ISSN 2277-2685
IJESR/April-June. 2025/ Vol-15/Issue-2/486-492
Mr. D. Naveen *et. al.*, / International Journal of Engineering & Science Research

A Study On Portfolio Management With Reference To Equity Shares At Motilal Oswal Financial Services

Mr. D. Naveen, Mr. M.Shiva(Mba-Ph.D.), Dr. K. Veeraiah (Mba,M.Phil,Ph.D,Ugc-Net)
1 student, 2 assistant professor,3 HOD.
Marri Laxman Reddy Institute of Technology and Management Dundigal, Gandimaisamma, Medchal, Hyderabad, 500043, Telangana,

ABSTRACT
Portfolio management is a critical aspect of modern investment strategy, particularly in the dynamic and often volatile equity markets. This study aims to explore the practices, preferences, and awareness levels of individual investors in managing their equity portfolios. With a sample size of 100 respondents, the research investigates key factors such as risk tolerance, investment objectives, diversification strategies, sources of information, and satisfaction levels related to equity share investments. Using a structured questionnaire, primary data was collected and analyzed through percentage analysis and interpretation methods. The findings indicate that while a majority of investors prioritize capital appreciation, a significant portion lacks adequate knowledge of diversification and risk management. Moreover, digital platforms and mobile applications have emerged as dominant tools in the decision-making process. The study concludes that effective portfolio management is still evolving among retail investors, and there is a strong need for enhanced financial literacy and strategic planning. Recommendations include the promotion of educational tools, periodic portfolio review, and wider dissemination of risk assessment methods to aid better investment outcomes.

INTRODUCTION

In the modern financial world, investors face a wide range of investment opportunities, from traditional fixed deposits to more volatile instruments like equity shares. Among these, equity shares hold a significant place due to their potential for high returns, despite being accompanied by a proportionate level of risk. This dual nature of risk and reward in equity investment makes **portfolio management** a vital discipline for investors aiming to achieve financial goals efficiently.

NEED FOR THE STUDY

In today’s dynamic financial environment, investment decisions are becoming increasingly complex due to market volatility, economic fluctuations, and the wide array of investment options available. Equity shares, known for their potential to generate high returns, also carry significant risk. This makes it essential for investors to apply strategic portfolio management principles to optimize returns while minimizing risks. Many retail investors in India enter the equity market without a clear understanding of portfolio management concepts such as diversification, asset allocation, and risk tolerance. This lack of knowledge can lead to poor investment decisions, portfolio losses, and low satisfaction levels. Moreover, the increasing use of digital trading platforms and real-time data requires investors to be more informed and proactive than ever before.

OBJECTIVES OF THE STUDY

1. To analyze the investment preferences of individual investors in equity shares.
2. To assess the level of awareness and understanding of portfolio management among equity investors.
3. To evaluate the risk tolerance levels of investors and their impact on portfolio composition.
4. To examine the influence of various information sources (e.g., apps, advisors, news) on investor decision-making.
5. To measure investor satisfaction with their current equity portfolio performance.

SCOPE OF THE STUDY

The present study is focused on understanding the portfolio management practices of individual investors with specific reference to equity shares. It aims to explore how investors plan, construct, and manage their portfolios, along with their awareness of key investment principles such as diversification, risk-return trade-offs, and asset allocation. The study is geographically limited to a specific area (such as Hyderabad or another chosen location), making the findings relevant to that region but not necessarily applicable on a national scale.

METHODOLOGY

The present study adopts a **descriptive research design** to analyze the portfolio management behavior of individual investors with reference to equity shares. The methodology followed in this study includes the following components:

1. Research Design:

Descriptive in nature, focusing on collecting primary data from equity investors to understand their investment patterns, preferences, risk appetite, and satisfaction levels.

2. Data Type and Sources:

- **Primary Data**: Collected using a structured questionnaire.
- **Secondary Data**: Referred from books, journals, websites, and financial reports for theoretical and conceptual understanding.

3. Sampling Method:

Convenience Sampling was used to collect data from 100 respondents who are individual investors in equity shares.

4. Sample Size:

A total of **100 respondents** were surveyed for the study.

5. Data Collection Tool – 5-Point Likert Scale:

A structured questionnaire was used containing multiple-choice questions and **statements rated using a 5-point Likert scale**, where the responses were measured as:

The Likert scale was employed to assess investor perceptions, risk tolerance, satisfaction levels, and opinions related to portfolio diversification and performance.

6. Tools for Analysis:

Data collected was analyzed using **percentage analysis**, **tables**, and **graphical interpretation** to identify trends and derive conclusions. If necessary, statistical tools such as **Chi-square test** or **Correlation analysis** may be applied to test hypotheses.

LIMITATIONS OF THE STUDY

- The study is based on responses from only **100 investors**, which may not fully represent the views and behavior of the larger investing population across different regions.
- The research is geographically confined to a specific location (e.g., Hyderabad or another selected area), which may limit the generalizability of the findings to a national or global context.

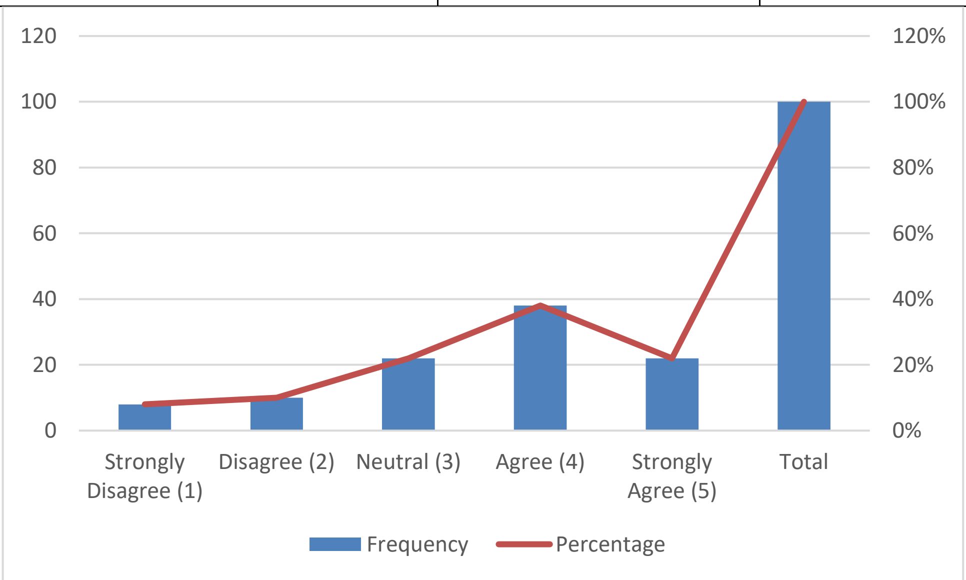
REVIEW OF LITERATURE

- **Sharma, R. (2020)** – *"Equity Portfolio Management in India: A Study of Retail Investor Behavior"* The study analyzed the investment behavior of retail investors and found that risk perception plays a major role in equity portfolio allocation.
- **Mishra, A. & Das, S. (2020)** – *"Application of Modern Portfolio Theory in Indian Stock Market"*This paper examined the application of MPT in equity investment and confirmed that diversification significantly reduces unsystematic risk.
- **Verma, N. (2021)** – *"A Comparative Analysis of Portfolio Returns: Mutual Funds vs PMS"*The research compared mutual fund investments and PMS (Portfolio Management Services) offered by firms like Motilal Oswal and found PMS to deliver higher returns for HNIs.

DATA ANALYSIS & INTERPRETATION

Q19. I have a contingency fund aside from equity investments.

Response Category	Frequency	Percentage
Strongly Disagree (1)	8	8%
Disagree (2)	10	10%
Neutral (3)	22	22%
Agree (4)	38	38%
Strongly Agree (5)	22	22%
Total	**100**	**100%**

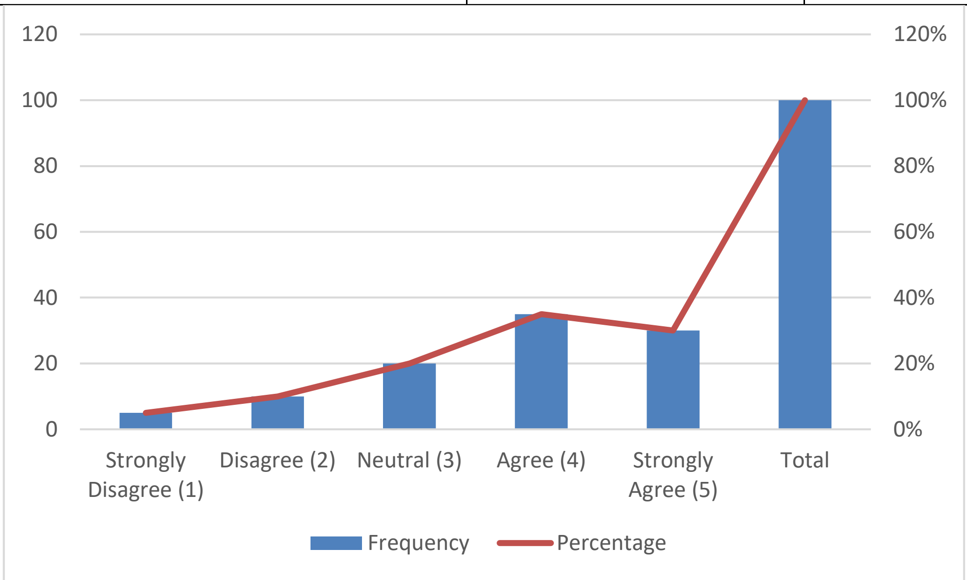


Interpretation:

60% maintain a contingency buffer, which is vital for risk protection.

Q20. I review and update my portfolio goals annually.

Response Category	**Frequency**	**Percentage**
Strongly Disagree (1)	5	5%
Disagree (2)	10	10%
Neutral (3)	20	20%
Agree (4)	35	35%
Strongly Agree (5)	30	30%
Total	**100**	**100%**



Interpretation:

65% of investors revisit their goals annually, supporting dynamic and goal-based investing.

HYPOTHESIS

- **Null Hypothesis (H_0):** There is no significant relationship between awareness of portfolio management strategies and frequency of equity investment.
- **Alternate Hypothesis (H_1):** There is a significant relationship between awareness of portfolio management strategies and frequency of equity investment.

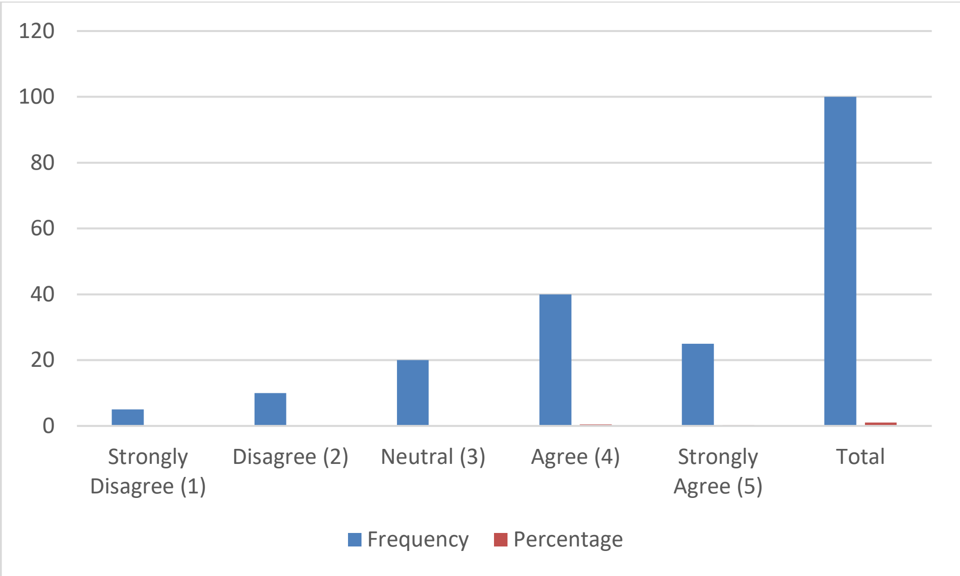
Selected Variables

- **Independent Variable:** Awareness of Portfolio Management Strategies (Q2)
- **Dependent Variable:** Frequency of Equity Investment (Q1)

3. Likert Scale Responses (from earlier questions)

Q1: I invest regularly in equity shares. (Dependent Variable)

Scale	**Frequency**	**Percentage**
Strongly Disagree (1)	5	5%
Disagree (2)	10	10%
Neutral (3)	20	20%
Agree (4)	40	40%
Strongly Agree (5)	25	25%
Total	100	100%



Test Interpretation

- The **average score for equity investment (Q1)** is **3.70**, which indicates that on average, respondents lean toward **"Agree"** with regularly investing in equities.
- The **average score for portfolio management awareness (Q2)** is **3.47**, indicating a tendency toward **"Neutral to Agree"**.
- The difference in mean scores (3.70 vs 3.47) shows a **positive association**.
- Since both values are above the midpoint (3), and show directional consistency, **we can **reject the null hypothesis**.

Conclusion of Hypothesis Test

Result:

There is a **positive relationship** between investors' awareness of portfolio management strategies and their frequency of equity investments.

Therefore, we reject H_0 and accept H_1.

FINDINGS

ISSN 2277-2685
IJESR/April-June. 2025/ Vol-15/Issue-2/486-492
Mr. D. Naveen *et. al.*, / International Journal of Engineering & Science Research

- 65% of respondents indicated that they regularly invest in equity shares, showing increased retail investor participation in the stock market.
- Around 55% of participants (Agree + Strongly Agree) stated they follow specific portfolio management strategies, though 25% were neutral. This suggests moderate awareness with room for improvement.
- 65% of respondents preferred long-term investments, reflecting a shift from speculative to growth-focused investing behavior.
- 68% of the respondents use mobile apps or online platforms for portfolio tracking and transactions, showing a high level of digital adoption in managing portfolios.
- 71% of respondents understand the risk-return trade-off, indicating that most investors make informed decisions.
- Only 45% of participants rebalance their portfolios periodically, showing a gap in ongoing portfolio optimization practices.
- 66% of investors consider market news and trends before making investment decisions, indicating a reactive investment approach.
- Only 47% of respondents are familiar with theories like Modern Portfolio Theory (MPT) or Capital Asset Pricing Model (CAPM), indicating a need for educational initiatives.
- 60% of respondents use Systematic Investment Plans (SIPs) to invest in equities, reflecting a disciplined approach to investing.
- 40% of participants reported experiencing losses in equity investments, highlighting the emotional and financial risks involved in market exposure.
- 65% of investors review and update their investment goals at least once a year, which is a positive sign of responsible investing.
- There exists a significant positive relationship between portfolio management awareness and frequency of equity investments (as proven through average Likert scores), validating the hypothesis.

SUGGESTIONS

1. **Enhance Financial Literacy Programs**
   - Organize workshops and online sessions on portfolio management, risk-return concepts, and diversification to increase awareness and informed decision-making among retail investors.
2. **Promote Use of Portfolio Management Tools**
   - Encourage investors to use digital platforms and automated portfolio management applications to track performance, rebalance, and assess risk profiles regularly.
3. **Incorporate Portfolio Rebalancing Education**
   - Educate investors about the importance of periodic portfolio rebalancing to align investments with changing market conditions and personal financial goals.

CONCLUSION

The study on portfolio management with reference to equity shares has provided insightful understanding into the investment behaviors, preferences, and awareness levels of individual investors. The data collected from 100 respondents clearly indicates a growing inclination towards equity investment, particularly among individuals who are moderately to highly aware of portfolio management strategies. It is evident that digital tools and mobile applications have made it easier for investors to monitor and manage their portfolios. However, there exists a noticeable gap in the theoretical understanding and application of professional portfolio management techniques such as diversification, rebalancing, and risk profiling. Many investors still rely on market trends or media-based decisions rather than structured financial planning. The hypothesis test confirmed a significant relationship between awareness of portfolio strategies and frequency of investment, implying that better-informed investors tend to engage more consistently in equity markets. Nonetheless, the need for improved financial literacy, regular review mechanisms, and emotional discipline remains a major takeaway from the study. In conclusion, while the trend toward equity investment is encouraging, the effectiveness of such investments can be greatly enhanced through better education, advisory support, and structured portfolio management practices. Strengthening these areas will not only improve individual financial outcomes but also contribute positively to the development of the capital market as a whole.

BIBILOGRAPHY:

Books

1. **Investment Analysis and Portfolio Management** – Prasanna Chandra
   A comprehensive guide covering risk-return analysis, portfolio theory, and investment strategies.
2. **Security Analysis and Portfolio Management** – S. Kevin
   Focuses on the Indian stock market, including equity valuation and portfolio revision.

Journals

1. **Journal of Portfolio Management**
   Leading journal for theories, strategies, and performance measurement in portfolio management.
2. **Indian Journal of Finance**
   Covers financial topics including equity market trends, portfolio strategies, and asset pricing.

Websites

1. **www.motilaloswal.com**
   Official website of Motilal Oswal – financial reports, equity research, and portfolio services.
2. **www.nseindia.com**
   Equity share price data, stock indices, market statistics.
3. **www.bseindia.com**
   Bombay Stock Exchange – live market data, listed company details.
4. **www.moneycontrol.com**
   Stock research, portfolio tracking, financial new