

## **ABSTRACT**

India is one of the fastest growing economies in the world. Over the last decade, both government and private industry have endeavored to bring about an environment conducive to growth. This is increasingly reflected in better earnings and higher disposable incomes for the working population. The current research study focused on the behaviour of investors towards investment decision considered to be highly remunerative. Most of the financial theories are based on the idea that everyone is rational and before making any decisions take careful account of all the available information which is not the case in reality. Behavioral finance refers to the theories, which are based on psychology. It is an attempt to understand how emotions and cognitive errors influence investors' behaviors. It focuses upon how investor interprets and acts on information to take investment decisions. It explains that individuals do not always act rationally in their financial decisions and that their behaviour causes them to make different choices about their financial decisions. Behavioral finance is a field of study which has gained importance in recent times. The study was concerned with primary data. The data were collected from individuals who were willing to the information on their financial behaviour by adopting informational referral sampling technique, through carefully by structured questionnaire, constituted 480 respondents. The study was conducted from 2011-2019. Various statistical tools like descriptive analysis, ANOVA, chi-square and Garrett ranking technique were applied in this research. The study exposed the fact that, the investment strategies of the investors are largely influenced by the socio-economic factors and it further reveals that the behavioral bias plays a vital role in determining the investment process of individual investors. Different types of investment avenues are available and the investors have to become more alert and

choosy in selecting profitable investment avenues with minimum risk. The selected investors in the study are not having adequate awareness about the investment and also not consulting the financial advisors, hence they prefer to invest in traditional and safe financial products. Suggestions are that policy makers must strengthen the financial market. Encourage females' participation investment. Provide concession or tax benefits to underprivileged, Devise financial product that caters to the need of investors. Organize advertisement campaign to enhance financial awareness. The study provides scope for further research that can be carried out in future on specific segments such as female investors etc. The individual investors should not be left behind the isolated batch in the investment market. The need of the hour is to promote financial literacy at a very early age in one's life and help the common man to make his financial plan profitable for himself.