind do the loss comes to mind in which the average response was 3.84, indicating a higher agreement that the risk is associated with loss; the SD of 0.885 also suggests that responses are consistent around the mean and they are more on the agreement side of the item.

In the fourth item, in which the respondents were asked whether making money in stocks and bonds is based on luck, the average value is 3.16, which indicates the moderate level where the respondents neither agree nor disagree, and some of them do feel that there is a luck factor involves in the stock market, and bonds and some are not. The SD of 1.036 suggests that there is some variability in responses. In the fifth item, the investors were asked whether the safety was more significant than the returns. The investor's mean score is 3.69, which states that rural investors agree that safety comes first in investment, not the returns. The SD is also low, with a value of 0.913, indicating less variation in the responses. After that, the rural investors were asked how many risky investments they held. The mean score is 2.76, meaning that the rural people have moderate to low risky investments in their portfolio, and the SD of the item is 1.003, which shows a moderate variation among the responses. In the seventh item, investors were asked how much they worry about their investments. The mean score is 2.84, which means that rural people are moderate to less worried about the investments they are holding, and the SD is 0.982, which means there is less variation in the responses. In the eighth item, rural investors were asked about the chances of losing money in the investment they are holding where the mean score is 2.61, which means that the chances of losing the money low in which they are investing and the SD is 0.924 which means that the variation in the responses is also low. After that, in the ninth item, investors were asked how much the investments fluctuate over time. The mean score is 2.74, which means that the fluctuations in the investments are moderate to low, and the SD of the responses is 0.955, which means that the variation among the responses is also low. In the last item, in which investors were asked about how easy it is for them to get their money back from the investment they are doing, the mean score is 2.70, which indicates that investors generally get their money back quickly from the investments they are making and with the SD of 1.005 we can interpret that the responses have the moderate variation.

After analysing all the items, the results say that rural investors have a moderate to low-risk appetite regarding their investments. This is aligned with the literature (Rahmawati et al., 2015), which has analysed the risk tolerance of individual investors.

H_{08}: There is no significant relationship between the risk appetite of male and female rural investors.

Table 4.13. Kruskall-Wallis H Test of gender and risk appetite

Ranks				
Items	**Gender**	**Mean Rank**	**Kruskall-Wallis H**	**Asymtotic Sig.**
RA-1	1	214.00	0.280	0.597
	2	220.64		
RA-2	1	217.93	0.265	0.607
	2	211.54		
RA-3	1	214.76	0.120	0.729
	2	218.86		
RA-4	1	209.10	3.329	0.068
	2	231.98		
RA-5	1	216.49	0.018	0.893
	2	214.87		
RA-6	1	223.28	3.790	0.052
	2	199.14		
RA-7	1	221.32	2.019	0.155
	2	203.69		
RA-8	1	221.11	1.923	0.166
	2	204.18		
RA-9	1	230.98	16.186	0.000
	2	181.32		
RA-10	1	211.65	1.339	0.247
	2	226.06		

Source: Author's Calculations

From the above table, there are a total of 431 responses in which male investors account for 301 represents with code (1) and female investors account for 130 represents with code (2), then the result which comes out of it is that there are only two items that supported the hypothesis and inclined with the existing literature (Fisher & Rui, 2017; Thanks et al., 2022) in which there is no significant relationship between the gender and the risk appetite of the individuals, in the sixth item in which investors were asked how risky the investment are which they are holding in which female participant has a low mean rank which means females are not holding risky assets in their portfolio. Men have some lineage towards the risky assets in their portfolios. In the ninth item in which they were asked about the fluctuations in their portfolio, the male counterparts had higher volatility than the female investors, who had fewer fluctuations in their assets. In the eight items, the responses of the males and females are almost the same, so the hypothesis of no significant relationship between the risk appetite of male and female rural investors has been rejected, which aligns with (Gondaliya & Dhinaiya, 2016).

H_{09}: There is no significant relationship between the rural investor's risk appetite of different age groups.

Table 4.14. Kruskall-Wallis H test of age and risk appetite

Ranks				
Items	**Age**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	180.87	17.005	0.001
	2	224.82		
	3	234.19		
	4	239.24		
RA-2	1	179.24	30.910	0.000
	2	205.78		
	3	261.45		
	4	239.49		

RA-3	1	178.46	29.732	0.000
	2	210.37		
	3	247.69		
	4	251.33		
RA-4	1	224.07	10.628	0.014
	2	232.62		
	3	211.23		
	4	177.81		
RA-5	1	185.40	26.393	0.000
	2	207.24		
	3	230.53		
	4	267.70		
RA-6	1	229.61	6.684	0.083
	2	225.42		
	3	202.72		
	4	192.31		
RA-7	1	235.63	5.604	0.133
	2	206.46		
	3	213.10		
	4	201.47		
RA-8	1	253.63	25.777	0.000
	2	217.21		
	3	192.96		

	4	176.71		
RA-9	1	234.53	9.196	0.027
	2	221.40		
	3	188.10		
	4	210.51		
RA-10	1	245.83	27.199	0.000
	2	232.56		
	3	172.38		
	4	191.20		

Source: Author's Calculations

From the given table, out of total 431 responses twenty to thirty years of age category account for 131 responses which represents with code (1), thirty one to forty years age category account for 130 responses where it represents with code (2), third category of forty one to fifty years of age category account for 98 responses which is represents with code (3), then fourth category where the investors with above the fifty years of age account for 72 responses which represents with code (4), and the results shows that the eight items are supporting the hypothesis where the p-value<0.05, in which the first item where the investors were asked about whether they find investing as the difficult task in which above the age of fifty years have find investing most difficult thing to understand and the investors with less than thirty years of age finds it less difficult to understand, in the second item in which investors were asked are they comfortable in putting their money in bank deposits than the stock market in which investors with more than the fifty years of age agreeing that they prefer to keep their money in bank deposit than stock market and the younger people are not agreeing much on this item, after that in the third item in which investors were asked when they think about risk does loss comes to their mind immediately in which elder people have strong perception than the younger who are among twenty to thirty years of age have opposite views, in the fourth item where investors were asked does making money in the stock market and bonds based on luck in which people with twenty to forty years of age do believe that making money in stock market and bonds based on luck and investors with age above fifty years of age did not believe on the luck factor,

in the fifth item in which investors asked whether they prefer safety over returns in their investments in which respondents with above fifty years of age have high preference for safety over returns than the younger people who does prefer returns over safety while investing, in the eighth item in which rural investors were asked how likely is it for them to lose money in the investment they are making in which younger respondents have higher chances of losing money in which they are invested and as the age increases the chances of losing money is lesser in their investments, then in the ninth item in which investors were asked how much fluctuations have happened in their portfolio where the age group of twenty to thirty years have high fluctuations in their portfolio and the investors with forty one to fifty years of age have least fluctuations in their investments, in the last item where the investors were asked how easy it is for them to get their money back from the investments they made where people with age of forty one and above have easy chances of getting the money back from their investments and investors with twenty to forty years of age feels hard to get their money back from the investments. In the end, the hypothesis of no significant relationship between the risk appetite of different age groups of rural investors has been accepted. It aligns with the existing literature (Alber & Gamal, 2019).

H_{10}: There is no significant relationship between the risk appetite of married and unmarried rural investors.

Table 4.15. Kruskall-Wallis H test of marital status and risk appetite

Ranks				
Items	**Marital Status**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	226.76	12.514	0.000
	2	177.42		
RA-2	1	229.58	20.348	0.000
	2	167.32		
RA-3	1	223.14	6.208	0.013
	2	190.41		
RA-4	1	212.62	1.234	0.267

	2	228.11		
RA-5	1	222.17	4.496	0.034
	2	193.87		
RA-6	1	207.84	7.351	0.007
	2	245.24		
RA-7	1	211.30	2.444	0.118
	2	232.86		
RA-8	1	208.07	7.181	0.007
	2	244.43		
RA-9	1	211.24	2.526	0.112
	2	233.05		
RA-10	1	208.31	6.490	0.011
	2	243.57		

Source: Author's Calculations

From the above table, out of 431 responses married investors account for 337 represents with code (1), and female investors account for 94 investors represents with code (2), then the results shows that there are seven out of ten items which are supporting the hypothesis in which the p-value<0.05, in the first item in which investors were asked do they feel it difficult to understand in which the married people do agree that it is difficult to understand and the unmarried people doesn't feel it difficult, in the second item in which investors asked do they feel comfort in putting their money in bank account than stock market in which married people are much more comfortable than unmarried who prefers stock market than bank deposits, in the third item in which the investors were asked do loss comes to their mind immediately when they heard about the word risk in which married are agreeing more than the unmarried who thinks differently, after that in fifth item in which investors were asked that safety is much more important than the returns in which also married people wants safety of their capital than returns than unmarried people who wants returns than the safety of capital, after that in the sixth item where the rural investors been asked about the risky investments in which they invested where

unmarried people are invested in the risky assets more than the married people which means that the risk appetite of the married investors is lower than the unmarried ones, in eighth item in which investors were asked how likely is it for them to lose money with the kind of investments they are doing in which also unmarried investors have higher chances of losing the money than the married ones, at last in the tenth item where they were asked about how easy it is for them get back their money from investments in which unmarried people feels it hard to get their money back than married people who feels easy to get their money back, so after analysing all the items, the hypothesis has been accepted in which there is no significant relationship between the risk appetite of married and unmarried rural investors which is totally inclined with the existing literature (Yao & Hanna, 2005) where the risk appetite of the unmarried investors is higher than the married ones as stated in our results as well.

H_{11}: There is no significant relationship between the risk appetite of various educational backgrounds of rural investors.

Table 4.16. Kruskall-Wallis H test education and risk appetite

Ranks				
Items	**Education**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	248.60	16.164	0.001
	2	190.28		
	3	197.88		
	4	204.95		
RA-2	1	247.28	18.648	0.000
	2	234.24		
	3	204.94		
	4	187.23		
RA-3	1	236.69	8.327	0.040
	2	185.13		
	3	205.40		

	4	211.25		
RA-4	1	228.00	3.678	0.298
	2	197.24		
	3	204.29		
	4	220.56		
RA-5	1	229.17	4.808	0.186
	2	196.96		
	3	218.85		
	4	200.57		
RA-6	1	218.73	0.609	0.894
	2	213.78		
	3	210.20		
	4	220.57		
RA-7	1	220.63	2.371	0.499
	2	243.74		
	3	212.92		
	4	207.70		
RA-8	1	209.16	5.888	0.117
	2	196.15		
	3	209.09		
	4	237.94		
RA-9	1	217.21	2.697	0.441
	2	213.17		

	3	205.15		
	4	229.04		
RA-10	1	213.29	5.261	0.154
	2	235.15		
	3	201.77		
	4	233.03		

Source: Author's Calculations

From the given table, out of a total 431 responses higher secondary or lesser educated investors account for 142 responses which is represented with code (1), second category in which diploma educated investors has 27 responses which is represented with code (2), third category where the bachelor's degree investors has 147 responses which represented with code (3), then in the fourth category in which there is 115 responses who have master's degree and more education represented with code (4), from the results of ten items it has been inferred that the only three items are supporting the hypothesis which is inclined with existing literature (Kannadhasan, 2015; Subramaniam & Athiyaman, 2016) where the risk appetite of the highly educated people are having more risk appetite than the lesser educated, in the first item where investors were asked whether investing is difficult task to understand in which lesser educated investors have been agreeing but the higher educated individuals have been lesser agreeing on this item, in the second item where rural investors were asked would they prefer to put money in bank account than the stock market in which lesser educated people do prefer the bank account deposits and high educated people have some inclination towards stock market, in the third item where they asked when they think about risk does loss comes to their mind immediately in which lesser educated people do agree on this item and people with diploma, bachelor's degree and master's degree have lower mean score and the other seven items from where the results of rural investors refer that the majority of investors are on similar page when the things comes on the risk appetite where the investors have low risk appetite. So, in a nutshell, the null hypothesis has been rejected, which is aligned with the literature (Shah et al., 2018).

H_{12}: There is no significant relationship between the rural investor's risk appetite of different occupations.

Table 4.17. Kruskall-Wallis H test occupation and risk appetite

Ranks				
Items	**Occupation**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	248.00	11.402	0.077
	2	231.32		
	3	185.75		
	4	204.13		
	5	182.84		
	6	219.07		
	7	226.27		
RA-2	1	221.81	10.469	0.106
	2	226.64		
	3	182.27		
	4	197.67		
	5	194.66		
	6	231.86		
	7	237.93		
RA-3	1	201.08	4.094	0.664
	2	230.46		
	3	199.27		
	4	207.57		
	5	214.41		
	6	221.36		

	7	222.73		
RA-4	1	229.83	17.615	0.007
	2	252.42		
	3	208.54		
	4	187.50		
	5	238.91		
	6	201.45		
	7	186.30		
RA-5	1	180.96	9.022	0.172
	2	230.79		
	3	212.38		
	4	201.60		
	5	212.63		
	6	222.77		
	7	247.73		
RA-6	1	203.40	4.006	0.676
	2	214.02		
	3	205.00		
	4	222.20		
	5	204.17		
	6	230.35		
	7	194.41		
RA-7	1	200.78	19.939	0.003

	2	224.15		
	3	165.71		
	4	230.10		
	5	194.43		
	6	240.97		
	7	175.91		
RA-8	1	196.92	12.240	0.050
	2	193.75		
	3	200.97		
	4	240.44		
	5	222.03		
	6	234.17		
	7	193.68		
RA-9	1	229.94	13.667	0.034
	2	182.31		
	3	202.38		
	4	241.36		
	5	207.63		
	6	225.64		
	7	237.32		
RA-10	1	184.46	9.372	0.154
	2	217.58		
	3	219.86		

	4	223.97		
	5	260.41		
	6	211.58		
	7	194.23		

Source: Author's Calculations

From the above table, there are seven categories of occupations in which first category consists of business investors where the number of responses are 45 represented with code (1), second category consists of self-employed investors account for 91 responses represented with code (2), third category is the investors who are employed in government account for 48 represented with code (3), fourth category is of the investors who are employed in private companies or institutes account for 69 represented with code (4), fifth category is of the professionals like lawyers, CA's, Doctor's etc. where the number of responses are 35 which represented with code (5), sixth category consists of farmers where the number of investors are 121 represented with code (6), and seventh category consists of retired investors accounts for 22 responses represented with code (7), and the results from the analysis are that the six items out of ten are not supporting the hypothesis where there is a significant relationship between the risk appetite of different occupations of rural investors, and other four items which has shown no relationship is the fourth item in which investors were asked does luck is a factor in making money from stock market and bonds in which self-employed people and professionals believe that the making money in stocks and bonds is based upon luck, and the private employees and retired investors are not believing on the luck factor involves in making money, in the seventh item where they were asked do they feel worry while managing the investments in which farmers, self-employed and private employees highly worried than the other kind of investors, in the eighth item where they were asked about how likely is to lose the money in the kind of investments you are holding in which private employees, farmers and professionals have high chances of losing money then retired, business, and self-employed investors are having lower chances of losing money in the investments which they hold, in the ninth item in which investors were asked how much their investments do fluctuate over time in which self-employed and the government employees have lesser fluctuations of their assets and the retired people and business owned people have higher fluctuations in their portfolio. So, the null hypothesis has been rejected in which there is no significant relationship between the risk

appetite of different occupations of rural investors, which aligns with the literature (Subramaniam & Athiyaman, 2016).

H_{13}: There is no significant relationship between the risk appetite of various income groups of rural investors.

Table 4.18. Kruskall-Wallis H Test of annual income and risk appetite

Ranks				
Items	**Annual Income**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	207.55	4.081	0.253
	2	230.76		
	3	209.22		
	4	200.97		
RA-2	1	211.32	3.627	0.305
	2	228.93		
	3	200.11		
	4	212.67		
RA-3	1	216.48	2.644	0.450
	2	218.59		
	3	222.97		
	4	188.58		
RA-4	1	203.24	6.629	0.085
	2	227.07		
	3	231.56		
	4	187.50		
RA-5	1	189.95	12.950	0.005

	2	225.90		
	3	232.51		
	4	243.67		
RA-6	1	221.66	11.958	0.008
	2	217.31		
	3	231.85		
	4	154.82		
RA-7	1	231.58	9.468	0.024
	2	217.59		
	3	205.75		
	4	168.22		
RA-8	1	218.17	2.117	0.548
	2	221.42		
	3	212.31		
	4	191.88		
RA-9	1	226.03	3.891	0.273
	2	202.23		
	3	218.21		
	4	230.00		
RA-10	1	226.54	8.871	0.031
	2	213.11		
	3	226.15		
	4	165.08		

Source: Author's Calculations

From the above table, the data of the four categories of income are being collected from 431 rural investors in which first category is the investors who earn less than two lakhs annually consists of 152 responses represents with code (1), in the second category investors with two to five lakhs of income has 162 responses which is represented with code (2), then with income of five to ten lakhs has 79 responses which represented with code (3), then in the fourth category with the income of more than ten lakhs has 38 responses which is represented with code (4), and results shows that six out of ten items are not supporting the hypothesis, so there is significant relationship between the risk appetite of various income groups of rural investors which are totally inclined with the existing literature (Praba, 2016), in the fifth item where the difference have been occurred in which they were asked whether safety is more critical than returns where high income investors prefer safety more than returns compared to lower income investors, in the sixth item in which investors were asked how much risky investments did they keep in their portfolio where investors with five to ten lakhs income holds highly risky assets and the investors with more than ten lakhs income holds lesser risky investments, in the seventh item in which rural investors were asked how much would they worry for their investments in which investors with high income worried lesser and the low income investors worried highly for their investments, at last in tenth item in which investors were asked how easy it is for them to get back their money from the investments they are holding in which high income individuals are getting money quickly than individuals with five to ten lakhs and below two lakhs income are not getting money back from their investments quickly. Finally, the results of this hypothesis show that the null hypothesis has been rejected and risk appetite of people in all income groups is similar.

H_{14}: There is no significant relationship between the risk appetite of different years of investment experience of rural investors.

Table 4.19. Kruskall-Wallis H test of investment experience and risk appetite

Ranks				
Items	**Investment Experience**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
RA-1	1	206.78	6.969	0.073
	2	205.83		
	3	244.08		

	4	237.76		
RA-2	1	200.45	13.993	0.003
	2	206.98		
	3	255.56		
	4	245.99		
RA-3	1	190.49	22.639	0.000
	2	224.77		
	3	240.93		
	4	254.80		
RA-4	1	220.75	4.606	0.203
	2	212.96		
	3	240.77		
	4	195.38		
RA-5	1	196.31	20.577	0.000
	2	210.71		
	3	234.13		
	4	262.46		
RA-6	1	212.41	5.446	0.142
	2	230.18		
	3	182.40		
	4	223.59		
RA-7	1	219.38	2.188	0.534
	2	223.70		

	3	196.27		
	4	207.68		
RA-8	1	236.44	12.744	0.005
	2	201.37		
	3	209.61		
	4	187.92		
RA-9	1	231.73	7.906	0.048
	2	199.64		
	3	219.73		
	4	196.64		
RA-10	1	241.83	20.818	0.000
	2	205.63		
	3	196.46		
	4	175.72		

Source: Author's Calculations

From the above given table, out of total 431 responses for the four categories of investment experience in which there is two to five years of investment experience account for 201 responses which is represented with code (1), second category consists of five to eight of investment experience account of 107 responses which is represented with code (2), third category consists of eight to ten years of investment experience where the number of responses are 42 which is represented with code (3), then fourth category consists of investment experience more than ten years account of 81 responses which is represented with code (4), and results shows us that there are six out of ten items are supported the hypothesis by which means that there is no significant relationship between the risk appetite of different years of investment experience of rural investors, and our hypothesis has been accepted which is inclined with the existing literature (Awais et al., 2016), in second item where the investors were asked would they be comfortable while putting their money in bank account than stock

market in which highly experienced investors want to put their money into bank accounts than the stock market but investors with less than five years of experience want to put their money in stock market as well, in the second item where the investors were asked about when they think of the word risk does loss comes to mind immediately in which investors with more than ten years of experience have been agreeing on this statement and the investors with less than five years of experience are lesser agreeing on this statement, in the fifth statement in which the investors were asked whether the safety is more important than returns in which also the investors with highly experience says that the safety is more important than the returns and the investors with less than five years of experience says that they will prefer returns more than safety, in eighth item in which investors were asked that how likely is to lose money in the investments which you are holding where highly experienced people have lesser chance of losing money than the investors with less than five years of experience. In the ninth item in which investors were asked to what degree the value of money fluctuates over time in which also lesser experienced investors had high fluctuations in their portfolio than investors with more than ten years of experience where they have low fluctuations in their portfolio, after that in the last item where they were asked how much easy it is for them to retrieve the money from the investments in which highly experienced investors are easily getting their money back than the lesser experienced investors who find it difficult to get their money back from the investments, in a nutshell after analysing the results of experienced investors with risk appetite in which highly experienced investors have low risk appetite than the investors with lesser experience who attains high risk appetite than others.

The following table shows the hypothesis-wise difference between a demographic profile and the risk appetite of rural investors.

Table 4.20. Hypothesis result of Risk Appetite

Null Hypothesis	Result	Research Supported
H_{08}: There is no significant relationship between the risk appetite of male and female rural investors.	Rejected	(Gondaliya & Dhinaiya, 2016)
H_{09}: There is no significant relationship between the rural investor's risk appetite of different age groups.	Accepted	(Alber & Gamal, 2019)

H_{10}: There is no significant relationship between the risk appetite of married and unmarried rural investors.	Accepted	(Yao & Hanna, 2005)
H_{11}: There is no significant relationship between the risk appetite of various educational backgrounds of rural investors.	Rejected	(Shah et al., 2018)
H_{12}: There is no significant relationship between the rural investor's risk appetite of different occupations.	Rejected	(Subramaniam & Athiyaman, 2016)
H_{13}: There is no significant relationship between the risk appetite of various income groups of rural investors.	Rejected	(Kannadhasan, 2015; Praba, 2016)
H_{14}: There is no significant relationship between the risk appetite of different years of investment experience of rural investors.	Accepted	(Awais et al., 2016)

Source: Author's Output

4.5.3. To explore investment decision-making by rural investors

This objective was achieved with descriptive statistics in which frequency distribution, mean, and standard deviation were explored for the results.

Table 4.21. Descriptive statistics of Investment Decision-Making

Descriptive Statistics		
	Mean	**Std. Deviation**
IDM-1	4.06	0.768
IDM-2	3.89	0.982
IDM-3	3.63	0.919
IDM-4	3.37	0.970
IDM-5	3.80	0.960

IDM-6	3.24	0.998
IDM-7	3.28	1.047
IDM-8	3.77	0.994

Source: Author's Calculations

In the above table the rural investors were asked about their investment decision making in which first question was about how satisfied were they while making investing decisions in which the Mean Score (MS) is 4.06 and the Standard Deviation (SD) of 0.768 which means that the rural investors are highly satisfied about their investments and the deviations around the mean is also low, in the second items in which they were asked do the decision making helps them achieving their investment objectives in which MS is 3.89 which indicates that the investors do achieve their investment objectives with their decision making and the SD of 0.982 tells that there is medium variation around the mean, in the third item where the investors were asked about how confident are they about the accuracy of their decision in which MS is 3.63 and the SD of 0.919 which indicates that majority of investors are confident about their decision making and deviation is also medium, in the fourth item in which they were asked that their investments can earn higher than average returns in the market in which MS is 3.37 and the SD is 0.970 which indicates that there are investors who are earning less than the market and there are other investors who are earning more than the average returns. In the fifth item where the investors were asked about do they take investment decision on their own in which MS is 3.80 and the SD is 0.960 which means that most of them take investment decision on their own and few of them doesn't take decision on their own. After that in the sixth item in which they were asked do their skills and knowledge about the investment helps them to outperform the market in which the MS is 3.24 which is the lowest and the SD of 0.998 which indicates that there is a sizable number of investors who are not able to outperform and other sizable proportion who can outperform, in the seventh item in which investors were asked are they able to anticipate the future movements from the market in which MS is 3.28 and SD is the highest with 1.047 which indicates that in this item as well where half of the investors can anticipate the movements and other half is not able to predict the movement, at last in the eighth item where the investors were asked do they consider all factors while making decision in which the MS is 3.77 and SD is 0.994 which indicates that the majority of investors do consider all factors while investing and the variation around the mean tells that few of the investors might consider the factors lesser than others. So, in a nutshell, rural investors take care of factors and

considerable points before investing. However, few are not digging deeper while researching or performing in their investment journey. The results of this analysis are inclined with (Sachdeva & Lehal, 2023), where the needs of the investors and the perception of the firm influence the investment decision-making a lot.

H_{15}: There is no significant relationship between the investment decision-making of males and females.

Table 4.22. Kruskall-Wallis H test of gender and Investment decision-making

Ranks				
Items	**Gender**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	226.00	7.848	0.005
	2	192.85		
IDM-2	1	220.65	1.636	0.201
	2	205.24		
IDM-3	1	218.69	0.522	0.470
	2	209.78		
IDM-4	1	229.38	12.598	0.000
	2	185.01		
IDM-5	1	229.56	13.800	0.000
	2	184.60		
IDM-6	1	219.15	0.697	0.404
	2	208.70		
IDM-7	1	229.80	13.213	0.000
	2	184.05		
IDM-8	1	230.77	16.034	0.000
	2	181.79		

Source: Author's Calculations

In the above table, out of 431 responses there are 301 male investors represented with code (1) and female investors account for 130 represented with code (2) and five items out eight are supporting the hypothesis which means that no significant relationship between the investment decision making of male and female rural investors, and null hypothesis has been accepted which is inclined with existing literature of (Arti et al., 2011) in which female investors are showing lesser confidence and satisfaction than the male investors, in the first item of our study where the p-value = 0.005 in which investors were asked are they satisfied with the way they are taking investment decision in which male investors are more satisfied with decision than females, in the fourth item in which p-value = 0.000 where the investors were asked do their investments earn higher than the average return in the market where also the male investors do earn more and females have lesser capacity than the males, after that in the fifth item in which p-value = 0.000 where the investors were asked do they take investment decisions on their own in which male does take decision on their own than the female who are not that confident on taking decision on their own, then in the seventh item where the p-value = 0.000 in which investors were asked are they able to take anticipate the future movements in the market where the male respondents does have high mean score than female as well, and at last in the eighth item where the p-value = 0.000 investors were asked do they consider all factors while making investment decision in which also male investors have high MS than the female investors.

H_{16}: There is no significant relationship between the investment decision-making of different age groups of rural investors.

Table 4.23. Kruskall-Wallis H test of age and Investment decision-making

Ranks				
Items	**Age**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	202.92	7.108	0.069
	2	207.17		
	3	239.29		
	4	224.03		
IDM-2	1	206.67	2.763	0.430

	2	210.93		
	3	225.16		
	4	229.65		
IDM-3	1	208.53	3.723	0.293
	2	207.80		
	3	221.20		
	4	237.32		
IDM-4	1	243.08	9.985	0.019
	2	202.82		
	3	208.98		
	4	200.09		
IDM-5	1	198.32	12.778	0.005
	2	213.60		
	3	250.91		
	4	204.98		
IDM-6	1	227.60	5.168	0.160
	2	196.45		
	3	222.81		
	4	220.92		
IDM-7	1	216.63	1.122	0.772
	2	219.35		
	3	220.46		
	4	202.74		

IDM-8	1	220.61	0.420	0.936
	2	212.42		
	3	217.41		
	4	212.15		

Source: Author's Calculations

In the above table, there are four categories of age group in which first category consists of twenty to thirty years of age where the number of responses are 131 represented with code (1), second category consists of thirty one to forty years of age account of 130 responses which is represented with code (2), third category consists of forty one to fifty years of age has 98 responses which is represented with code (3), fourth category is of the investors with age above fifty years of a age account for 72 responses which is represented with code (4), and results shows that the null hypothesis have been rejected, and the conclusion which comes that there is a significant relationship between the investment decisions of different age groups of rural investors, which is inclined with the literature (Geetha & Ramesh, 2012); only two items have shown no relationship between the age and decision making where the difference emerges which is the fourth item the p-value = 0.019 in which investors were asked whether their investments earn more than the average returns in the market in which younger investors are much more confident than the elder ones in generating returns more than the market, in the fifth item in which investors were asked do they make investing decision on their own in which younger ones have low MS than the investors who are above the age of thirty-one, so, in a nutshell, the satisfaction, confidence and anticipating the future movements all the age groups of investors have the similar responses.

H_{17}: There is no significant relationship between the investment decision-making of married and unmarried rural investors.

Table 4.24. Kruskall-Wallis H test of marital status and investment decision-making

Ranks				
Items	**Marital Status**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	221.85	4.161	0.041

	2	195.03		
IDM-2	1	216.03	0.000	0.992
	2	215.90		
IDM-3	1	209.90	4.157	0.041
	2	237.86		
IDM-4	1	210.51	3.283	0.070
	2	235.69		
IDM-5	1	221.87	4.000	0.046
	2	194.97		
IDM-6	1	204.33	14.786	0.000
	2	257.85		
IDM-7	1	209.51	4.521	0.033
	2	239.26		
IDM-8	1	213.85	0.526	0.468
	2	223.71		

Source: Author's Calculations

In the above table, there are 431 responses of which married investors account for 337 represented with code (1), and unmarried investors account for 94 responses which are described with code (2), the results show that there are five out of eight items support the hypothesis that there is no significant relationship between the investment decision-making of married and unmarried rural investors by which our null hypothesis has been accepted, which is inclined with the literature (Mathanika et al., 2017). In the first item in which p-value = 0.041 where investors were asked are they satisfied with their investment decision making in which married investors are more satisfied than the unmarried ones, in the third item in which p-value = 0.041 where the investors were asked are they confident about the accuracy of their investment decisions in which unmarried people are more confident than the married people, after that in the fifth item in which p-value = 0.046 where investors were asked do they make

investment decisions on their own in which the married people does make more decisions on their own than the unmarried ones, then in the sixth item where p-value = 0.000 in which investors were asked do they believe that their skills and knowledge about market helps them to outperform where the unmarried investors have higher skills and knowledge than the unmarried ones, after that in the seventh item in which p-value = 0.033 where investors were asked are they able to anticipate the future movements in the market where the unmarried investors do have capacity to anticipate the future movements.

H_{18}: There is no significant relationship between the investment decision-making of the different educational backgrounds of rural investors.

Table 4.25. Kruskall-Wallis H test of education and Investment decision-making

Ranks				
Items	**Education**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	211.07	28.444	0.000
	2	115.37		
	3	239.98		
	4	215.07		
IDM-2	1	193.83	9.855	0.020
	2	197.56		
	3	230.35		
	4	229.35		
IDM-3	1	184.79	33.205	0.000
	2	140.54		
	3	236.18		
	4	246.46		

IDM-4	1	194.35	7.934	0.047
	2	239.76		
	3	230.23		
	4	218.97		
IDM-5	1	215.74	7.957	0.047
	2	179.61		
	3	233.94		
	4	201.94		
IDM-6	1	204.62	4.234	0.237
	2	254.41		
	3	219.74		
	4	216.25		
IDM-7	1	200.11	6.468	0.091
	2	196.89		
	3	233.90		
	4	217.22		
IDM-8	1	186.65	20.066	0.000
	2	217.76		
	3	247.70		
	4	211.30		

Source: Author's Calculations

In the above table, there are four categories of educational background where the first category is of higher secondary or less educated investors in which there are 142 responses described with code (1), second category consists of diploma investors with 27 responses described as code (2), third category is of the bachelor's degree with 147 responses described as code (3),

then fourth category is of the master's degree and more educated investors have 115 responses described with code (4), and the results of six items are supporting the null hypothesis in which there is no significant relationship between the investment decision making of different educational backgrounds of rural investors, which is inclined with existing literature (Mathanika et al., 2017) where in the first item with p-value = 0.000 the investors were asked are they satisfied with the way they are making investment decision where the investors with graduate and post graduate degrees are highly satisfied than the investors with higher secondary or diploma, in the second item with p-value = 0.020 where the investors were asked that does their decision making helps them to achieve their investment objectives in which investors with bachelor's and master's degree are able to achieve their objectives with their decision making, in the third item in which p-value = 0.000 where the investors were asked whether they are confident about the accuracy of their investment decision in which the bachelor's and post graduated are more confident than the investors with higher secondary or diploma, after that in the fourth objective where the p-value = 0.047 in which investors were asked does the investment decisions make higher than the average market returns where diploma and bachelor's degree investors does make higher than average returns in the market and the investors' with master's degree and higher secondary educations are lesser agree, in the fifth item with p-value = 0.047 where the investors were asked about whether they make investment decision on their own in which bachelor's degree and the higher secondary investors does take investment decision on their own and investors with diploma degrees take lesser decisions on their own, then in the eighth item in which p-value = 0.000 where the investors were asked does they consider all factors while take investment decision in which bachelor's degree investors do consider all possible factors while other investors who have master's degree, diploma and higher secondary education are not considering possible factors that much.

H_{19}: There is no significant relationship between the investment decision-making of various occupations of rural investors.

Table 4.26. Kruskall-Wallis H test of occupation and Investment decision-making

Ranks				
Items	**Occupation**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	219.28	7.680	0.263

	2	201.58		
	3	234.22		
	4	202.34		
	5	198.91		
	6	224.33		
	7	253.39		
IDM-2	1	199.26	19.878	0.003
	2	219.52		
	3	266.83		
	4	229.62		
	5	176.41		
	6	198.02		
	7	243.91		
IDM-3	1	196.40	29.784	0.000
	2	220.94		
	3	260.23		
	4	248.97		
	5	158.19		
	6	192.36		
	7	257.77		
IDM-4	1	225.54	12.746	0.047
	2	196.98		
	3	261.78		

	4	224.78		
	5	187.44		
	6	215.60		
	7	195.39		
IDM-5	1	221.23	3.658	0.723
	2	210.89		
	3	212.38		
	4	223.89		
	5	185.04		
	6	221.93		
	7	226.25		
IDM-6	1	224.82	30.791	0.000
	2	244.14		
	3	218.31		
	4	254.30		
	5	143.41		
	6	190.90		
	7	209.93		
IDM-7	1	250.68	12.727	0.048
	2	201.90		
	3	206.73		
	4	249.27		
	5	202.34		

	6	206.92		
	7	190.93		
IDM-8	1	227.24	15.008	0.020
	2	181.01		
	3	226.13		
	4	234.39		
	5	190.86		
	6	224.44		
	7	251.55		

Source: Author's Calculations

From the above table, there are seven categories of occupations from which the rural investors belongs, the first category is of the business background investors accounting for 45 responses described with code (1), the second category is of the self-employed investors in which there are 91 responses described as code (2), the third category is of investors who are employed in government account for 48 responses described as code (3), fourth category is of the investors who are employed in private have 69 responses described as code (4), fifth category is the professional investors with 35 responses described as code (5), sixth category is the investors with farming background with 121 responses described as code (6), then seventh category consists of retired investors have 22 responses described as code (7), and the results show that the null hypothesis has been accepted as there is no significant relationship between the investment decision-making of different occupations of rural investors, which is inclined with the existing literature (Levišauskaitė & Kartašova, 2012). In the second item in which p-value = 0.003 where the investors were asked whether the investment decision helped them to achieve their objectives the government and private employees can accomplish the objectives than the farmers and professionals who are not that capable of achieving their investment objectives with their decision making, then in the third item where the p-value = 0.000 in which investors were asked do are they confident about the accuracy of their investment decision in which government, private employees and retired people are more confident in their accuracy than the professionals, farmers and business investors. After that in the fourth item where the

p-value = 0.047 in which investors were asked does their investments earn highly than average market return where the business people, government and private employees do earn higher than the market return but the farmers, self-employed and retired investors are not able to earn higher than the average return of market. In the sixth item in which p-value = 0.000 where question was that do they believe that their skills and knowledge about the market helps them to outperform the market in which private employees, self-employed and business people do outperform but on the other side professionals and farmers are not able to outperform the market, after that in the seventh item with p-value = 0.048 where the investors were asked do they able to anticipate the movement in the market returns in which private employees and business people are able to anticipate the movements but the retired and self-employed people are not able to anticipate as much. In the eighth item where p-value = 0.020 in which investors were asked do they consider all possible factors while making decision where the retired investors, private and government employees do consider all factors more than the self-employed and professionals who are not considering all factors while making decisions. The government, private employees, and business people have a stronger relationship with investment decision-making than professionals and farmers.

H_{20}: There is no significant relationship between the investment decision-making of different income groups of rural investors.

Table 4.27. Kruskall-Wallis H test of annual income and investment decision-making

Ranks				
Items	**Annual Income**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	188.84	15.161	0.002
	2	227.17		
	3	228.11		
	4	251.82		
IDM-2	1	188.96	15.916	0.001
	2	221.21		
	3	247.34		

	4	236.79		
IDM-3	1	197.36	7.381	0.061
	2	218.91		
	3	235.53		
	4	237.55		
IDM-4	1	200.60	17.900	0.000
	2	206.85		
	3	230.60		
	4	286.25		
IDM-5	1	189.21	14.312	0.003
	2	232.58		
	3	218.72		
	4	246.82		
IDM-6	1	223.06	6.271	0.099
	2	226.19		
	3	195.16		
	4	187.63		
IDM-7	1	204.68	6.374	0.095
	2	221.67		
	3	206.96		
	4	255.91		
IDM-8	1	189.35	16.988	0.001
	2	220.74		

	3	233.51		
	4	265.99		

Source: Author's Calculations

From the above table, the responses of 431 investors has been collected in four categories of income in which first category consists of less than two lakhs of annually income where the responses are 152 represented with code (1), second category consists of two to five lakhs of income where the responses are 162 described as code (2), third category is the income group of five lakhs to ten lakhs with the responses of 79 described as code (3), fourth category is the income group of more than ten lakhs with 38 responses described as code (4), and the results has shown that five items are supporting the hypothesis in which there is no significant relationship between the investment decision making of different income groups of rural investors which is inclined with the existing literature (Rasyid et al., 2018) in which high income individuals are also are taking better decisions regarding their investments, in the first item with p-value = 0.002 where the investors were asked whether they are satisfied about the investment decisions they are taking in which high income individuals are more satisfied than low income individuals, in the second item with p-value = 0.001 where the investors were asked whether their decisions helps them to achieve investment objectives in which investors with more than five lakhs income has been able to achieve their investment objectives more than the less than five lakhs income investors, then in the fourth item with p-value = 0.000 where the investors were asked whether their investments are mostly earning more than the average return in the market in which also high income individuals are earning higher than average but the low income individuals are not very much confident about it, after that in the fifth item with p-value = 0.003 where the investors were asked whether they take investment decision on their own in which investors with less than two lakh income are dependent and other investors with more than two lakhs income are taking decisions on their own, in the last item with p-value = 0.001 where the investors were asked do they consider all possible factors while investing in which high income individuals do consider all possible factors more than the low income individuals. The inference is that high-income individuals have a higher relationship with investment decision-making than low-income people.

H_{21}: There is no significant relationship between the investment decision-making of various years of investment experienced rural investors.

Table 4.28. Kruskall-Wallis H test of investment experience and investment decision-making

Ranks				
Items	**Investment Experience**	**Mean Rank**	**Kruskall-Wallis H**	**Asymp. Sig.**
IDM-1	1	201.16	8.030	0.045
	2	221.00		
	3	245.95		
	4	230.68		
IDM-2	1	207.93	7.607	0.055
	2	204.59		
	3	249.87		
	4	233.54		
IDM-3	1	224.13	9.951	0.019
	2	186.94		
	3	243.90		
	4	219.73		
IDM-4	1	221.67	3.270	0.352
	2	200.36		
	3	233.74		
	4	213.40		
IDM-5	1	199.68	12.708	0.005
	2	214.53		
	3	226.61		
	4	252.93		

IDM-6	1	222.34	2.992	0.393
	2	200.38		
	3	229.81		
	4	213.75		
IDM-7	1	219.38	5.377	0.146
	2	201.14		
	3	249.87		
	4	209.70		
IDM-8	1	210.63	4.109	0.250
	2	210.57		
	3	249.07		
	4	219.36		

Source: Author's Calculations

From the above table, there are four categories of investment experience where the first category consists of two to five years of experience and has 201 responses described as code (1), the second category consists of investors who have five to eight years of experience with 107 responses described as code (2), the third category of investors have eight to ten years of experience in which 42 responses are recorded described as code (3), then in the third category of experience in which investors with more than ten years of experience have 81 responses described as code (4), and the inference is that the majority of the items do not support the hypothesis, which means that the null hypothesis has been rejected as there is a significant relationship between the investment decision-making of different years of investment experience of rural investors, which is inclined with existing literature (Mathanika et al., 2017). The first item supports the hypothesis with p-value = 0.045, where highly experienced investors are delighted with the way they are making investment decisions, in the third item with p-value = 0.019, where they were asked whether they are confident about the accuracy of their decision making in which investors with more than eight years of experience are highly confident, then in the fifth item with p-value = 0.005 where the investors were asked do they take investing

decisions on their own in which highly experienced investors are taking decisions on their own than the lesser experienced investors.

Table 4.29. Hypothesis Result of Investment Decision-Making

Null Hypothesis	Result	Research Supported
H_{15}: There is no significant relationship between the investment decision-making of males and females.	Accepted	(Arti et al., 2011)
H_{16}: There is no significant relationship between the investment decision-making of different age groups of rural investors.	Rejected	(Geetha & Ramesh, 2012)
H_{17}: There is no significant relationship between the investment decision-making of married and unmarried rural investors.	Accepted	(Mathanika et al., 2017)
H_{18}: There is no significant relationship between the investment decision-making of the different educational backgrounds of rural investors.	Accepted	(Mathanika et al., 2017)
H_{19}: There is no significant relationship between the investment decision-making of various occupations of rural investors.	Accepted	(Levišauskaitė & Kartašova, 2012)
H_{20}: There is no significant relationship between the investment decision-making of different income groups of rural investors.	Accepted	(Rasyid et al., 2018)
H_{21}: There is no significant relationship between the investment decision-making of various years of investment experienced rural investors.	Rejected	(Mathanika et al., 2017)

Source: Author's Output

4.5.4. To study the relationship between risk appetite and investment decision-making of rural investors

H_{22}: There is no significant relationship between the risk appetite and investment decision-making of rural investors.

1. Factor Loading

Factor loading measures the degree to which an item effectively represents the fundamental concept. Although striving for factor loadings higher than 0.70 is generally recommended, social science researchers often come into lower loadings. Hair et al. (2016) suggest a factor loading of more than 0.50 is preferred. However, it is not recommended to reject products with loadings below 0.70 automatically, but to improve the Composite Reliability significantly and Average Variance Extracted (AVE), five items from Risk Appetite (RA) and two items from Investment Decision Making (IDM) were deleted.

Table 4.30. Factor loading

	IDM	**RA**
IDM1	0.629	
IDM2	0.746	
IDM3	0.772	
IDM5	0.789	
IDM7	0.644	
IDM8	0.733	
RA1		0.678
RA2		0.707
RA3		0.781
RA4		0.657
RA5		0.742

Source: Author's Calculations

2. VIF Multicollinearity

The Variance Inflation Factor (VIF) is a statistical instrument used to measure the degree of multicollinearity in regression analysis. Multicollinearity arises when independent variables exhibit significant correlations, indicating that others can accurately predict one or more variables linearly. As per the standard guidelines provided by (Hair et al., 2011), it is generally recommended for the Variance Inflation Factor (VIF) to be maintained at a value of five or lower. Our research shows that the VIF values continuously remain below 3, indicating no substantial collinearity concerns in our dataset.

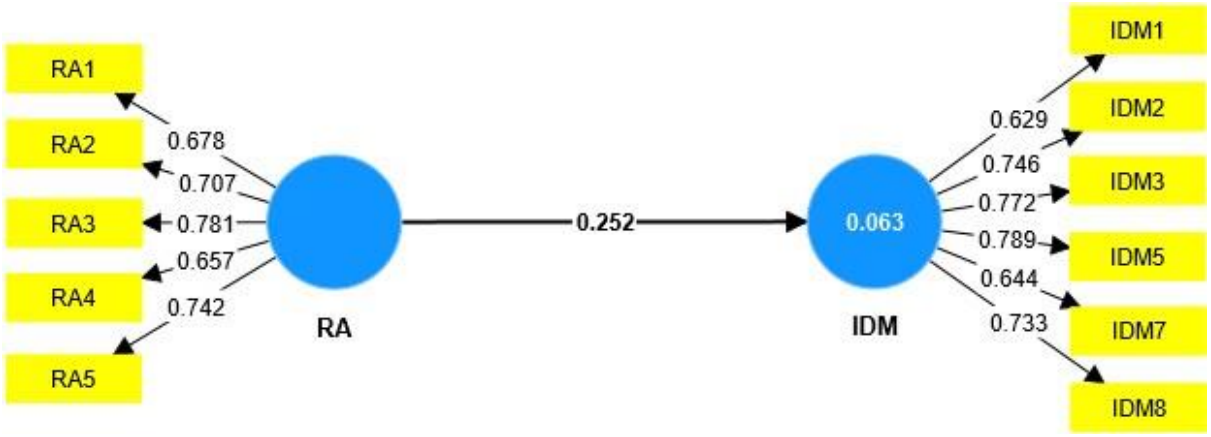
Table 4.31. Variance inflation factor

Items	**VIF**
IDM1	1.506
IDM2	1.558
IDM3	1.663
IDM5	1.535
IDM7	1.663
IDM8	2.007
RA1	1.487
RA2	1.566
RA3	1.601
RA4	1.227
RA5	1.523

Source: Author's Calculations

3. Measurement Model

Fig 4.13. Model of relationship between the variables



Source: Author's Calculations

4. Construct Reliability and Validity

Construct reliability is a measure used to evaluate the consistency of results across different questions within a single evaluation. It primarily assesses whether the questions that measure a specific concept show similar results, typically evidenced by solid correlations among these items. As Hair et al. (2021) suggested, internal consistency reliability, an essential aspect of construct reliability, assesses the extent to which indicators that measure the exact construct correlate. In the succeeding assessment stage in reflective measurement models, composite reliability (represented as rho c) is established as a core metric in PLS-SEM analyses. Composite reliability values exceeding 0.70 are commonly considered dependable, whereas values ranging from 0.60 to 0.70 are acceptable, especially in exploratory research contexts. Values ranging from 0.70 to 0.90 indicate reliability considered adequate to exceptional. Nevertheless, it is recommended to use caution when values above 0.90 since this could suggest an overlap or duplication of indicators, potentially undermining the construct's validity. Alternatively, Cronbach's alpha can be used as an alternative statistic that reflects the thresholds of composite reliability. However, in contrast to the adaptable composite reliability, Cronbach's alpha implies that all indicator loadings are homogeneous. A good alpha value falls between 0.7 and 0.9 (Lavrakas, 2008).

Table 4.32. Reliability and Validity

	Cronbach's alpha	**Composite reliability (rho c)**	**Average variance extracted (AVE)**
IDM	0.822	0.866	0.521

RA	0.762	0.838	0.51

Source: Author's Calculations

5. Discriminant validity

Discriminant validity refers to the extent to which a test does not correlate with other tests that measure other constructs. Within this framework, a construct refers to a pattern of behaviour, mindset, or idea that cannot be directly perceived. The premise is that two tests representing different concepts should not show substantial correlations. If they do, it becomes ambiguous if they genuinely assess separate constructs. Hence, discriminant validity functions as a measure of the degree of distinction between constructs. The Heterotrait-Monotrait ratio of correlations (HTMT) approach was used to evaluate discriminant validity. This method compares the average correlations between different traits and methods to those between the same traits and methods (Hair Jr. et al., 2016). The highest HTMT value observed is 0.28, well below the threshold of 0.90 (Gold, Malhotra, & Segars, 2001). Overall, the measuring methodology demonstrated adequate construct validity.

Table 4.33. HTMT

	IDM	**RA**
IDM		
RA	0.28	

Source: Author's Calculations

6. Fornell Larcker

By this criterion, the square root of the average variance retrieved by a construct ought to be greater than the correlation between that construct and any other construct.

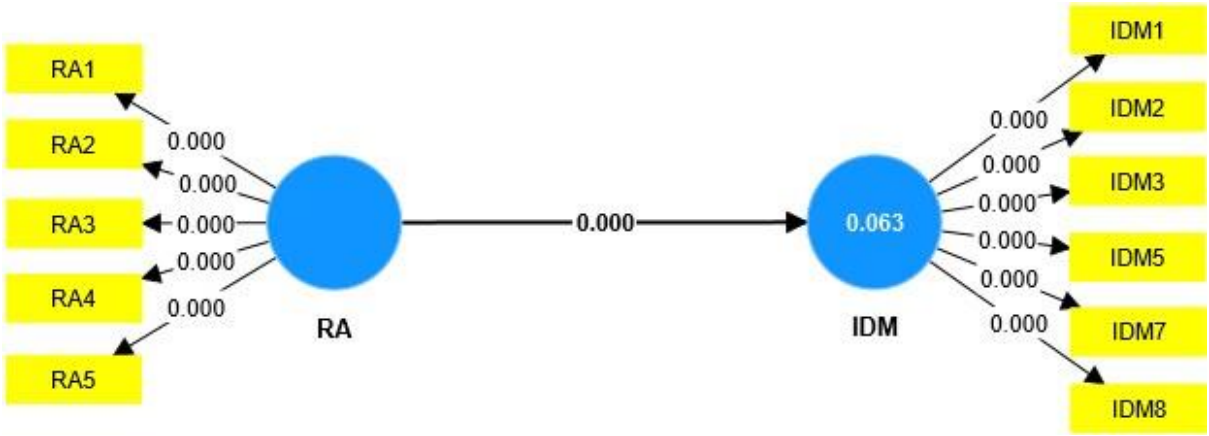
Table 4.34. FL

	IDM	**RA**
IDM	0.721	
RA	0.252	0.714

Source: Author's Calculations

7. Structural Model

Fig 4.14 Structural Model of the variables



Source: Author's Calculations

8. Hypothesis testing

Table 4.35 Hypothesis result

	Original sample (O)	**Sample mean (M)**	**R-square**	**Standard deviation (STDEV)**	**T-value**	**P-value**	**Result**
RA -> IDM	0.252	0.276	0.063	0.049	5.163	0.000	Significant Relationship

Source: Author's Calculations

Bootstrapping is used to evaluate hypothesis testing in Partial Least Squares Structural Equation Modelling (PLS-SEM). The process entails creating many sample sets with duplication, each containing the same amount of data as the original dataset. Increasing the value of bootstrapping samples, mainly when using confidence intervals, is advisable to obtain meaningful insights from the PLS model. So, the structural model used was measured with 5000 samples, with a significance level of 5%. This proposal is because the accuracy and dependability of the confidence interval estimations improve as the number of bootstrapping samples increases. R-squared (R^2), commonly called the coefficient of determination, is a statistical measure used in regression analysis. It measures the degree to which the predictor

variable can explain the variability in the outcome variable. R-squared measures the extent to which the data conform to the regression model, showing the quality of the fit.

The above table shows the results of the relationship between risk appetite (RA) and investment decision-making (IDM), which is significant at the value of $p = 0.000$ and $t = 5.163$, and $SD = 0.049$ which means that there is a low variation among the responses of the rural investors, so the null hypothesis has been rejected as there is a significant relationship between risk appetite and investment decision making which is aligned with the existing literature (Nguyen et al., 2016).

CHAPTER - 5

5. FINDINGS, SUGGESTIONS, CONCLUSION AND LIMITATIONS

This chapter concludes with the findings, suggestions, and implications for financial advisors, the government, financial companies and institutions, and future researchers.

The behaviour of all rural investors is almost similar regarding their avenue choices, investment objectives, or determining the time frame to achieve their goals. The propensity is impacted by things like income instability, a conservative mentality formed by traditional beliefs, and lesser levels of financial literacy. Though more risk-averse, rural investors are not entirely against investment. Safer investment choices include savings accounts, fixed deposits, and government-sponsored programs. These investments suit their risk tolerances by offering stability and security. Among rural investors, word-of-mouth and social networks majorly influence their investment choices. Rather than hiring professional financial counsellors, they frequently consult with friends, relatives, or reliable community leaders. Socioeconomic and cultural aspects greatly influence investment selection. For instance, gold and land investments' tangible character and artistic value make them preferred. Moreover, investments are often done with particular objectives, such as saving for future uncertainties.

5.1. Findings

Based on the analysis and interpretation of data in the previous chapters, the study comes out with the following findings:

- Rural investors prefer bank deposits, real estate, gold, silver, jewellery, and insurance. The least preferred avenues are shares, post office savings, mutual funds, debentures, and public provident funds. The chosen avenues show that rural investors prefer the safety and security of their capital and prefer to invest in conventional avenues.
- The sources of information for the investments where the rural investors prefer their analysis for investments, the friends and their peer investors influencing them most after that internet is also the most significant source of information for the investment, then newspaper and television has neutral to lesser choice for investments and at last financial advisors are the minor preferred sources for the investment information.

- Capital appreciation, liquidity, capital safety, and periodical returns are the most preferred objectives of investments, and tax savings are less preferred than other aspects of objectives. So, rural investors want safety and an appreciation of their capital with regular returns.
- Majority of rural investors are very clear about their future financial needs and objectives; the investors above the age of forty-one are much more precise than the investors with twenty to forty years of investors, and the investors with highly educational backgrounds are more accurate than the lesser educated investors, occupation wise private and government employees are more precise than the farmers and business people who are not as more transparent about their future financial needs. Then, highly income investors with more than five lakhs are more transparent about their financial needs than investors with less than five lakhs.
- Rural investors are very much aware of various investment avenues, and younger investors are more aware of the investment avenues than those above the age of forty. Investors with a highly educational background like a diploma, bachelor's degree or master's degree are more aware than investors with a higher secondary or lesser educated, then occupation private and government employees, retired business people are more aware, and minor aware investors are from a self-employed and farming background. Income-wise, high-income investors with more than five lakh income are much more aware of investment avenues than the lesser-income investors.
- Most investors determine their investment goals before investing. In contrast, higher educated investors, i.e., diploma, bachelor's degree and master's degree, do determine their objectives before investing than the investors with higher secondary or lesser educated, occupation-wise private and government employees, business people and retired investors are determining their goals more than the farmers and professionals. Income investors with more than two lakhs income determine their investment objectives more than the lower income group investors.
- Some investors invest first and then use the remaining funds for other purposes. Few investors disagree with this statement as they might use their money for personal use and the remaining for investment purposes.

- Most investors try to make a time frame for achieving the investment objectives; unmarried investors do have a time frame to achieve their goals, unlike married investors, who try less to make a time frame. Higher-educated investors set a time frame for achieving objectives, and less educated people do not put a time frame for their investments. Occupation retired, business people highly agree on making a time frame for achieving their investment objectives, and farmers and professionals less agree on this item; highly income investors are creating a time frame than the lower income investors who are not trying to make a time frame for the investment objectives.

- Rural investors look at risk, return, and other information before investing in any asset class. Education-wise, there is a difference between highly educated investors who know all the factors before investing and lesser educated investors who do not consider risk, return, and other factors before investing.

- After analysing the seventh item of investment behaviour, where the majority of rural investors are looking at the historical information of the asset class, whereas also educated investors are examining the past data in detail before making their bet on any asset class, the lesser educated are not very keen on searching the asset before investing, occupation wise retired people are not searching in detail about the asset, on the other hand, private and government employees do search in detail about any investment avenue where they want to invest, income-wise investors with more than two lakhs income are searching in detail about the different assets, but investors with less than two lakhs income are pretty much not very keen on historical information, experience wise the investors with highly investment experience agree on this item than the lesser experienced investors who are not relying on the historical data.

- Rural investors select investment avenues that align with their objectives. Investors with more than two lakhs of income invest in avenues that match their goals, but those with less than two lakhs do not invest based on their goals.

- Some rural investors do invest in different investment avenues for different objectives. Higher-educated people invest in different investments for different goals than the less educated. Occupation-wise, retired, government, and private employees are investing differently. The farmers have fewer choices for their different objectives, and lower-income investors do not have diversified portfolios for different goals. Still, investors

with more than two lakhs of income have a selection of different assets for different objectives.

- Rural investors invest according to the future requirements of the invested money. Here, highly educated investors park their funds according to future requirements. Income investors with more than two lakhs of income invest their funds in different avenues for future fund requirements. Highly experienced investors also have an edge over investing according to their requirements.

- Family, friends and relatives influence most investors in their investment decisions. In contrast, investors under fifty are influenced by their family, friends and relatives, while anyone least influences investors over fifty years old. Occupation-wise, retired and professional investors are the least influenced. Investors with other professions, like private and government employees, are highly influenced by others, income-wise investors with less than two lakhs of income are less influenced, and investors with high incomes are getting much more influenced by others.

- The twelfth item results tell us that most investors review their investment performance from time to time. In contrast, education-wise, highly educated investors with graduation and post-graduation are more reviewing the performance than the less educated with a diploma and higher secondary education than income-wise, which makes a high difference where investors with increasing income the alertness of their investments also increase.

- There is a difference among the various kinds of investors while selecting and investing in any avenues and stay invested and some are not staying invested as their objectives might change over time, age wise thirty one to fifty years do remain invested till they achieve their investment objectives, most young investors with age group of twenty to thirty years and elder ones with more than fifty years of age are not staying investing till their objectives achieved they might have change their mind over time, education wise higher educated investors do remain invested till they reach their goals but lesser educated individuals are not that patient, occupation wise private and government employees do remain invested for achieving their objectives as long they want to wait for it but the farmers and self-employed investors are not that patient as they have sell their investment as soon as they want, then income wise high income investors do

remain invested but the low income individuals might not stay invested as long as they wish.

- Majority of investors revise their portfolio to match it with their investment objectives, while male investors revise the portfolio per their objectives. Still, the female investors are not changing as per the change in the objectives. Marital-status unmarried investors are revising their portfolios more than married investors. Income-wise, high-income individuals with more than ten lakhs of income change their portfolio per their objectives. Still, investors with less than two lakhs of income are not revising their portfolios as investment objectives change. Highly experienced individuals add or delete investments as per their objectives. On the other hand, less experienced investors do not change their portfolios as much as others do.

- Most investors sell or buy investments according to their financial needs; the difference only comes from the experienced side of investors, where highly experienced investors change more according to their economic needs than the less experienced ones.

- The sixteenth item result tells us that rural investors find it challenging to manage multiple avenues of investments, and male investors find it more difficult to manage than female investors. Occupational business background investors, farmers, and retired investors also find it challenging to manage multiple investment avenues, compared to professional investors who do not find it difficult.

- Majority of rural Investors believe that investing is too difficult to understand, whereas investors over thirty years old believe that investing is difficult to comprehend; investors twenty to thirty years of age don't think so, so younger investors have a higher risk appetite than older ones. Married investors believe that investing is difficult to understand, but unmarried investors have the opposite beliefs, so unmarried investors have a higher appetite than married investors; education-wise, less educated investors believe that investing is difficult to understand. On the other hand, higher-educated investors do not think that investing is difficult to understand, which means that higher-educated investors have a higher appetite than lesser-educated investors.

- Most of the rural investors are much more comfortable in putting their money in bank deposits than stock market which means that rural investors are having low risk appetite, where age wise elder investors are much more comfortable in bank accounts

but younger investors with age group of twenty to thirty years of age are also comfortable in stock market investment which means that young investors have high risk appetite than the elder ones, then married investors are also find it comfort to place their money in bank account than the stock market but the unmarried ones are comfortable in putting their money in stock market, which means that unmarried investors have high risk appetite than married investors, education wise investors with higher secondary or lesser education are much more comfortable in bank accounts but investors with bachelor's or master's degree are comfortable in stock market also, which means that the higher educated individuals have high risk appetite than the lesser educated investors, experience wise highly experienced individuals are much more comfortable in putting their money in bank accounts than stock market but the lesser experienced individuals are comfortable in stock market as well.

- In the third item of risk appetite, most rural investors believed that the loss comes to their mind whenever they think of the word risk, whereas age-wise, older investors believe that the loss comes to their mind whenever they think of the word risk. Still, the perception of the younger investor is the opposite; married investors also think similarly as the older people concerning the word risk, and the unmarried investors are not on the same page as married as they are not thinking of the loss whenever they hear the word risk, education-wise lesser educated investors do think of loss when they hear the word risk but the higher educated are thinking opposite to it, which means that the higher educated has high-risk appetite than the lesser educated, highly experienced investors believe that when they hear the word risk, the loss comes to their mind immediately vis-à-vis lesser experience investors doesn't believe like that.

- The majority of rural investors believe that making money in stocks and bonds is based on luck, whereas age-wise, younger investors believe in luck to make money. Still, older investors do not believe in luck for making money; occupation-wise, self-employed professionals and business people do believe in luck while making money, but private employees and retired investors do not believe in luck. So, rural investors have a low-risk appetite.

- Rural investors prefer safety over returns, whereas investors over forty-one years prefer safety over returns in any investment avenue. Still, investors with twenty to forty years of are inclined towards returns as they have a higher risk appetite than the elder ones.

Marital status-wise, married investors prefer safety over returns. Still, unmarried investors prefer the returns as they have a high-risk appetite; income-wise investors with more than ten lakhs of income prefer returns, but investors with less than ten lakh income are inclined towards safety, which states that high-income individuals have a high-risk appetite than low-income individuals, investors with lesser experienced does prefer returns. Still, as the experience of individuals increases, they prefer safety.

- The rural investors put their money into moderate to low-risk investments, where the male investors have high-risk investments, but female investors prefer low-risk investments; unmarried investors have high-risk investments, but the married investors prefer moderate to low-risk investments; income-wise investors with more than ten lakhs of income are having mild to low-risk investments, but investors with five to ten lakhs do prefer high-risk investments. So, male, unmarried and middle-income investors have a high-risk appetite regarding risky investments.

- Rural investors are moderately less worried about their investments, whereas occupation government employees, retired professionals, and others are less worried. In contrast, self-employed farmers and private employees are much more apprehensive, income-wise investors with less than ten lakhs of income are more anxious, and high-income individuals are not that worried about their investments. So, individuals with government jobs, retired and professional careers with incomes of more than ten lakhs have high-risk appetites regarding worries.

- Rural investors had a lesser chance of losing money from the investments they were making. In contrast, investors over forty-one are invested in assets with low chances of losing money. Investors aged twenty to forty years are invested in the assets with moderate to high chances of losing money. Married investors are invested in assets with fewer chances of losing money, and unmarried people have assets with high chances of losing money. Occupation-wise, self-employed, business people, and retired investors will unlikely lose money. In contrast, private employees, farmers, and professionals have assets with a high chance of losing money, while experienced wise investors with less than five years of experience have a high chance of losing money. In contrast, investors with more than ten years of experience are less likely to lose money. So, younger, unmarried, private employees, professionals, farmers, and less experienced investors have a higher risk appetite than the older investors who are married with self-

employment, retired, and have more than ten years of experience have a low-risk appetite.

- Most investors invest in assets that fluctuate only moderately to low, whereas male investors do invest in moderately to high assets. Still, the female investors are investing in the low fluctuating assets. Age-wise, investors above forty-one invest in less fluctuating assets than those under forty, who select moderate to high fluctuating assets. Occupation-wise, private employees, retired investors and business people invest in high-fluctuating assets. Still, the self-employed, government employees and professionals invest in moderate to low-fluctuating assets. Experience highly experienced investors invest in moderate to low fluctuating assets, and investors with less than five years of experience select high fluctuating assets. So, male investors aged less than forty-one who might be private employees, retired or business persons and have less experience attain a higher risk appetite than other investors.

- Rural investors are getting their money back quickly from wherever they are investing; age-wise, investors with over forty-one years are finding it easy to retrieve their money back from their investments. Still, investors under forty years of age are finding it harder to get their money back from their investments than unmarried investors are not getting it easy to get their money back. Still, married investors feel it easy to get their money back, high-income investors think it easy to have their money and investors with five to ten lakhs and less than two lakhs income do not feel it easy to get their money and experience-wise lesser experience are not feeling it easier to get their money. Still, highly experienced investors find it easy to get their money. So, investors with more than forty years of marriage, a high income, and more than eight years of experience are feeling it easy and have a low-risk appetite.

- The rural investors are very much satisfied with their investment decision-making, where male investors are more delighted than female investors, married investors are more delighted than unmarried ones, bachelor's degree investors are more satisfied, and the diploma investors are not that satisfied, income-wise high-income individuals with more than two lakhs income are delighted than lesser than two lakh income investors, highly experienced investors with more than five years of experience are much more experienced than lesser experienced investors. So, male investors who are married,

have a bachelor's degree, and have more than two lakhs in income are highly satisfied with their investment decision-making.

- Then the rural investors can achieve their investment goals with decision making they are making in which highly educated investors can achieve investment objectives with their choices than the lesser educated individuals who are achieving their investment objectives, occupation wise government employees, private employees and retired can achieve the investment objectives with their decisions than the professionals, business persons and farmers who are not able to achieve their objectives, income-wise investors with more than two lakhs of income can achieve their investment objectives than the lesser than two lakhs who are not. So, investors who are highly educated in government, private, or retired and have more than two lakhs of annual income can achieve their investment objective with their decision.

- The majority of rural investors are confident about the accuracy of their decision-making, where unmarried investors are more satisfied than married ones, then highly educated investors are much more optimistic than the lesser educated; after that, government employees, private employees and retired are much confident than the professionals, farmers and business persons, investors with five to eight years of experience are least confident. Investors with more than eight years of experience are delighted with the accuracy of their investment decisions. So, unmarried investors with a highly educated background and occupation as government employees, private or retired, and having at least eight years of experience are much more confident about the accuracy of their investment decisions.

- Almost half of the rural investors are earning more than the average returns, whereas male investors can earn higher than the market. Still, if female investors cannot do it, younger investors can earn higher than the average market return, but investors with more than thirty are not. Individuals with diplomas, bachelor's and master's degrees earn more than the average market. Still, higher secondary or less investors are not earning that much occupation. Wise business persons, government employees and private employees can earn more than the average market, but self-employed, professionals and retired cannot earn that much; income-wise, high-income individuals with more than ten lakhs of income can earn more than the average market. Still, the investors with less than two lakhs of income cannot earn. So, investors who are male

and young, have a degree, work in government or private business, and have high net worth will earn more than the average market.

- Most rural investors make investment decisions on their own. Still, there is a difference among the demographic profiles: male investors make investment decisions independently, but female investors do not. Then, investors aged forty-one to fifty years make decisions independently, but the younger ones under thirty years of age do not make decisions independently. Married investors make decisions on their own, but the unmarried do not make decisions on their own; education-wise, bachelor's degree investors make decisions on their own. Still, a diploma background does not make decisions independently, so individuals with more than two lakhs of annual income decide independently. Still, those with less than two lakhs of income do not make decisions independently. Individuals with more than eight years of experience are making decisions independently, but those with less than eight years of experience are not making decisions independently. So, male investors forty-one to fifty years of age with married status and having at least a bachelor's degree with more than two lakhs of income and more than eight years of experience are making investment decisions independently.

- Half of the rural investors believe that their skills and knowledge about the investment help them to outperform the market, and the other half of the population cannot outperform married investors cannot outperform. Still, unmarried investors can outperform the market, and occupation-wise, private, self-employed, and business people can outperform the market. Still, the farmers and professionals are not able to outperform. So, unmarried investors with private jobs, self-employed or business backgrounds can outperform the market.

- Then, in the seventh item, more than half of the rural investors can anticipate the future movements in the market. The other half is not able to anticipate where male investors are very much able to anticipate. Still, female investors are not able to anticipate this. Unmarried investors can anticipate future movements, but married ones cannot. Then, private employees and business people can anticipate future movements in the market. However, others, like retired farmers, professionals, and self-employed, cannot anticipate them. So, male investors who are unmarried and have a private job or business background can anticipate future movements.

- Most rural investors consider all possible factors before investing, whereas male investors are much more alert than female investors before investing in any asset class. Education-wise, bachelor's degree holders are considering all possible factors, but investors with higher secondary or less are not considering all factors while investing occupation retired government employees, farmers, business people, and private investors are considering possible factors more than professionals and self-employed investors, then income wise high-income individuals with more than ten lakhs of income are considering all possible investors but the investors with less than two lakhs income are not considering all factors. So, male investors holding at least a bachelor's degree, retired or government employees, business people or farmers with more than ten lakhs annual income are considering all possible factors while making investment decisions.

- There is a significant relationship between the risk appetite and the investment decision-making of rural investors in which safety and the security of their capital, believing in the luck factor while investing. So, risk capacity has a significant impact on investment decisions.

5.2. Suggestions

As our findings show youngsters are indulging in highly risky and fluctuating investment classes which is totally inclined with the report of SEBI, 2024 in which they mentioned how 93% of traders are losing money in the stock market, and they also mentioned that 72% of those traders are belonging to small towns and villages. According to NABARD, 2022, the financial knowledge of women is lesser than men as suggested by our study as well. Here are the suggestions from our study as follows:

- Rural investors should not be influenced by their friends and other known investors regarding their investment advice; they should either invest based on their analysis or take the advice of registered financial advisors.

- Younger investors must clarify their future financial goals with the proper advice of well-educated elders so they might be unable to end their savings on some trend.

- The farmers and the self-employed who earn less than five lakhs annually have to be very well aware of the various investment avenues in which they have to invest so that they will be able to avoid the rich-quick schemes.

- Farmers, self-employed professionals, and those investing in any asset class must think before investing to avoid significant loss.
- The married investors who belong to the lower income group have to set a time frame for achieving their objectives so that they will make efficient decisions.
- Rural investors in the lower income group and less educated have to consider the risk, return, and past information regarding their investing avenues.
- Lower-income individuals should choose only those investment avenues that align with their objectives.
- Lower-income individuals with less than two lakhs of income and less investment experience must invest while considering the future requirements that will keep them satisfied.
- The lesser educated and lower income group individuals are not reviewing the performance of their investment avenues regularly.
- Many investors, especially younger ones under thirty, less educated, and self-employed, must invest patiently to achieve their investment objectives. Otherwise, their money will not compound as they want if they quickly buy or sell their avenues.
- Rural investors have to invest only in those assets that they understand better rather than investing in reducing risks. Otherwise, they will find it challenging to manage multiple assets.
- Rural investors should try to gain financial education from various sources to understand the investment world correctly so that they also earn handsomely.
- Younger investors investing in the stock market must be cautious about the risk and reward because most investors lose their money in the stock market worldwide.
- The less educated investors above the age of forty have to think of the risk associated with reward, but they think of it as only loss, making it a negative word.
- The Rural investors have to understand one thing about the stock market and bonds: luck and skills go hand in hand while making money in the market, so they have to keep the skills very strong, and the luck factor will work in their way by which they can make money from the market.

- There is a need to spread financial awareness and education among female investors, who have traditionally made decisions based on their male members.
- Farmers and professionals need to get some financial advice to outperform the market and earn more than the average return on the market.

5.3. Conclusion and Future Scope

This study contributes to the literature by finding the difference between the demographic profile and the investment behaviour, risk appetite, and decision-making of rural investors, then finding the relationship between the risk appetite and investment decision-making. The study's results reveal that rural investors' education, occupation, and income significantly affect their investment behaviour. While identifying the risk appetite of the rural investors, the age group, marital status, and investment experience significantly affect the risk appetite. While making investment decisions, there is a big difference in their investment decision-making, including gender, marital status, educational background, occupation, and annual income. Then, the relationship between risk appetite and investment decision-making results is highly significant. The safety of the capital, the luck factor while making money, and the difficulty while making investment decisions are the most critical factors in the relationship between variables. There are indicators where the difference emerge between the demographic profile and the behavioural aspects, risk capacity and decision making, the indicators are like male investors do change their portfolio if their investment objectives are changed, then female investors are not finding it difficult in managing their money, then age wise younger investors are not clear about the future financial needs and their objectives, the age group of forty one to fifty years of age are very much aware of various asset classes, then this same age group also influenced by their family, friends or relatives for the decision making and elder investors more than fifty years of age are not influenced as much, this age group also stayed invested in the particular assets till they achieve their investment objectives, the unmarried investors do determine the time frame for their investment objectives, and they do change the portfolio if their investment objectives are changed, then highly experienced investors do analyse the assets before investing then the lesser skilled, then male investors invest in more risky assets where the fluctuations in their assets are high, self-employed and private employees believe that luck factors involves in the making money from stock market and bonds, and farmers and professionals have high chances of losing money in their investments, income wise highly income investors prefers safety more than returns and low income individuals are more worried about their investment

than the highly income individuals, younger investors are earning more than average returns in the market, and the investors with more than thirty one years of age are making investing decision on their own, and highly experienced investors are highly satisfied, much more confident and taking investment decision on their own.

Future studies may consider the behavioural biases of rural investors and analyse the relationship of behavioural biases with their demographic variables, risk appetite, and decision-making. Investment in risky assets is gaining momentum among youngsters, as shown in our study, so the behavioural biases of younger investors must be measured in the context of the stock market. There can be more independent variables to check the relationship with decision-making such as Financial literacy, financial inclusion and awareness which can be measured in the future, especially in the context of women investors. Despite earning, they are still very dependent on the male family member, as shown in our results.

5.4. Future Implications

1. Financial Product Development and Risk Management

- **Managerial Perspective:**

  Financial institutions and companies can leverage behavioural insights to design and market financial products tailored to specific consumer needs. By analysing customer behaviour, spending patterns, risk tolerance, and psychological factors, managers can introduce personalised financial services. This helps in offering products that align with customer preferences, like savings schemes, retirement plans, or investment vehicles that match behavioural trends such as risk aversion or impulsivity.

- **Theoretical Perspective:**

  The application of behavioural finance theory suggests that individuals are not always rational actors in the market. Cognitive biases like loss aversion, overconfidence, or herd behaviour impact financial decisions. By integrating these theories into product development, financial firms can better predict how individuals will respond to market conditions, reducing financial risks and increasing adoption rates. Understanding the emotional and cognitive drivers behind consumer choices can provide a competitive edge.

- **Risk Management Perspective:**

  Financial institutions can also manage risks by anticipating behavioural reactions to market volatility. Institutions can use predictive analytics and behavioural models to anticipate economic trends and design contingency plans for potential financial downturns. Behavioural factors such as panic selling or overly optimistic investing can be mitigated by designing financial instruments with built-in protections or by educating clients on long-term financial planning.

2. Government Policy for Financial Inclusion and Investment Growth

- **Managerial Perspective:**

  Government agencies can play a crucial role in promoting financial literacy and creating access to financial services in rural areas. By managing outreach programs, workshops, and digital platforms, policymakers can enhance the financial literacy of vulnerable populations. Managers in public sectors must allocate resources effectively, ensuring that educational programs address the specific financial needs and challenges faced by rural populations.

- **Theoretical Perspective:**

  Public finance theories on financial inclusion stress the need to reduce economic disparity by fostering access to formal financial systems. Theories such as "Financial Deepening" argue that increasing access to financial services for rural populations can lead to overall economic growth. By introducing financial awareness campaigns and favourable tax policies, governments can promote a shift from traditional savings instruments (like gold or land) to formal financial products like mutual funds or stocks.

- **Policy Perspective:**

  Governments can introduce tax incentives or subsidies to encourage rural populations to invest in financial assets. Tax breaks on certain financial products can make them more attractive compared to traditional investments. Additionally, the policy could address the creation of rural-focused financial products that consider lower levels of risk tolerance and familiarity with complex financial tools. By fostering an enabling

environment for rural investment, the government can stimulate broader economic growth and reduce the financial vulnerability of these communities.

3. Other Implications

The findings of the study can give insights to the policymakers and government to help the investors invest in other avenues, as Haryana's rural economy is deeply linked with agriculture and small businesses, investments in agritech startups, cooperative funds, and rural MSMEs can be expected to be other avenues. This could lead to a new wave of localized investment models, such as farmer-producer organizations (FPOs) and crowdfunding platforms.

5.5. Limitations of the study

This study was done with complete planning and caring at every stage, with a selection of methods and techniques for sampling, data collection and analysis, and interpretation of data. However, a few limitations appear in the study, as discussed in the following statements:

- The study's results might also be relevant to other rural investors. Still, it cannot be generalised fully to rural investors of different states, as this study is based in the Haryana state only.
- The results are based on the assumption that the data provided by the rural investors is true and correct.
- Investment behaviour, risk perception, and decision-making might change with other geographies, as Haryana's rural area is better than that of different states.

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APPENDICES

1. English Questionnaire

DEMOGRAPHIC PROFILE:

1. Gender: a) Male b) Female

2. Age: a) 20-30 years b) 31-40 years c) 41-50 years d) Above 50 years

3. Marital Status: a) Married b) Unmarried

4. Place: Village- _____ District- _____

5. Education: a) Higher secondary or less

   b) Diploma

   c) Bachelor's degree

   d) Master's degree and more

6. Occupation: a) Business

   b) Self-employed

   c) Employed in government

   d) Employed in private

   e) Professionals

   f) Farmer

   g) Retired

7. Annual Income: a) Below two lakhs

   b) 2 lakhs to 5 lakhs

   c) 5 lakhs to 10 lakhs

   d) Above ten lakhs

8. Investment Experience: a) 2-5 years

   b) 5-8 years

c) 8-10 years

d) More than ten years

INVESTMENT AVENUES:

Please tick the avenues in which you are investing

(You can choose multiple options.)

(a) Bank Deposits

(b) Gold, Silver & Jewellery

(c) Real Estate

(d) Shares

(e) Post Office Savings

(f) Mutual Funds

(g) Insurance

(h) Debentures

(i) National Saving Certificates

(j) Public Provident Funds

SOURCES OF INFORMATION OF INVESTMENT:

S.No.	Source of Information	Very High	High	Medium	Low	Very Low
1.	Print Media - Newspaper					
2.	Electronic Media – TV					
3.	Internet					

4.	Financial Advisors					
5.	Friends & Peer Investors					
6.	Own Analysis					

INVESTMENT OBJECTIVES:

S.No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.	Capital Appreciation					
2.	Liquidity					
3.	Safety					
4.	Tax Savings					
5.	Periodical Returns					

INVESTMENT BEHAVIOUR:

S.No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
IB1	I am clear about my future financial needs/objectives.					
IB2	I am aware of all investment avenues (such as Bank deposits, Mutual funds, Equity, Bonds, Real estate,					

	Gold, etc.) available for investments.					
IB3	I determine my investment objectives before investing.					
IB4	I invest first and then use/will use the accumulated funds to meet my different investment objectives.					
IB5	I determine a time frame for each of my investment objectives in which those are to be achieved.					
IB6	I critically evaluate all the investment avenues on the parameters (such as risk, return, safety, security, and liquidity etc. associated with that avenue), before selecting for investment.					
IB7	While analyzing an investment avenue, I explore/use historical information (such as past performance, risk, and management					

	information, etc.) related to that avenue.					
IB8	I select investment avenues that match with my investment objectives.					
IB9	I invest in different investment avenues for different investment objectives.					
IB10	I allocate my investible funds among different selected investment avenues based on my future fund's requirements.					
IB11	My investment decisions (selection of investment avenues and allocation of funds) are influenced by my agent(s), friend(s), family member(s), and or relative(s)					
IB12	I periodically review the performance of my investments in connection with my investment objectives.					
IB13	After selecting and investing in a particular					

	investment avenue, I remain invested in that investment avenue till it matches with my investment objective.					
IB14	I revise my investment portfolio (deleting and or adding new investment avenues) to match with changes in my investment objectives.					
IB15	I increase or decrease investment amounts based on my changing/ increasing /decreasing financial needs.					
IB16	I find difficulty in managing many investment avenues in one point of time.					

RISK-APPETITE:

S.No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
RA1	Investing is too difficult to understand					
RA2	I am more comfortable putting my money in a					

	bank account than in the stock market.					
RA3	When I think of the word "risk", the term "loss" comes to mind immediately.					
RA4	Making money in stocks and bonds is based on luck.					
RA5	In terms of investing, safety is more important than returns.					

Investment Risk of Individual Investors

S.No.	**Items/Scales**					
RA6	Overall, how risky are the investments you are holding?	Very High Risk	High Risk	Moderate Risk	Slightly Risky	No Risk at all
RA7	If you had assets in any form of investment, how much would you worry about them?	Worry very much	Highly worried	Moderate worry	Little Worry	No worry
RA8	How likely is it to lose money with the kind of	Very High Possibility	High Possibility	Possible	Low possibility	Impossible

	investments you are holding?					
RA9	To what degree does the value of the invested money fluctuate over time?	Very High Fluctuations	High fluctuations	Moderately fluctuate	Low fluctuations	No Fluctuations
RA10	How easy is it for you as an investor to retrieve your invested money when you need it?	Very Hard	Hard	Neutral	Easy	Very easy

INVESTMENT DECISION MAKING:

S.No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
IDM1	In general, I am satisfied with the way I am making investment decisions.					
IDM2	My decision-making helps me to achieve my investment objectives.					
IDM3	I am confident about accuracy of my investment decisions.					
IDM4	My investment decisions can mostly					

	earn higher-than-average returns in the market.					
IDM5	I make all my investment decisions on my own					
IDM6	I believe that my skills and knowledge of the market help me to outperform the market.					
IDM7	I am usually able to anticipate the movements in market returns.					
IDM8	I consider all possible factors while making investment decisions.					

2. Questionnaire in Hindi

जनसांख्यिकीय विवरण:

1. लिंग: क) पुरुष ख) महिला

2. आयु: क) 20-30 वर्ष ख) 31-40 वर्ष ग) 41-50 वर्ष घ) 50 वर्ष से ऊपर

3. वैवाहिक स्थिति: क) विवाहित ख) अविवाहित

4. जगह: गाँव- _____ ज़िला- _____

5. शिक्षा: क) उच्च माध्यमिक या उससे कम

ख) डिप्लोमा

ग) स्नातक उपाधि

घ) परास्नातक उपाधि या अधिक

6. व्यवसाय: क) व्यापार

ख) स्व-नियोजित

ग) सरकार में कार्यरत

घ) निजी क्षेत्र में कार्यरत

ई) पेशेवर

च) किसान

छ) सेवानिवृत्त

7. वार्षिक आय: ए) दो लाख से कम

ख) दो लाख से पाँच लाख

ग) पाँच लाख से दस लाख

घ) दस लाख से ऊपर

8. निवेश अनुभव: क) 2-5 वर्ष

ख) 5-8 वर्ष

ग) 8-10 वर्ष

घ) 10 वर्ष से अधिक

निवेश के रास्ते:

कृपया उन विकल्पों पर टिक (✓) करें, जिनमें आप निवेश कर रहे हैं।

(आप एक से अधिक विकल्पों का चयन कर सकते हैं)

(क) बैंक जमा

(ख) सोना, चांदी और आभूषण

(ग) रियल एस्टेट

(घ) शेयर

(ङ) डाकघर बचत

(च) म्यूचुअल फंड

(छ) बीमा

(ज) डिबेंचर

(झ) राष्ट्रीय बचत प्रमाण पत्र

(ञ) लोक भविष्य निधि

निवेश की जानकारी के स्रोत:

S.No	जानकारी का स्रोत	बहुत अधिक	अधिक	मध्यम	कम	बहुत कम
1.	प्रिंट मीडिया - समाचार पत्र					
2.	इलेक्ट्रॉनिक मीडिया - टीवी					
3.	इंटरनेट					
4.	वित्तीय सलाहकार					
5.	मित्र और सहकर्मी निवेशक					
6.	स्वयं का विश्लेषण					

निवेश के उद्देश्य:

S.No.	निवेश-विवरण	पूर्णत: सहमत	सहमत	तटस्थ	असहमत	पूर्णत: असहमत
1.	पूंजी की सराहना					
2.	तरलता					
3.	सुरक्षा					
4.	कर बचत					
5.	आवधिक रिटर्न					

निवेश व्यवहार:

S.No.	विवरण	पूर्णत: सहमत	सहमत	तटस्थ	असहमत	पूर्णत: असहमत
IB1	मैं अपनी भविष्य की वित्तीय जरूरतों/ उद्देश्यों के बारे में स्पष्ट हूँ।					
IB2	मुझे निवेश के लिए उपलब्ध सभी निवेश मार्गों (जैसे बैंक जमा, म्यूचुअल फंड, इक्विटी, बॉन्ड, रियल एस्टेट, सोना आदि) के बारे में जानकारी है।					
IB3	मैं निवेश करने से पहले अपने निवेश के उद्देश्यों को निर्धारित करता हूँ।					

IB4	मैं योजनाबद्ध तरीके से पहले निवेश करता हूँ, और फिर अपने विभिन्न निवेश उद्देश्यों को पूरा करने के लिए संचित धन का उपयोग करूंगा।					
IB5	मैं अपने प्रत्येक निवेश उद्देश्यों के लिए एक समय सीमा निर्धारित करता हूँ, जिसमें उन्हें प्राप्त किया जाना है।					
IB6	मैं निवेश के लिए चयन करने से पहले मापदंडों (जैसे जोखिम, वापसी, सुरक्षा, सुरक्षा और तरलता आदि) पर सभी निवेश मार्गों का गंभीर रूप से मूल्यांकन करता हूँ।					
IB7	एक निवेश एवेन्यू का विश्लेषण करते समय, मैं उस एवेन्यू से संबंधित ऐतिहासिक जानकारी (जैसे पिछले प्रदर्शन, जोखिम और प्रबंधन जानकारी आदि) का पता लगाता हूँ / उपयोग करता हूँ।					
IB8	मैं निवेश के उन रास्तों का चयन करता हूँ जो मेरे निवेश उद्देश्यों से मेल खाते हैं।					

IB9	मैं विभिन्न निवेश उद्देश्यों के लिए विभिन्न निवेश मार्गों में निवेश करता हूँ।					
IB10	मैं अपने भविष्य के फंड आवश्यकताओं के आधार पर विभिन्न चयनित निवेश मार्गों के बीच अपने निवेश योग्य धन आवंटित करता हूँ।					
IB11	मेरे निवेश निर्णय (निवेश के अवसरों का चयन और धन का आवंटन) मेरे एजेंट, मित्र (ओं), परिवार के सदस्य (ओं), और या रिश्तेदार (ओं) से प्रभावित होते हैं।					
IB12	मैं समय-समय पर अपने निवेश उद्देश्यों के संबंध में अपने निवेश के प्रदर्शन की समीक्षा करता हूँ।					
IB13	किसी विशेष निवेश एवेन्यू में चयन और निवेश करने के बाद, मैं उस निवेश एवेन्यू में तब तक निवेश करता रहता हूँ, जब तक कि यह मेरे निवेश उद्देश्य से मेल नहीं खाता है।					
IB14	मैं अपने निवेश के उद्देश्यों में बदलाव के साथ मेल खाने के लिए अपने निवेश पोर्टफोलियो					

	(हटाने और नए निवेश रास्ते जोड़ने) को संशोधित करता हूँ।					
IB15	मैं अपनी बदलती /बढ़ती/घटती वित्तीय जरूरतों के आधार पर निवेश राशि बढ़ाता या घटाता हूँ।					
IB16	मुझे एक समय में कई निवेश के अवसरों का प्रबंधन करने में कठिनाई होती है।					

जोखिम उठाने का माद्दा:

क्रम संख्या	विवरण	पूर्णत: सहमत	सहमत	तटस्थ	असहमत	पूर्णत: असहमत
RA1	निवेश को समझना बहुत मुश्किल है।					
RA2	मैं शेयर बाजार की तुलना में बैंक खाते में अपना पैसा डालने में अधिक सहज हूँ।					
RA3	जब मैं 'जोखिम' शब्द के बारे में सोचता हूँ तो 'नुकसान' शब्द तुरंत दिमाग में आता है।					
RA4	स्टॉक और बॉन्ड में पैसा बनाना भाग्य पर आधारित है।					

RA5	निवेश के मामले में, रिटर्न की तुलना में सुरक्षा अधिक महत्वपूर्ण है।					

व्यक्तिगत निवेशकों के निवेश जोखिम

S.No	आइटम/स्केल					
RA6	सब कुल मिलाकर, आपके द्वारा किए गए निवेश कितने जोखिम भरे हैं?	बहुत अधिक जोखिम है	उच्च जोखिम है	मध्यम जोखिम है	थोड़ा जोखिम है	कोई जोखिम नहीं है
RA7	यदि आपके पास किसी भी प्रकार के निवेश में संपत्ति है, तो आप उनके बारे में कितनी चिंता करेंगे?	बहुत चिंता होगी	अत्यधिक चिंतित	मध्यम चिंता	कम चिंता होगी	बिलकुल चिंता नहीं होगी
RA8	आपके द्वारा रखे गए निवेश के साथ पैसे खोने की कितनी संभावना है?	बहुत अधिक संभावना है	उच्च संभावना है	संभव है	कम संभावना है	बिलकुल सम्भावना नहीं है
RA9	समय के साथ निवेशित धन के मूल्य में किस हद तक उतार-चढ़ाव होता है?	बहुत अधिक उतार-चढ़ाव	उच्च उतार-चढ़ाव	मामूली उतार-चढ़ाव	कम उतार-चढ़ाव	कोई उतार-चढ़ाव नहीं
RA10	एक निवेशक के रूप में आपके लिए अपने निवेशित धन को पुनः	बहुत मुश्किल	कठिन	तटस्थ	सरल	बहुत आसान

	प्राप्त करना कितना आसान है जब आपको इसकी आवश्यकता होती है?					

निवेश निर्णय:

क्रम संख्या	विवरण	पूर्णत: सहमत	सहमत	तटस्थ	असहमत	पूर्णत: असहमत
IDM1	सामान्य तौर पर, मैं जिस तरह से निवेश निर्णय ले रहा हूँ उससे संतुष्ट हूँ।					
IDM2	मेरे निर्णय लेने से मुझे अपने निवेश उद्देश्यों को प्राप्त करने में मदद मिलती है।					
IDM3	मैं अपने निवेश निर्णयों की सटीकता के बारे में आश्वस्त हूँ।					
IDM4	मेरे निवेश निर्णय ज्यादातर बाजार में औसत रिटर्न से अधिक कमा सकते हैं।					
IDM5	मैं अपने निवेश के सभी निर्णय स्वयं लेता हूँ।					
IDM6	मेरा मानना है कि बाजार के बारे में मेरे कौशल और ज्ञान					

	ने मुझे बाजार से बेहतर प्रदर्शन करने में मदद की।					
IDM7	मैं आमतौर पर बाजार रिटर्न में उतार-चढ़ाव का अनुमान लगाने में सक्षम हूँ।					
IDM8	मैं निवेश निर्णय लेते समय सभी संभावित कारकों पर विचार करता हूँ।					

REFERENCES OF QUESTIONNAIRE:

S.No.	Items	Sources
1.	Investment Avenues	A Study of Investment Awareness and Patterns of Savings and Investments by Rural Investors (Murlidhar Ananda Lokhande), A study on the influence of demographical variables on the factors of investment- a perspective on the Guwahati region (Saugat das & Ritika Jain)
2.	Sources of Information	Investment Behaviour of Individual Investors in Coimbatore City (Prof. Sumandiran Prithiviraj and Prof. Gokul G)
3.	Investment Objectives	Relation Between Investment Objectives and Demographic Variables (Sunita Bishnoi)
4.	Investment Behaviour	Development of Scale to Measure Objectives- Oriented Investment Behaviour (Sanjay Rastogi & Saurabh Gupta)
5.	Risk-Appetite	Retail investors' financial risk tolerance and their risk-taking behaviour: The role of demographics as differentiating and classifying factors (M.Kannadhasan)

		Investment risk – The perspective of individual investors (Katharina Sachse, Helmut Jungermann, and Julia M. Belting)
6.	Investment Decision-making	A comparison between psychological and economic factors affecting individual investor's decision-making behaviour (Aamir Sarwar and Ghadeer Afaf)

ABBREVIATIONS

IB – Investment Behaviour

RA – Risk Appetite

IDM – Investment Decision Making

FRT – Financial Risk Tolerance

FRB – Financial Risk Behaviour

TPB – Theory of Planned Behaviour

TRA – Theory of Reasoned Action

PBC – Perceived Behaviour Control

MS – Mean Score

SD – Standard Deviation

HTMT – Heterotrait-Monotrait

LIST OF PUBLICATIONS

Title	Journal Name	Accepted/Published
The Impact of Investment Behaviour and Risk Appetite on Investment Decisions of Rural Investors	Finance theory and practice *Scopus Indexed*	Accepted
The Influence of Risk Appetite and Investment	Frontiers in Health Informatics	Published

Decision-Making on the Various Demographic Profiles of Informative Rural Investors Using Kruskall-Wallis H Test	Vol.13, Issue 3, 2024 *Scopus Indexed*	

LIST OF CONFERENCES

Title of Presentation	Conference Name	Organised by
Exploring the Role of ChatGPT in the Investment Decision-Making of Rural Investors	International Conference on "Digital Transformation for Business Sustainability & Growth" held on August 18, 2023	Mittal School of Business, Lovely Professional University, Punjab
A Study on Investment Behaviour of Rural Investors in the context of Indian Stock Market	International Conference on "Advanced Research in Social Sciences and Humanities 2023"	Eudoxia Research University, New Castle, USA

LIST OF WORKSHOPS

Workshop	Organised by
"Workshop on Advanced Data Analysis Using SPSS for Social Sciences" held in August, 2022	Lovely Professional University, Punjab
Three-day Workshop on "Structural Equation Modeling (SEM) using SPSS & AMOS" held in May, 2023	Department of Research & Publications, A2Z EduLearning Hub LLP
Five-day Faculty Development Programme on "Scales Development and Structural Equation Modeling Using Smart-PLS 4.0" held in September, 2023	Royal School of Business, The Assam Royal Global University, Guwahati, Assam