

Investor's Motivation with Special Reference to Nifty 50 Returns

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ABSTRACT

India's past growth story is very interesting. It is one of the major countries among fast growing economies. But, it is highly depending on savings and investment activities. Our financial education is less than 27% though we are excellent in formal education like MBA, M. Com, Engineering etc. the present study is descriptive one. The data is taken from online sources like National Stock Exchange, Bombay Stock Exchange, Reserve Bank of India, Securities Exchange Board of India etc. The main purpose of this research article is motivating the investors by improving financial education. It is found that our financial education is less than formal education rate. So, it is suggested the government, regulators and individuals to take financial education as one major hobby. The main findings of the study are Investment in the indices like Nifty, Sensex, Bank Nifty, Gold Bees will give average and beautiful returns like 10 percent to 12 percent p.a. The decade from 2014 to 2024 is regarded as Modi decade since the Nifty index has provided around 243% returns. It is our duty to adopt Alternative Time Management. That is the available 24 hours must be planned and utilized by people to utilize the time without wasting time on social media activities like cricket, serials, news etc. Top five companies such as TCS, Titan, Bajaj finance are providing more than 20 percent in the year 2024.

Keywords: Nifty 50, Alternative Time Management, Long Term Investment, Financial Education, Sensex.

Introduction

Stock markets special character is high volatility. Over the short term, the prices are experiencing huge fluctuations. So, people fear to invest in stock markets. So, there is scarcity for capital investment for economic development of the country. Long term investment is the best idea to come out from this problem of fear. Investment in the indices like Nifty, Sensex, Bank Nifty, Gold Bees will give average and beautiful returns like 10 percent to 12 percent p.a.

Investment in direct equity requires fundamental and technical analysis. Again it is the matter of a common to have such knowledge. It requires commerce, business and technological knowledge. Over the past 30 years, our observation found that the investment in direct indices provides passive income up to 15% a year. This can be done a common man without spending any time and huge knowledge.

Therefore, the Securities Exchange Board of India (SEBI) which is responsible for the safer investment activities is always undertaking educative activities to improve financial literacy among Indians to make use of simple steps in Savings and Investment activities.

Modi Decade 2014 to 2024

Past 11 years since 2014, Modi done miracles in the economic development of the country. His selfless commitment, negative-less attitude and active participation in the political activities provides huge energy to Indian overall development. Now, we shall refer the impact of Sri. Narendra Modi on stock market movements. Nifty and Sensex have over rallied and gave around return of two hundred and forty three percent to investors while Bank Nifty has provided two sixty three percent which is unbelievable but it is true. Even the blue chip companies like Infosys, Tata consultancy Services, Wipro, HDFC Bank, Reliance industries have provided more than 300 percent over the past eleven years. The mid and small caps have provided significant returns and proved that long term savings and investment activities will always worth to the investors.



Statement of the Problem

Compared to America, England, Japan India is not financial educated. Our financial literacy is below 20%. This is not fair for the national development of the country. People in spite of their degrees like MBA, Engineering, Law course are still scares in financial educational activities like savings and investment activities. So, they are still depending on financial consultants. These consultants are misleading through insurance and bank fixed deposits. Insurance is not at all savings and investment activity, it is only risk coverage activity. Bank FDs are able to provide only 6 to 7% returns annually which is eaten up automatically by inflation rate of 10%. So, the present study is targeted to motivate the people in India to get financial education and thereby self-reliant.

Objectives of the Study

- To study the returns on Nifty 50 over 10 years
- To compare risk and return analysis between direct investment on equity and Nifty Index.
- To give valuable suggestions to investors and thereby to take financial education for direct investment without depending on financial consultants.

A picture of Nifty Returns – A beautiful investment journey

Investment Year	Invested Rs. 1,00,000 on	Nifty 50	Nifty today (end of 2024)	Value of Rs. 1,00,000 today (End of 2024)
2011	30-Dec-2011	4624	23645	5,11,316
2012	31-Dec-2012	5905	23645	4,00,413
2013	30-Dec-2013	6304	23645	3,75,076
2014	31-Dec-2014	8283	23645	2,85,472
2015	30-Dec-2015	7946	23645	2,97,555
2016	30-Dec-2016	8186	23645	2,88,851
2017	29-Dec-2017	10531	23645	2,24,532
2018	31-Dec-2018	10863	23645	2,17,673
2019	31-Dec-2019	12168	23645	1,94,312
2020	31-Dec-2020	13982	23645	1,69,112
2021	31-Dec-2021	17354	23645	1,36,249
2022	30-Dec-2022	18105	23645	1,30,596
2023	29-Dec-2023	21731	23645	1,08,805
2024	31-Dec-2024	23644	23645	1,00,000

Explanation Returns – Miracle Journey

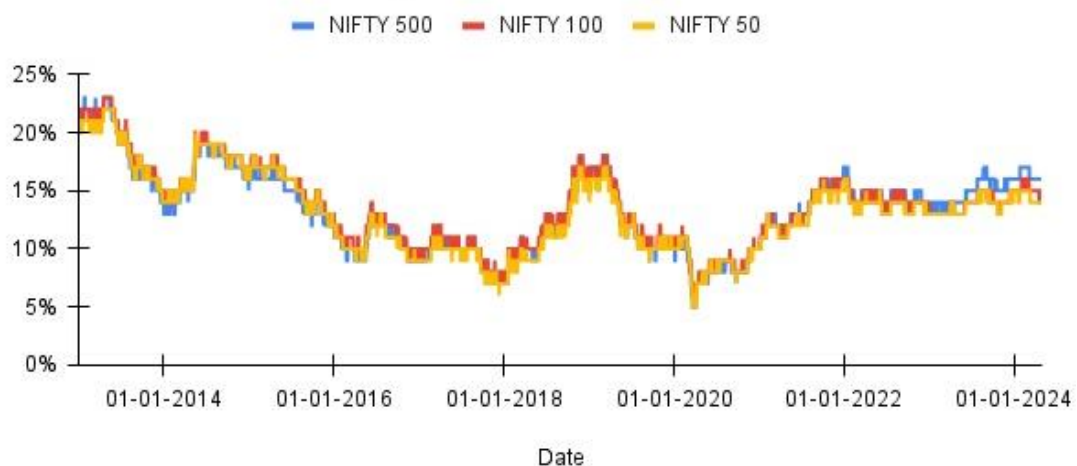
From the above table, it is very clear that the investment in Nifty index has provided beautiful returns to the investors. It is almost 5 times returns are proved by the Nifty from 2011 to 2024 which is far away from Fixed deposit returns which is annually 6 – 7 percent which is indirectly eaten up by inflation rate of 10 percent.

Why this Study?

The present study is undertaken with a purpose of motivating investors to get financial education through research articles, you tube videos and seminars and conferences. The main message received from this study is anyone can invest in stock market with Nifty listed shares. It does require any fundamental or technical analysis. But, only one condition is it does not work over short period. It gives promised returns more than 15% over long run says more than 10 years.

NIFTY 500 Vs NIFTY 100 Vs NIFTY 50 - 10 Yrs Rolling Returns

(www.basunivesh.com)

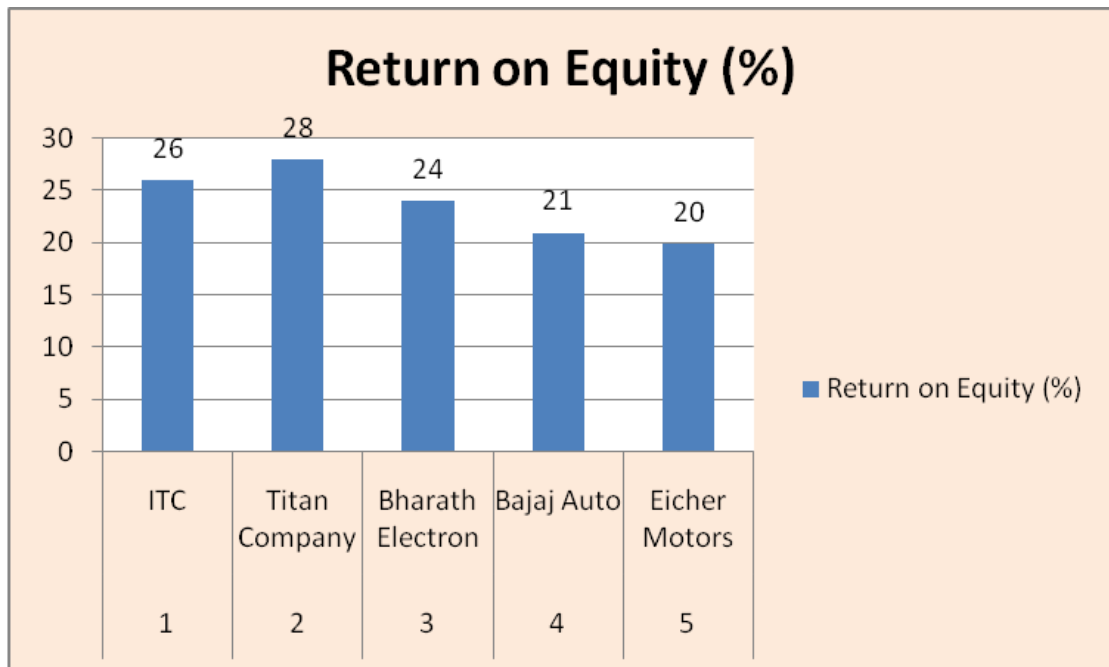


Nifty has given around 15% returns over 10 years. So, investors can invest without much analysis in Nifty index which is crossing Fixed Deposit returns of 7 to 8%.

A comparative analysis of Nifty 50 top five companies in the year 2024

Sl. No.	Company	Return on Equity (%)
1	ITC	26
2	Titan Company	28
3	Bharath Electron	24
4	Bajaj Auto	21
5	Eicher Motors	20

The above table depicts that investor without financial education can also invest in top five companies in Nifty 50. All these companies are providing more than 20% annualized returns which is massive compared to risky investments.

**Findings and Suggestions**

- Only 5% of investors are succeeding in their investments making profit.
- Around 25% of Indians are financially educated.
- So, it is suggested to Indians to take financial education by shifting their valuable from entertainment activities to enlightenment activities.
- The Securities Exchange Board of India has more number of financial educative activities. So, it is suggested to people to be financially educated.
- The schools and colleges are suggested to add up subjects on financial education to people.
- It is our duty to adopt Alternative Time Management. That is the available 24 hours must be planned and utilized by people to utilize the time without wasting time on social media activities like cricket, serials, news etc.
- Over the past 30 years, our observation found that the investment in direct indices provides passive income up to 15% a year.
- Investment in the indices like Nifty, Sensex, Bank Nifty, Gold Bees will give average and beautiful returns like 10 percent to 12 percent p.a.
- The decade from 2014 to 2024 is regarded as Modi decade since the Nifty index has provided around 243% returns.

- Mid cap companies are faster than large cap companies, large cap companies are faster than Nifty 50 returns in generating revenue to investors.
- Nifty 50 returns are helpful to beat inflation rate of 10 percent.
- It is found that top five companies are providing more than 20 percent in the year 2024.

Conclusion

The present study concludes that Indian economy is depending on many factors such as agriculture, industrial growth, service sector and Foreign Direct Investment. Our capital markets are controlled by foreign institutional and retail investors. It is good for the economic development of the country. So, the government should spend more time and money on financial activities. The regulatory bodies like RBI and SEBI must protect the interest of investors and companies in financial activities. It is also primary responsibility of individuals to take up financial education as seriously for self-reliant of Indian economy.

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