

A STUDY ON CHALLENGES FACED BY THE INVESTORS IN ONLINE SHARE TRADING

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

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SCHOOL OF BUSINESS ADMINISTRATION

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
Jeppiaar Nagar, RAJIV GANDHI SALAI, CHENNAI - 600 119**

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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of PRIANKA.G (39410158) who have done the Project work entitled “A STUDY ON CHALLENGES FACED BY THE INVESTORS IN ONLINE SHARE TRADING” under my supervision from January 2021 to March 2021.

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I PRIANKA.G 39410158 hereby declare that the Project Report entitled "A STUDY ON CHALLENGES FACED BY THE INVESTORS IN ONLINE SHARE TRADING" done by me under the guidance of Dr. Y. AYSHA FATHIMA at SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

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ABSTRACT

The stock exchange is one among the gripping determinants of the economy and plays a crucial role within the country's financial state. In today's dynamic environment billion of people are connected to the Internet and Indian stock market has also witnessed these changes. The use of online trading increased dramatically within the mid- to late-'90s with the introduction of affordable high-speed computers and internet connections. Online share trading generally requires an online trading platform offered by most online brokers for order execution. This study investigated the challenges faced by the investors in online share trading. Majority of the investors faced the problem of insufficient information and technical problems during online share trading. Primary data were collected from the respondents through the structured questionnaire with the sample of 178 investors. Data collected have been analysed and tested using SPSS. From this study we conclude that there are lots challenges but that can be solved by a successful implementation of online share trading.

KEYWORDS: *Online share trading, Technical problems, Risk taking ability, Trust, Security.*

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CHAPTER-1

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Online share trading is a basic understanding of online trading processes. Since the invention of Internet, people have been able to do practically everything virtually. Due to the Internet, online trading has become one of the most popular ways to trade as far as stock trading turned out to be as available to independent investors as possible. Online trading gives both beginners who've just had a single day trading course and advanced traders an opportunity to trade stocks, options, forex and futures all over the world without physical presence of a broker and with much lower commissions, because everything is done online.

Online trading is the act of placing buy/sell orders for financial securities and/or currencies with the use of a brokerage's internet-based proprietary trading platforms. The use of online trading increased dramatically in the mid- to late-'90s with the introduction of affordable high-speed computers and internet connections.

Today, with the advent of the internet in the digital era, more and more investors are using online trading platforms offered by their brokers for DIY (do-it-yourself) investing. The online trading platforms serve as a hub with multiple tools for the investor or trader. The investor can place buy and sell orders; place market, limit, stop, stop-loss, and stop-limit orders; check the status of an order; view real-time stock quotes; read news on companies; view the list of securities currently held through the dashboard; etc. An investor can also access his or her investment statements, confirmation statements, and investment tax forms using the online system. Most discount brokerages that are affiliated with banks also provide added convenience for their digital clients by linking their bank accounts to their investment accounts. This way, an investor can easily initiate a transfer between accounts held under the same financial institution.

Internet trading started in India on 1st April 2000 with as many as 79 members seeking permission to do so. Geojit Securities was the first to go online. On February 1, 2000 the National Stock Exchange opened up the internet-based trading system for its members, the first stock exchange in India to do so. However, after two years of trading, only a dozen brokers continue to remain ahead in offering online service. According to NSE data there are around 2.3 lakh registered online traders. The SEBI Committee on Internet-based Securities Trading and Services has allowed the net to be used as Order Routing System through registered stockbrokers on behalf of their client for execution of transactions. Under the ORS a client enters his requirements in the broker's site which are checked electronically against the client account and routed electronically to the appropriate exchange for execution by the broker. The client receives a confirmation on execution of the order. At same time the customer's portfolio and ledger account gets updated to reflect the transaction. Since all orders have to necessarily be routed through the exchange mechanism it ensures transparency and security. The sites ensure security in the following way. The system permits only registered client to log in using user id and password. This unique combination of user-id and password will permit entry into the electronic ring.

Internet trading commissions are clearly posted on the websites of the various services, and are typically a fixed rate charge, depending upon the type of security being traded and the size of trade. In theory, therefore, an Internet investor always knows what commission he is being charged on each trade. Internet investors can take as much time as they would like to take prior to placing a trade order. Similarly, the online investor likely does not have to worry that his broker is making unauthorized trades. Since there is no individual broker making a commission, the only person who is authorized to trade in the account is the actual investor. Furthermore, the internet investor can never become a victim of excessive trading (where for the broker) since the investor maintains total control over the number of transactions which take place in the account. All of these positive features of

internet trading may lead the unwary investor to believe that Internet trading is a way to take control of their finances and save more money in the process.

1.1.1 MEANING OF ONLINE SHARE TRADING

Online trading is simply buying and selling assets through a brokerage's internet-based proprietary trading platforms. The use of online trading increased dramatically in the mid- to late-'90s with the introduction of affordable high-speed computers and internet connections. Stocks, bonds, mutual funds, ETFs, options, futures, and currencies can all be traded online. Also known as e-trading or self-directed investing.

1.1.2 FEATURES OF ONLINE SHARE TRADING

RESEARCH: The first and foremost decision for any trader lies in the research work. Research may be categorized in two parts, one lies for the pre-investment research that involves choosing an appropriate brokerage firm such as those at CMC Markets, and other lies in the trading techniques research basics. For any online trader it is important to get through thorough research so as to get a sheer brokerage firm. Also, before buying and selling of any share it is important to go for nice research work about the profile of the company's shares and its potential growth.

ONLINE TRADING IS QUICK AND EASY BUT NOT INSTANTANEOUS: For any trader it is necessary to know that internet trading relies highly on technical advances and thus there are some technical drawbacks that a trader might come across. Though it is quite quick and easy but it is not instantaneous all the time. Any network disorders might delay the command and brought unfavourable consequences.

ONLINE BROKERAGE: the advent of technology has won people's heart. Most of the businesses have shifted online and so has the stock market. Hence, online brokerage has also come into existence. For any trader who seeks to trade online has wide choice regarding share brokerage firm. Most of the companies are providing discounted brokerages with due effect of competition.

CONVENIENT AND OVERWHELMING: it is generally convenient and overwhelming as they carry certain features along with them. The feature of welcoming offers and comfort always come in sheer packages with online trading. One can trade sitting at home or office according to convenience. Also, the increased competition has bent the market trends towards customer's favour, providing luring offers to them.

NO HEAVY-DUTY PAPERWORK: trading on the internet comes along with hustle free paperwork. Unlike historic times, there are no more lengthy documents to be completed for trading in stocks. This feature provides an easy start for new investors.

Newcomers are strongly attracted to online stock trading because of the low commissions charged. It helps them to gain profit even trading with low amounts of investments. In this way, they learn the tricks of the trade without putting more money into the trade. One of the other attractive factors apart from the low commission rates is they can do the online stock trade in part time, unlike the traditional one which needs them to be physically present at the site.

1.1.3 ADVANTAGES OF ONLINE SHARE TRADING

CONVENIENT

First and foremost, anything that can be done online will make your life convenient. When it comes to online trading, you will only have to open a trading account using the Internet and you can then start trading. There is no need to visit the bank or call an agent for the same. As long as you have an internet connection and an online account, you are good to go. Online trading is super convenient and there is no hassle, as it saves your time and efforts.

IT IS CHEAPER

In online stock trading, the stock broker fee which you will have to pay is lower when compared to the commission charged by traditional method. If you trade in a sufficiently large volume of stocks, it is possible for you to be able to negotiate your broker's fees.

YOU CAN MONITOR YOUR INVESTMENTS ANYTIME

Online trading allows you to buy or sell shares according to your convenience. It offers advanced interfaces and the ability for investors to see how their money is performing throughout the day. You can use your phone or your computer to evaluate your profit or loss.

IT ALMOST ELIMINATES THE MIDDLEMAN

Online trading allows you to trade with virtually no direct broker communication. Apart from reducing the overall trading cost, this benefit also makes the trading hassle free, making this service much more lucrative.

INVESTOR HAS GREATER CONTROL

Online traders can trade whenever they wish to. On the other hand, in traditional trading, an investor may be stuck until he or she is able to contact their broker or when the broker is able to place their order. Online trading allows nearly instantaneous transactions. Also, investors are able to review all of their options instead of depending on a broker to tell them the best bets for their money. They're able to monitor their investments, make decisions and buy/sell stock on their own without any outside interference; thus, giving them greater control over their investment.

FASTER TRANSACTIONS

Online banking is fast and efficient. Funds can be transferred between accounts almost instantly, especially if the two accounts are held at the same banking institution. All it takes to be able to buy or sell stocks is a single click of the mouse. Through this, a quicker exchange can be made which may also ensure quicker earnings.

BETTER UNDERSTANDING OF ONE'S MONEY

This is a hidden advantage of online trading which you wouldn't want to pass up on. Just like conventional stock trading, you can predict the market behaviour and use this to predict a rise or fall in price of the stock. You'll be handling your own finances

and be responsible for them. Over time, you become more experienced in understanding the market, and good investment opportunities from the bad ones. This knowledge about money is very useful, and having this on your resume makes you more marketable to companies looking to fill a well-paying position in the finance department. So, while making a quick buck, you also manage to become financially smarter, in both your professional and personal life.

MANAGE YOUR PORTFOLIO EASILY

Through online trading, you can easily buy or sell the shares as per your convenience. The online trading portal has an advanced interface, which allows you to see how your portfolio is performing and this can help evaluate the profit or loss on the investment.

1.1.4 DISADVANTAGES OF ONLINE SHARE TRADING

TECHNICAL PROBLEMS

Online trading platform are only as good as the underlying servers and software. High volumes on volatile trading days can slow processing speeds and information flow. You could incur substantial losses if you couldn't place the required buy and sell orders, especially in fast-moving markets. Software bugs can lead to delays in getting price quotes and information on order status. This also could result in trading losses, because you might enter orders based on incorrect price quotes or delayed order-execution reports. Investors depend on Internet and cellular service providers for researching information and placing trades. If these Internet access points malfunctioned, you would not be able to receive timely information or place critical trades.

CUSTOMER SERVICE

Online brokers have a lean cost structure, which allows them to offer discounts on commissions. You might have to wait a long time to place a phone trade, especially during volatile markets, because trained and certified traders cost money. You might need to place certain trades over the phone if your online portal malfunctions or your Internet connection is down. In addition, you might not be able to place

certain types of orders over the phone, such as spread orders involving options. Brokers might assign priority to high-net-worth clients and active traders, which could lengthen wait times for average investors. Administrative actions, such as exchanging funds between accounts or transferring positions between brokerages, could take a long time and limit trading opportunities.

FEEDBACK MECHANISMS

Online trading means that you are your own investment manager, but this independence comes at a price. You do not have the benefit of a professional feedback loop, such as a reliable sounding board for your investment decisions. Online brokers typically do not provide buy-sell recommendations. You have to set aside time for research, such as reviewing financial statements on corporate investor relations websites and price charts on financial websites. You should consider mutual funds, which offer professional management and diversification at a reasonable cost, if you do not have the time for adequate due diligence.

CONSIDERATIONS

You should have a backup Internet connection at your workplace or at a public library in case your service provider is experiencing problems. Do not call a discount broker during regular hours for administrative actions, such as transferring positions between accounts. Avoid placing market orders in fast-moving markets, because these orders could be filled at unfavourable prices. Review publicly available information on different brokers, including comments on service levels and features, before opening an online account.

HIDDEN COST

Although the brokerage fee is lower, other facilities have to pay more. It seems like a lot of rounding up. Brokerage charges for online trading is very low but if you need call to broker for order placement, they charge 2- or 3-times higher fees for that.

NO CONTROL OVER DECISION

Greed, Fear and Patience are the main factors for stock market success. It is very difficult to control your emotions at the time of heavy market fluctuations.

LIMITED KNOWLEDGE

Elimination of a broker could be mean trouble. Without proper investment advice could cause big loss. In bull market every decision of yours earns good profit but once market change the gears then it's very hard to survive in stock market.

NO PERSONAL RELATIONSHIPS WITH BROKERS

From getting help on how to create an investment strategy to understanding how the results of feedback mechanisms affect the market, online traders are left to their own devices. For some, this kind of autonomy can be unsettling. Experts often stress the importance of research, particularly for new traders. You need to learn as much as you can about the companies in which you invest.

EASIER TO INVEST TOO MUCH TOO FAST

Because online trading is so easy you basically push a button there is the risk of making poor investment choices or overinvesting. Online investors can protect themselves by understanding the stocks they are buying and setting up safeguards in fast-paced markets. Placing a limit order on your account is one way to control what you buy and how much of it.

ADDICTIVE NATURE

Online traders can experience a certain high when trading that is similar to what people experience when gambling, according to a recent study on excessive trading published in the journal Addictive Behaviours. The study noted that some investors choose short-term trading strategies that involve investing in risky stocks offering the potential for large gains but also significant losses. "The structure itself of the two activities (gambling and trading) is very close," the study concluded.

1.2 INDUSTRY PROFILE

Financial services are the economic services provided by the finance industry, which encompasses a broad range of businesses that manage money, including credit unions, banks credit card companies, insurance companies, accountancy companies, consumer-finance companies, stock brokerages, investment funds, individual managers and some government-sponsored enterprises.

The term "financial services" became more prevalent in the United States partly as a result of the Gramm-Leach-Bliley Act of the late 1990s, which enabled different types of companies operating in the U.S. financial services industry at that time to merge.

In financial services, an electronic trading platform also known as an online trading platform, is a computer software program that can be used to place orders for financial products over a network with a financial intermediary. Various financial products can be traded by the trading platform, over a communication network with a financial intermediary or directly between the participants or members of the trading platform. This includes products such as stocks, bonds, currencies, commodities, derivatives and others, with a financial intermediary, such as brokers, market makers, investment banks or stock exchanges. Such platforms allow electronic trading to be carried out by users from any location and are in contrast to traditional floor trading using open outcry and telephone-based trading. Sometimes the term trading platform is also used in reference to the trading software alone.

Electronic trading platforms typically stream live market prices on which users can trade and may provide additional trading tools, such as charting packages, news feeds and account management functions. Some platforms have been specifically designed to allow individuals to gain access to financial markets that could formerly only be accessed by specialist trading firms. They may also be designed to automatically trade specific strategies based on technical analysis or to do high-frequency trading. Electronic trading platforms are usually mobile-friendly and available for Windows, iOS and Android.

In the recent times, trading on stocks has become as simple as shopping online. Investor can do that sitting in a coffee shop using a smart phone. All it needs is a good internet connection, subscription to 3-in-1 account, mobile banking application and sufficient funds in the bank account. Online trading facilitates the trading process by bringing the complete trading setup at your convenience. You can trade anytime and from anywhere using the online platforms. There is no paperwork involved, no need to go to the brokerage house or the stock exchange to trade shares.

1.2.1 HISTORY OF ONLINE SHARE TRADING

The financial market in India is growing rapidly and is expected to emerge as one of the leaders in the international arena very soon. This boom in financial markets is stimulating the growth of the Indian share market encouraging the investors to invest in the share market.

The history of the share market of India dates back to 1875. The name of the first share trading association in India was “Native Share and Stock Broker's Association” which later came to be known as Bombay Stock Exchange (BSE). This association began with 318 members. Today India can boast of 24 share markets in the various parts of the country, and a number of financial intermediaries that include banks, Non-Banking Financial Corporations, Insurance companies, Mutual Funds, etc.

The Indian share market (capital market) is divided into two segments:

- Primary market
- Secondary market

The Primary market is that market where new securities (like shares, debentures, government bonds, CDs, CPs, etc.) are issued to the public.

Investors can subscribe to IPO of companies to buy new shares directly from the issuer of shares i.e., the company. The company receives the proceeds from the

sale of these shares and uses it to fund its operations and expand its business. The Primary Market is also known as the New Issues Market.

The Secondary market consists of trading in the shares of listed companies. Once the initial sale of shares is undertaken, buying and selling shares of companies can be undertaken between the traders and investors who want to purchase the shares and those share-holders who want to sell their shares. These operations are undertaken in the Secondary Market. A newly issued IPO will be considered a primary market trade when the shares are first purchased by investors directly from the underwriting investment bank; after that any shares traded will be on the secondary market, between investors themselves.

In the primary market, share prices are set by the merchant bankers using valuation methodologies, while the share prices in the secondary market are determined by the market forces of supply and demand. The share market of India is regulated by the Securities and Exchanges Board of India (SEBI). The primary objective of SEBI is to promote healthy and orderly growth of the share market and secure investor protection. The SEBI also regulates the share transactions done by foreign investors and traders and also keeps check against malpractices in the share market.

The scope of the share market in India has widened tremendously over the past few years, thanks to the launch of a variety of products and services. Share markets are, by nature, extremely volatile and hence the risk factor is an important concern for the intermediaries. To reduce this risk, the concept of derivatives comes into the picture. Derivatives are products whose values are derived from one or more underlying assets. These assets can be forex, equity, etc. The derivatives market in India is also expanding immensely with an increased number of market participants using derivatives.

1.2.2 TYPES OF ONLINE SHARE TRADING

DAY TRADING

Day Trading is one of the most common forms of trading. It's a short-term strategy where you buy and sell securities on the same day. Traditionally this type of

trading was normally carried out by professional traders. In recent years improvements in technology and the emergence of a wide range of online CFD trading websites means non-professional traders can also trade in these types of securities.

POSITION TRADING

Position trading is a longer-term strategy where traders buy and hold securities for longer periods of time. This type of trading often involves keeping securities for weeks and even months. The decisions to buy and sell are normally based on extensive research of market trends and predicting changes in the market in the future. The trader buys at the beginning of a trend and sells when the trend reaches its height.

SWING TRADING

During certain stages of a trend, Swing Trading often takes place. This type of trading takes advantage of the price 'swings' that occur during certain stages of the lifecycle of a particular trend. Traders try to predict highs and lows during a trend based on their research and data they collect for a specific security. Unlike day trading, Swing Trading involves keeping trades for more than a day to maximize the gains made when a trend gains momentum. Once again, this type of trading depends on a trader's judgement and accuracy of data, they base their decisions on.

SCALPING

Scalping is a fast way to trade. With this trading method, traders take advantage of gaps created by bidding and asking spreads and order flows. A profit is made by selling at an asking price that's higher than the spread or buying price of a security. The fact that this is a short-term strategy reduces the risk taken by traders. More often than not, Scalping involves smaller amounts, smaller profits per trade and more frequent trading by traders who are also known as scalpers.

ONLINE CFD TRADING

CFD's or Contracts for Difference products let traders speculate on the price movements of various types of stocks on the market. When you're trading CFD products you don't own the stock. You simply buy the right to speculate on its market price change in the future which could result in a rise or fall in value.

1.2.3 VARIOUS FINANCIAL INSTRUMENTS TRADED IN ONLINE STOCK MARKET

SHARES/STOCKS

A class of exceptional financial instruments, trading individual shares of companies grants you ownership over that particular public entity (proportionate to the number of stocks that you purchase). One of the reasons behind stocks being one of the more popular instruments is they attach increased levels of liquidity – a factor that should ideally determine your choice of instruments.

Volatilities, along with trading volumes, usually vary across a single day, thereby allowing you to cash in on the slightest change in prices. Bear in mind that a mix of factors usually affects stock prices – one of the more prominent ones being earnings. Earnings determine stock prices as it is indicative of a particular company's financial health.

MUTUAL FUNDS

Mutual fund investments are based on the principle that investors' money would be pooled in and then invested in a range of financial instruments. An investor in mutual funds is referred to as a unit holder, and the total profits generated are distributed among every unit holder basis the number of units each holds.

DERIVATIVES

This refers to a financial contract, the value of which is imparted by an underlying asset. Primarily consisting of futures and options, these financial instruments can be used to negate a range of risks.

BONDS

These are fixed-income debt instruments that are issued by both government and private-sector companies with the objective to raise capital. Attaching a specific interest rate (mentioned during the issue), a bond serves as a loan that must be repaid in full at a specified date. Bonds attach a particular maturity period, on completion of which, the borrower is liable to repay the money to the lender. Some of the more popular bonds in India are government bonds, corporate bonds, high-yield bonds, municipal bonds and public sector bonds.

1.3 NEED OF THE STUDY

Online trading is buying and selling stocks through a brokerage's internet-based proprietary trading platforms. Stocks, bonds, mutual funds, ETFs, options, futures, and currencies can all be traded online. Traditionally, investors and traders need to call their brokerage firms to form a trade for them with a buy order request. The broker would let know the market value and ensure the acquisition order. If the investor is making a limit order, the broker has got to confirm the limit price, how long to stay the order open for, what account to get the shares in (if investor has multiple investment accounts) etc.

Although, Investors also face certain challenges in online share trading. The major challenges are lack of sufficient information, technical problems and chances of fraud. As there is no direct communication between the brokers and the investors, investors can't get customised expert advice and this will lead to lack of market knowledge for investing in online trading. Technical problems like risk of system failure, network congestion, electricity failure etc are also considered as the major challenges of the investors as online share trading cannot be done without these technologies.

1.4 SCOPE OF THE SUDY

The scope of this study is to know the challenges faced by the investors in online share trading and to identify the risk-taking ability of the investors. The topics and theories that are covered under this study would be insufficient information, technical

problems, risk taking ability, security and trust level of the investors. Through this study a better understanding of the investor's intention could be identified.

1.5 OBJECTIVES OF THE STUDY

1.5.1 PRIMARY OBJECTIVE: -

- To analyse the challenges faced by the investors in online share trading.

1.5.2 SECONDARY OBJECTIVE: -

- To identify the technical problems faced by the investors.
- To measure the risk-taking ability of the investors in online share trading.
- To investigate the insufficient information faced by the investors in online share trading.

1.6 LIMITATIONS OF THE STUDY

- The area of data has been restricted to Chennai city.
- The sample size is restricted to 178 investors.
- The time limit was restricted to three months.
- Due to limited sample survey the data collected may not be reliable.
- Analysis is done on the assumption that respondents have given correct information through the questionnaire

CHAPTER-2

REVIEW OF THE LITERATURE

Barber and Odean (1999) analysed the adjustments in the stock exchanging conduct and speculation execution of investors who change from telephone based to internet exchanging. young fellows who are dynamic merchants with major league salaries and an inclination for putting resources into little development stocks with high market risk are bound to change to internet exchanging. Investors who favoured on the web, they exchange all the more effectively, more hypothetically, and less productively than previously and slacking the market by in excess of three percent yearly. The expansion in exchanging and decrease in execution of online investors is a direct result of arrogance expanded without help from anyone else attribution predisposition, the dream of information, and the hallucination of control.

Hoffman et al (1999) established that buyers' assumptions for security rely upon the medium. In electronic media, customers are clarifying that their requirement for control and insurance is exceptional. Frequently referred to factors like too not many online shoppers intrigued by the couple of accessible online contributions, no normalized advances for secure instalment instruments, and the absence of productive plans of action assume significant parts in the overall lack of business movement among organizations and buyers on the Internet. The business advancement of the online is as yet in its earliest stages. Security concerns are a significant impediment to on the web, concerns with respect to the auxiliary utilization of data pose a potential threat and furthermore deter purchasers from participating in online relationship trades.

Sherman et al (2001) established that numerous respondents appeared to be very danger loath doesn't imply that stock portfolios ought to be maintained a strategic distance from for long haul goals. This study presents an improved estimation of emotional danger resistance dependent on monetary hypothesis and examines it connect to relative hazard avoidance. Results from an electronic review are introduced and contrasted and results from past investigations utilizing other

danger resistance estimations. One significant downside of these different monetary arranging proportions of danger resilience, just as the SCF question identified with hazard resistance is that they are not thoroughly connected to the idea of danger resilience in financial hypothesis.

Chellappa and Pavlou (2002) expressed that electronic business transactions are dependent upon different data security dangers. Recommends that buyer trust in online exchanges is impacted by apparent data security and recognizes it from the target evaluation of safety dangers. Proposes components of encryption, insurance, confirmation, and check as precursors of apparent data security. These instruments are gotten from innovative answers for security dangers that are obvious to shoppers and henceforth add to real buyer insights. The investigation also explored the part of restricted monetary obligation as a substitute for apparent security. In any case, the discoveries showed that there is a negligible impact of monetary risk on buyers' trust in online transactions.

Balasubramanian et al (2003) examined the primer advance toward understanding the interaction of trust development and its focal effect on online consumer loyalty. The apparent operational skill builds merits further extension and elaboration. The examination established that discoveries in regards to the endogenous idea of trust and its relationship to natural security, operational ability and fulfilment have critical ramifications for administrative choices, further hypothetical turn of events and administrative arrangement. The outcomes recommend that the advertising and IS capacities have integral vital jobs in the online setting and that disregarding either will probably adversely affect consumer loyalty.

Natalie et al (2008) explored the trading conduct and execution of online value investors in contrast with non-online value investors in Korea and established that online investors perform ineffectively in contrast with non-online investors. merchants who take part in online movement slack non-online exchanges in execution. Unfamiliar investors perform best, trailed by organizations, and afterward singular investors. This progression of execution is kept up paying little heed to the technique for exchanging. Unfamiliar and institutional investors act like educated merchants

paying little heed to their strategy for exchanging, effectively timing their exchanges to exploit positive market returns. Notwithstanding, singular financial backers evidently give liquidity to encourage the beneficial activities of different investors on exchanging days in the wake of being attracted to the market by past returns. This marvel is by all accounts to a great extent driven by people's online trades.

Juan carlos et al (2008) expressed that apparent trust, helpfulness and usability are significant issues in online share trading frameworks. The findings recommended that online financial sellers and stockbrokers should improve the security of the online framework since online share traders structure insights about its apparent security and when these discernments are confirmed, their trust is upgraded and subsequently they are bound to utilize these online administrations especially if the financial data is valuable for their motivations. Trust, seen value and saw usability likewise assume a significant part, consequently, supervisors ought to create framework that gives cutting-edge and applicable financial data with great interface consistency.

Rashid and nishat (2009) states that most financial backers were youthful and unpractised however taught, with deficiencies of abilities and pay. The investors put the most grounded accentuation on powerful venture examination, trailed by simplicity of the exchange interaction, successful data the executives and opportune danger management. Quick and less exorbitant speculation handling decidedly affect investors fulfilment. Quality data is investors best weapon. Investors will be fulfilled if quality data is accessible and they are given the essential training to investigate the data. Data cost is contrarily identified with investors fulfilment. At last, investors contribute dependent on their experience and insight. Controllers should guarantee compelling observation of primary productivity with the goal that investors can without much of a stretch enter the market, access quality data, accumulate adequate precise information to oversee data and settle on a speedy venture choice.

Ming-Chi Lee (2009) examined that online stock financial backers see and receive internet exchanging Taiwan. It demonstrates the hypothetical develops have sufficient unwavering quality and legitimacy, while the organized condition model is

appeared to have a high model fit for the observational information. The principal objective of this examination is to research trust, seen hazard, and saw advantage altogether sway investors conduct expectation to receive internet exchanging appropriation and explain which elements are more persuasive and significant with respect to influencing financial backers' choice whether to online trading. This study has inferred that three outer elements like trust, seen hazard and saw benefits affecting customers 'selection of internet exchanging, it is critical to perceive the social and public restrictions.

Singh and Sandhu (2010) stated that investigation unmistakably demonstrated that disposition measurements and segment factors contributed essentially in grouping financial backers as adopters or non-adopters of Internet stock exchanging. As respects mentality measurements, 'assortment of monetary items and security' contributed altogether in segregating among adopters and non-adopters of net exchanging followed by the factor, for example, 'comfort and straightforwardness'. Taking everything into account, the develop/more seasoned, experienced, and financial specialists' financial backers were less inclined to utilize Internet-based exchanging when contrasted with youthful, unpractised, and non-finance managers investors.

Manoj (2010) studied about key factors that impact venture conduct and ways these factors sway venture risk resilience and dynamic cycle among people and among various age gatherings. The people might be equivalent taking all things together angles, may even be living nearby, however their monetary arranging needs are totally different. It inferred that the advanced investor is adult and enough prepped individual. Risk disinclined people groups picks disaster protection strategies, fixed stores with banks and mail centre, PPF and NSC. Events of visually impaired speculations are scant, as a greater part of investors are discovered to utilize some source and reference gatherings for taking choices.

Sultana (2010) study affirms that the individual investors actually like to put resources into monetary items which give risk free returns. Investors regardless of whether they are of top-level salary, accomplished, salaried, autonomous are

traditionalist investors like to play safe. From the exact investigation it was tracked down that independent of sex, the greater part of the investors is found have okay resilience level and numerous others have high danger resistance level as opposed to direct risk resilience level. It is likewise discovered that there is a solid negative relationship amongst Age and Risk resistance level of the investors. Investors irrational emotions isn't just the consequence of comprehensible attributes yet additionally because of the feelings that are as yet bewildering to the examiners.

Srivastava (2011) dissected the effect of online development on the stock market transactions. The paperless transactions environment has decreased controls generally and monetary business sectors have begun remunerating organizations. Security is additionally one issue which is going about as a test at the mindshare level of online clients. Despite the fact that dangers are developing and getting progressively risky, however innovation is accessible to empower secure online based business experience. Securities exchange improvement matters for development as admittance to outside reserves permits monetarily obliged firms to extend. Through computerized business the rustic client can get to administrations and information effectively and successfully. All we need to take a gander at cautiously is to make a hearty and safe framework for completing this action of clients however on the online or portable passage.

Azwadi ali (2011) The investigation established that the insist that investors are clients with explicit instructive necessities including the need to enough assess organizations' risks and returns, and not altogether affected by passionate variables when choosing to put resources into a specific stock and inferred that, the current examination has shown that in seeking singular investors, organizations may take part in advertising techniques that may upgrade their picture as seen by investors, and yet need to recall that these investors actually get their work done on assessing the estimation of organizations with respect to their monetary exhibitions.

Yi-ming and Yi-cheng (2013) examined the determinants of stock investors expectation towards utilizing versatile stock exchanging. This suggests that to encourage the aim to utilize portable stock exchanging, protections firms need to

consider stock financial backers' innovative discernments and danger view of this kind of exchanging and furthermore recognized that sort of apparent danger as the main inhibitor to the reception of versatile stock trading. The study inferred that the three added hazard insight security risk, monetary risk and useful risk develops all adversely affect conduct goal to utilize portable stock trading.

Garg and Katiyar (2013) examined that Share trading is done with the assistance of disconnected and online method. With innovation up degree, online share traders are moving from disconnected offer exchanging to online share trading. Yet at the same time, financial backers are more engaged towards disconnected offer trading. As they accept disconnected offer trading as a more secure method of venture and also internet contributing is acquiring conspicuousness, it won't be for everybody. Some won't believe the security of exchanging on the web and others won't have the opportunity to do the examination required and will like to have customary specialists contribute for them. Generally, internet contributing will just urge new investors to exchange the securities trading, uniting purchasers and merchants to make the market more effective.

Abdul rahim (2013) Dissected the issues and prospects of online share trading rehearses India and found that the principal advantage determined out of online share trading is more extensive decision followed by better worth and wellspring of data. Results likewise uncovered that deficient innovation is the serious issues looked by online offer brokers followed by absence of expert administration. Internet exchanging enables instructed financial backers to settle on their own choice with close watch on market affectability by perusing different locales. Also, net exchanging guarantees accomplishment of goals of protections guideline which are production of proficient market to meet worldwide necessities and financial backer's security. Higher the danger, higher the expected returns; high danger additionally demonstrates that the financial backer stands to lose a few or every one of his ventures if costs move ominously.

Shah and Bhatt (2013) analysed the distinction in risk taking limit identified with the sexual orientation of the investors. The investigation reasoned that that there is a

critical contrast in the danger resistance level of guys and females, and pay and calling likewise affected the danger hunger. Males are more daring individuals when contrasted with females, big time salary gatherings and financial specialists are more inclined to chance when contrasted with others. Likewise, calling was the solitary inferable factor which sway the distinction in conduct of males and females in settling on monetary speculation choices.

Christopher (2014) expressed that Online stocks trading in the Philippines catches extraordinary consideration among investors and merchants. The examination uncovered that most of entry clients are male, youthful experts, COL monetary customers and have insignificant involvement with internet exchanging. The entrances are seen to be helpful, simple to utilize, useful, got and inside the control of clients. Slight to generous positive connections have been found among the factors in particular handiness, usability, hazard, advantage, social control. Minor issues which only occasionally happen are experienced by clients while utilizing the gateway.

Rakesh et al (2014) inferred that investors having a place with various networks in Karachi, Pakistan shows comparative danger taking practices. Investors are unsure about the future economic situation subsequently feel hesitant to face challenge and put resources into safer resources. Additionally, sexual orientation of the investors has no relationship with level of danger taken by the investors. In any case, other financial qualities have importance relationship with risk taking behaviour. Results uncovered that investors with big league salary favour more risk than investors with less pay. At last, it is likewise been displayed in the investigation that individuals with significant degree of instruction favour higher danger than investors low degree of training.

Balaji (2014) reasoned that Online trading enables instructed investors to settle on their own choice with close watch on market affectability by perusing different destinations. internet trading guarantees accomplishment of twin goals of protections guideline, which are formation of effective market to meet worldwide prerequisites and financial backer's insurance. Be that as it may notwithstanding of the hard exertion with respect to NSE to present complex innovation, internet exchanging is

viewed as while in transit to its excursion and parcel more endeavours are needed to completely use the capability of ICT. Significant obstacles to development of online stock trading are lack of education, helpless framework, hazard antagonistic mentality on investors. During the investigation, it was discovered that in spite of the fact that innovation is acquiring blast Indian economy, still lion's share of individuals has not understood the significance of innovation especially in stock trading.

Bhuvanam and Mohan (2015) reasoned that when the impression of security is high and the business relationship is long. Trust is a vital determinant of conduct expectation. Subsequently, online investors will in general furnish closer to home and monetary data with less concern. Internet exchanging frameworks administrators should improve the security of the objective framework. Accordingly, security highlights ought to be viewed as a significant issue during the internet exchanging framework's plan since online investors are all the more well slanted toward utilizing it when they see that the data gave during the protections exchanges is secure, and outsiders won't approach it. Trust, seen handiness and saw convenience likewise assume a significant part, consequently, directors ought to build up a framework that gives forward-thinking and pertinent monetary data with great interface consistency.

Battas (2015) inferred that from the investigation it was tracked down that respondent have the information on internet exchanging and store activities. Investors incline toward internet exchanging due to occupied timetable and bother of disconnected exchanging like additional time, distance voyaging, absence of correspondence Online exchanging causes the investors to exchange instance of in accommodation of disconnected and occupied timetable. Lion's share of the respondents had hindrances in online share trading and the vast majority of the respondents had confronted web issue and specialized issue. The investors had dealt with issues in web based exchanging the specialist pole take care of the issue and give compelling safe support of the investors.

Kannadhasan (2015) This paper experimentally analysed the segment factors to be specific sexual orientation, age, conjugal status, pay, occupation, and training could be utilized independently or in blend to separate among retail investors as far

as monetary danger resilience and risk-taking conduct and group retail investors into FRT and FRB classes. This outcome affirms that segment factors do assume a part in separating and characterizing retail investors and they rouse specialists to keep on utilizing them later on too. Conversion standard change, market unpredictability, swelling, political insecurity, and the effect of worldwide emergencies on the economy have similarly long-haul suggestions for more youthful investors.

Senthil and Ganapathi (2016) the study demonstrated that there is a critical distinction between financial attributes of the investors and administration nature of offer dealers. The share brokers ought to be situated in advantageous spots to the investors for their simple openness and they should speed up venture exercises for brisk and proficient assistance conveyance systems. The share brokers ought to improve their corporate picture through powerful and precise administrations to accomplish the venture goals of financial backers in share market and the offer agents ought to be predictable in conveying administrations to investors. The share brokers should meet investors consistently through meeting to talk about the different issues and offer reasonable advices to investors.

Singh and Malhotra (2016) the investigation dissected that Perceived Usefulness, Perceived convenience, Perceived Behavioural Control, Subjective Norms, Perceived Risk, Perceived Benefits, Trust and Attitude are the components that influence the selection of Online Trading. Trust has a solid aberrant impact and Attitude has a solid direct impact on Intention. Then again, Perceived Behavioural Control negatively affects expectation to receive online share trading. Risk was a key marker and having negative impact on Intention. In addition, just Perceived Usefulness influences Attitude. The investigation additionally inferred that the impact of Perceived Usefulness is more grounded on Attitude than Perceived usability.

Vaddadi and Pratima (2016) inspected the conduct of online investors as far as their exchanging experience, venture thought processes and inclinations. Online share trading is gradually acquiring conspicuousness in the present innovation driven market. Dominant part of the online financial backers are self-coordinated people who like to settle on their own venture choices. Online investors are guys in their mid-

thirties, salaried class with significant degree of instruction yet this is set to change as a greater number of individuals access web and begin doing regular things on the web. The examination additionally recommended that SEBI should take each conceivable activity to stop exploitative acts of market controllers. There can be a different team to check and forestall such exercises as a preparatory move to shield revenue of online investors.

Chandan (2017) stated the intricacy of e-TRADING arising job and its numerous features. The paper analysed the customary business and E-business. Its development would rely generally upon powerful IT security frameworks for which important innovative and lawful arrangements should be set up continually and fortified in a flash. It distinguishes benefits and perceive the limits. It additionally recognized its effect, the issues and imperatives, difficulties and openings in present day e-world. The greatest test in online offer exchanging isn't just building up availability and foundation yet is the free from any danger transmission and delicate data.

Malathy and Saranya (2017) study centred the primary variables affecting investors insight. The variables affecting investors discernment are profit from speculation, market pattern or risk, transient productivity, cost of the share, dividend strategy, past monetary execution, organization notoriety, notoriety of the board, current income of the organization and well-qualified assessment. Profit from venture is a vital factor that impacts the speculation choice. Return is a definitive focus on investors. Consequently, dominant part of respondents appraised ROI high. Each investor ought to be wary in market pattern or risk while contributing. The fundamental components impacting speculations are the profit from venture and for the transient benefit.

Renuka (2017) inspected the patterns in the online share trading industry, just as the contending plans of action of conventional and online financier firms. The share trading is one of the holding determinants of the economy and assumes a significant part in the country's monetary state. The principal targets of the investigation are to comprehend the demeanour of online offer merchants, to quantify

the viability of broking locales and to inspect the issues looked by online share traders. Customers put resources into shared assets as its danger is low and returns are more instead of bonds and offers. Online share trading is been liked by clients as opposed to Offline trading. Significant explanation behind clients to put resources into online share trading is its movement and easy to understand.

Prabakaran (2017) study established that individual factors won't impact to utilize the online share trading by the investors. the higher pay individuals make the interest in share by means of web-based exchanging, in light of the fact that that they knew a wide range of data just as confronting their danger. On the online and traditional investing contrast generously as far as how, data is gotten to and prepared, the idea of terrorizing, and the way toward exchanging. Online investing establishes an area where the web has a huge effect as far as absolute financial flows. It likewise finished up investors considered other pertinent data in identifying with share market prior to going into the online share trading.

Arshia bansal et al (2018) stated the issue and prospects of online stock exchanging solan town of himachal Pradesh and established that insufficient innovation and danger of framework disappointment are the serious issues looked by the investors. It investigates different practices which can assist with instructing an investor so issue of exchanging can be survived and its degree can be featured. Government authorities were generally disposed for venture alternatives including high danger speculation. Enthusiasm was seen among the investor to in any event get back the sum they had contributed. Hacking is exceptionally normal in the event of online share trading so there is a need to survey the security framework.

Sakthivel and Saravanakumar (2018) explored investors fulfilment on online share trading and specialized issues looked by the investors in Coimbatore region of Tamilnadu and established that Operational challenges, E-mail affiliation and Lack of insightful abilities are the main specialized issues looked by the investors in online share trading. It is proposed that putting together mindfulness mission and workshops to give the operational techniques in internet exchanging and preparing the investors in securities exchange insightful abilities by getting to different devices identifying with

specialized investigation and guaranteeing the moment email messages for every single phase of exchange and different viewpoints would clearly eliminate the significant specialized challenges and improve the online share trading and fulfilment level of investors.

Eugine et al (2019) study gave guidance for future examination by building up a hypothesis-based model for the aim to put resources into internet exchanging stages among college understudies at a specific college in Johannesburg, South Africa. Internet showcasing supervisors can consider a few bits of knowledge from this investigation to improve purchaser trust by building up a more uplifting mentality and upgrading dependability towards the shopper's aim to put resources into the web based exchanging frameworks. Administrators ought to likewise keep up to date with the suggestions that are shared online on informal organizations and web based exchanging local area site.

Thaslim et al (2019) expressed that online share trading quickly filling in India Business market regardless of its positive effect. The purpose behind this is the simple openness with the assistance of PDAs, PCs and PCs, individuals have the opportunity to do pretty much every part of business from exchanging on the online share trading, adding it to truck and making the instalment in only couple of snaps. The chance is significantly more benefits in internet exchanging a wide range of exchange including instalment entryway advancements and a wide range of other speculation exchange. Many organization and innovation issues like lethargic correspondence speed and availability were tended to by online financial backers. At long last they inferred that there are bunches of difficulties there are overwhelmed by an effective execution of online share trader.

Afzal et al (2019) the investigation uncovered that individuals with more elevated levels of commonality, certainty and trust appears to have more significant levels of dependability to internet business and expressed the variables that contribute towards online trading from the experience of online extortion casualties. Components analysed incorporate trust, commonality and mindfulness. Online trading and purchasers are defenceless towards online misrepresentation because of the

expanded measure of use on online exchanges. preconditions of trust and preconditions are high and the mindfulness is low among the survivors of misrepresentation.

Shiji and Jeevitha Priya (2019) analysed the problems faced by the investors in online share trading. Online share trading includes venture action happens over the web and it doesn't need physical presence of the intermediary. An investor should enlist with a web based exchanging entry for doing internet exchanging. Investors get into concurrence with the firm to exchange various exercises per the terms and conditions given on the understanding. Online share trading permits you to look at the situation with your orders either through the interface can't be gotten to by a third party. Majority of the respondents are concurred with the issues of obligation on exchanging, deficient monetary development, impact of legislators, helpless speculation abilities, high market unpredictability, absence of capital ventures, stock market slumps, deficiency of cash because of accidental variables in online offer exchanging.

Saritha and Lakshmi (2019) stated that Significant obstacles for the development of online stock exchanging are PC ignorance, helpless foundation, hazard unfavourable disposition of investors and so on. Exploration contemplates have demonstrated that the value returns have beaten the profits of most different types of interests in the long haul. Investors purchase value offers or value based common assets since values are viewed as the most fulfilling, when contrasted with other venture choices whenever held over a long span and furthermore established that deficient accessibility of innovation is the serious issue looked by the online share traders.

Senthil (2020) established that investors ought to have the option to decipher the market and monetary pointers since they impact the exhibition of the offer available. The Indian securities exchange is dependent upon numerous surprising changes and for careful and foresighted investors, it gives enormous increases as far as returns and capital appreciation. The conduct of the investors has been changing because of the adjustments in the securities exchange situation. The investors can

make the share trading as a helpful venture region by obtaining net selectivity expertise more, time-capacity expertise. It is absolutely founded on the investor's mindfulness towards the share trading and corporate securities.

Navya and Deepthi (2020) stated that a solid positive connection between disposition, seen social control and aim towards exchanging though abstract standards are discovered to be contrarily related with goal towards trading. A high certain connection is found between goal towards trading and trading conduct. It targets considering the investors impression of online share market and assists with discovering getting to the current degree of administration gave by recognizing the territories which require consideration for improving its services. The share agents may improve administrations of appropriate reaction from the vendor, putting the orders immediately and furthermore presumed that social factors in particular friendly connections and media impact the trading conduct of individual investors.

CHAPTER-3

RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

Research design is a plan to carry out the study in an orderly and systematic manner. The research design may be exploratory, descriptive or experimental. For the present study descriptive research design adopted. The main aim of the present study is to understand the challenges of the investors in online share trading.

3.1.1 DESCRIPTIVE RESEARCH DESIGN

Descriptive research is a study designed to depict the investors in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

3.2 SAMPLING TECHNIQUE

The sample technique used in this study is random sampling method. Random sampling is a part of the sampling technique in which each sample has an equal probability of being chosen. A sample chosen randomly is meant to be an unbiased representation of the total population.

3.3 SOURCES OF DATA

3.3.1 PRIMARY DATA

Primary data, by contrast, are collected by the investigator conducting the research.

3.3.2 QUESTIONNAIRE

The questionnaire tried to capture the responses of the investors mainly on the challenges faced by the investors in online share trading.

3.3.3 SECONDARY DATA

Secondary data refers to data that was collected by someone other than the user. Common sources of secondary data for Journal, Books, Websites, organisational records and data that was originally collected for other research purposes.

3.4 STRUCTURE OF QUESTIONNAIRE

There are two broad types of questions open ended or open questions, and closed ended or closed questions. Open questions enable respondents to answer as they wish. Closed questions provide respondents with a list of options from which they choose.

3.5 SAMPLE PLAN

3.5.1 POPULATION: The population of this study will be the investors who have invested in online share trading.

3.5.2 SAMPLING FRAME: All the investors who have invested in online share trading will be the sampling frame.

3.5.3 SAMPLING AREA: The sampling area in this study are the users of online share trading in Chennai city only.

3.5.4 SAMPLING UNIT: Each investor of the sampling frame will be the sampling unit.

3.5.5 SAMPLING SIZE: The total sample size are 178 investors.

3.5.6 SAMPLING DESIGN: The sample design used in this study is random sampling method.

3.6 PERIOD OF STUDY

The period of study is from January 2021 to March 2021 which is three months of study.

3.7 RESEARCH HYPOTHESIS

In this study of challenges faced by the investors in online share trading. We tested the following hypothesis.

Hypothesis 1: There is no significant difference between risk tolerance level of investors and occupation.

Hypothesis 2: There is no significant difference between technical problems and age of the investors.

Hypothesis 3: There is no difference between risk tolerance level of the investors and gender.

Hypothesis 4: There is no difference between trust level in online share trading and monthly income of the investors.

Hypothesis 5: There is no relationship between insufficient information, technical problems, risk tolerance level, trust and security level on online share trading.

3.8 ANALYTICAL TOOLS

The SPSS software is used to analyse the data.

The statistical test used in this study are Anova, 2 tailed t-test and correlation.

CHAPTER-4

DATA ANALYSIS AND INTERPRETATION

4.1 PERCENTAGE ANALYSIS

Table 4.1 showing Age of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Less Than 30 Years	53	29.8
30-40 Years	44	24.7
40-50 Years	47	26.4
Above 50 Years	34	19.1
TOTAL	178	100.0

Source: Primary Data

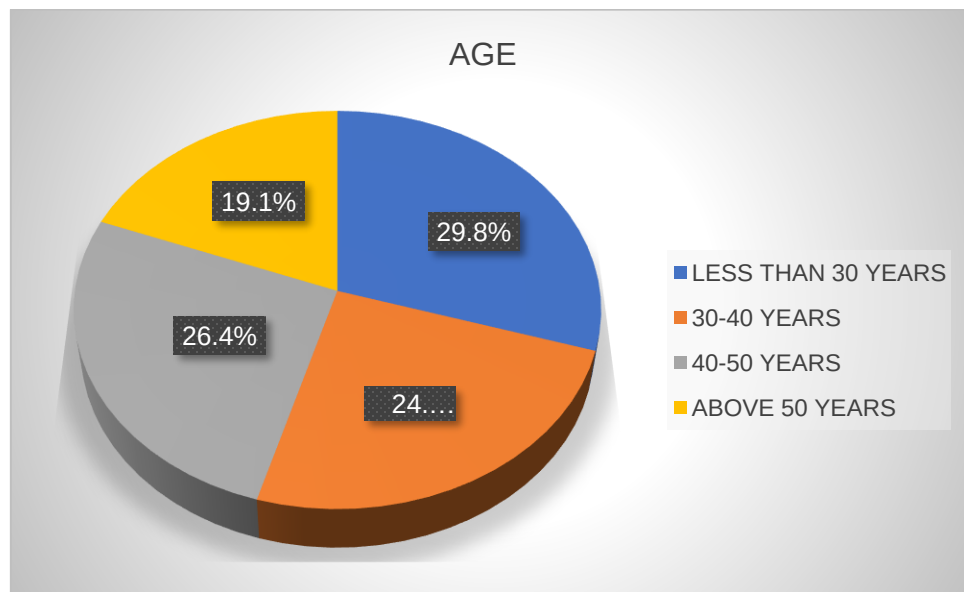


Chart 4.1 Showing Age of The Respondents.

Interpretation

From the above table it is interpreted that 29.8% of the respondents are less than 30 years, 24.7% of the respondents are between 30-40 years, 26.4% of the respondents are between 40-50 years and 19.1% of the respondents are above 50 years. Therefore, it can be concluded that majority of the respondents are in between less than 30 years.

Table 4.2 Showing Gender of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Male	138	77.5
Female	40	22.5
TOTAL	178	100.0

Source: Primary Data

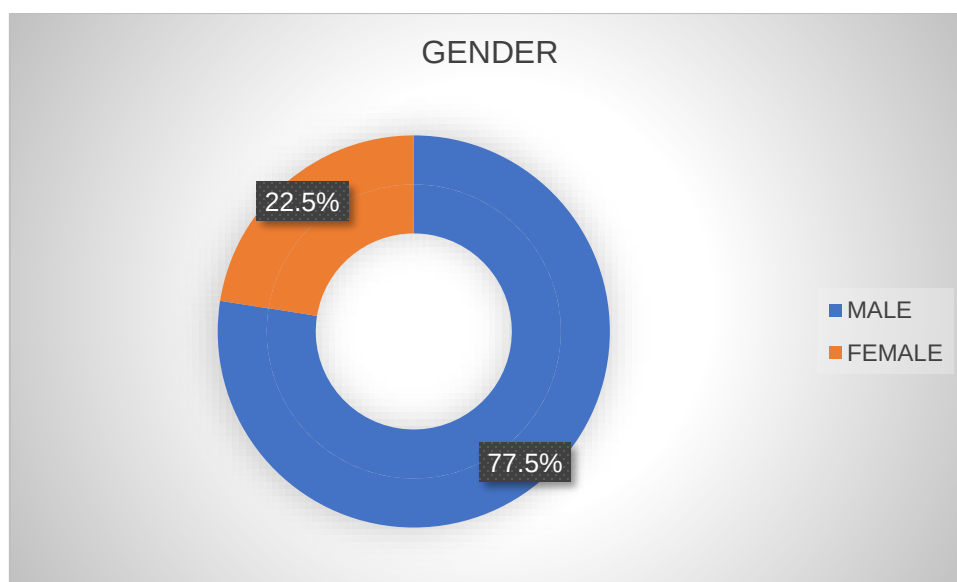


Chart 4.2 Showing Gender of The Respondents.

Interpretation

From the above table it is interpreted 77.5% of the respondents are male and 22.5% of the respondents are female. Therefore, it can be concluded that majority of the respondents are male.

Table 4.3 Table Showing Marital Status of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Married	127	71.3
Single	51	28.7
TOTAL	178	100.0

Source: Primary Data

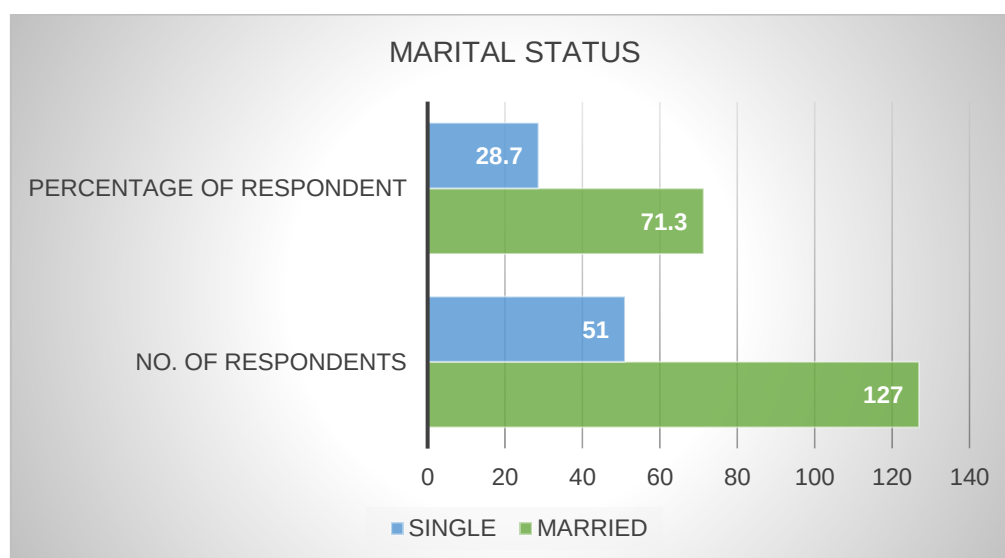


Chart 4.3 Chart Showing Marital Status of The Respondents.

Interpretation

From the above table it is interpreted that 71.3% of the respondents are married and 28.7% of the respondents are single. Therefore, it can be concluded that majority of the respondent's marital status are married.

Table 4.4 Showing Educational Qualification of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Graduate	72	40.4
Post Graduate	87	48.9
Diploma	12	6.7
Non-Graduate	7	4
TOTAL	178	100.0

Source: Primary Data

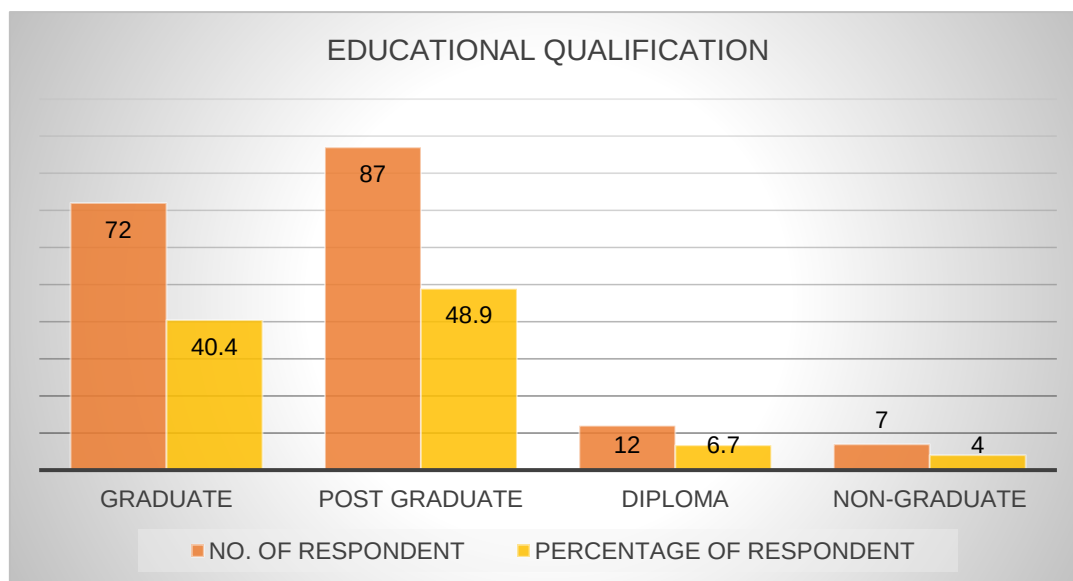


Chart 4.4 Showing Educational Qualification of The Respondents.

Interpretation

From the above table it is interpreted that the number of respondents graduate is 40.4%, post graduate is 48.9%, diploma is 6.7% and non-graduate is 4%. Therefore, it can be concluded that majority of the respondents are post-graduation.

Table 4.5 Showing Occupation of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Salaried	83	46.6
Government	11	6.2
Private	48	27
Self-Employed	36	20.2
TOTAL	178	100.0

Source: Primary Data

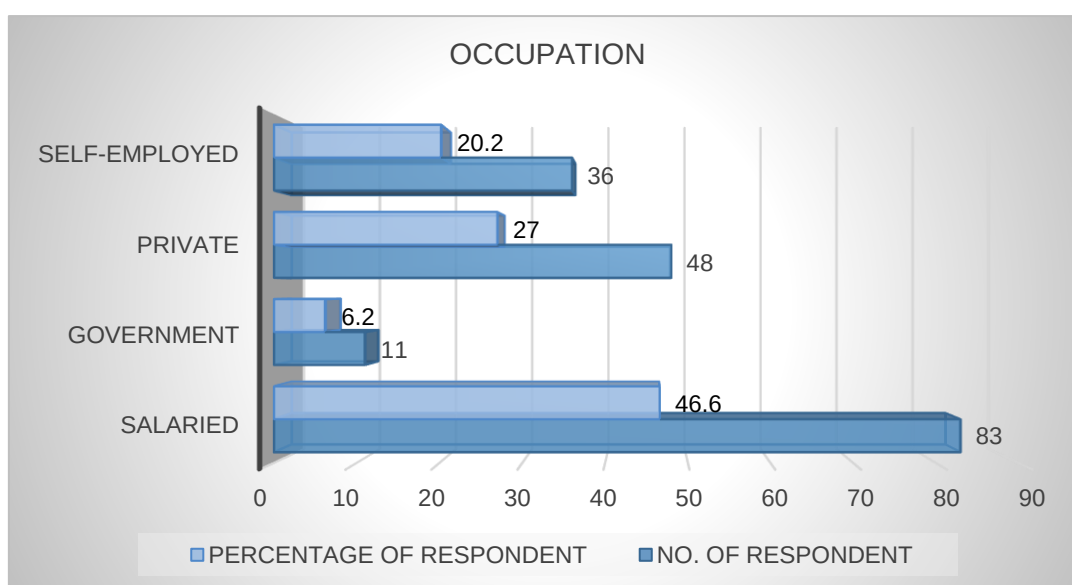


Chart 4.5 Showing Occupation of The Respondents.

Interpretation

From the above table it is interpreted 46.6% of the respondents are salaried, 6.2% of the respondents are government, 27% of the respondents are private and 20.2% of the respondents are self-employed. Therefore, it can be concluded that majority of the respondent's occupation are salaried.

Table 4.6 Showing Monthly Income of The Respondents.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Below 15000	24	13.5
15000-30000	40	22.5
30000-45000	36	20.2
Above 45000	78	43.8
TOTAL	178	100.0

Source: Primary Data

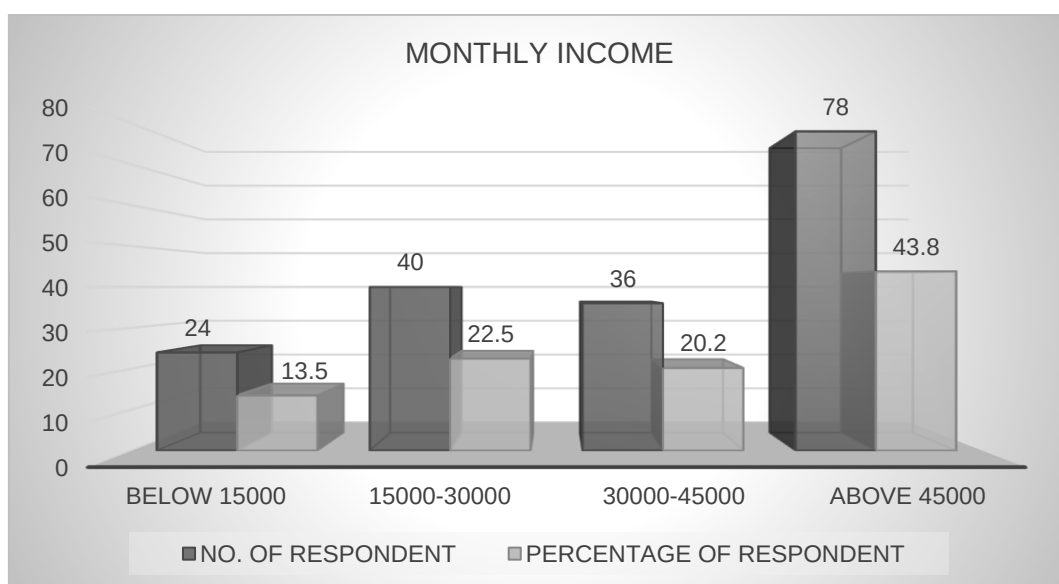


Chart 4.6 Chart Showing Monthly Income of The Respondents.

Interpretation

From the above table it is interpreted that 13.5% of the respondent's monthly income are below 15000, 22.5% of the respondent's monthly income are 15000 to 30000, 20.2% of the respondent's monthly income are 30000-45000 and 43.8% of the respondent's monthly income are above 45000. Therefore, it can concluded that majority of the respondent's monthly income are above 45000.

Table 4.7 Showing Respondents Opinion as To Whether Poor Investment Skills of Investors in Online Share Trading Leads to Risk.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
Strongly Agree	93	52.2
Agree	69	38.8
Neither Agree nor Disagree	12	6.7
Disagree	4	2.3
Strongly Disagree	0	0
TOTAL	178	100.0

Source: Primary Data

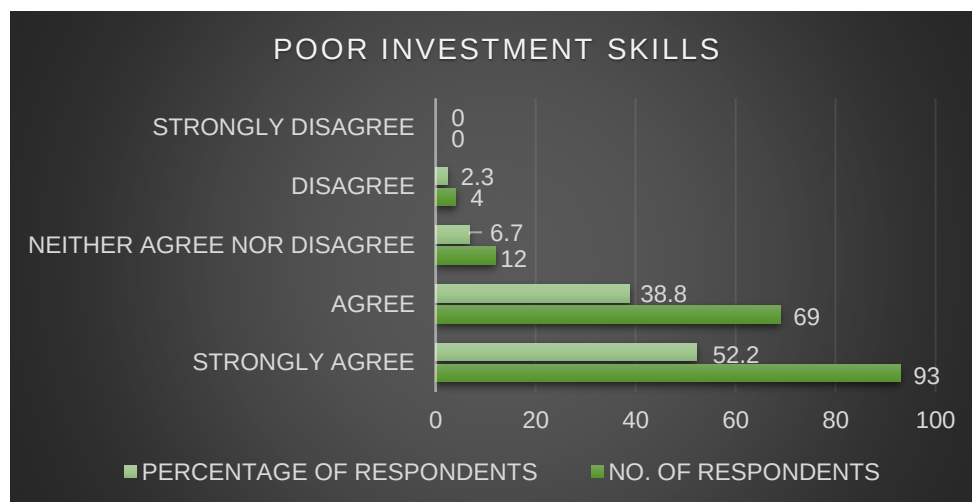


Chart 4.7 Showing Respondents Opinion as To Whether Poor Investment Skills of Investors in Online Share Trading Will Leads to A Risk.

Interpretation

From the above table it is interpreted that 52.2% of the respondents are strongly agree, 38.8% of the respondents are agree, 6.7% of the respondents neither agree nor disagree and 2.3% of the respondents are disagree that poor investment skills in online share trading will lead to a risk. Therefore, it can be concluded that majority of the respondents strongly agree that poor investment skills of investors in online share trading will lead to a risk.

Table 4.8 Showing Respondents Opinion as To Whether Insufficient Information Also Affects the Decision Making of The Investors in Online Share Trading.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
Strongly Agree	85	47.8
Agree	78	43.8
Neither Agree nor Disagree	14	7.8
Disagree	0	0
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

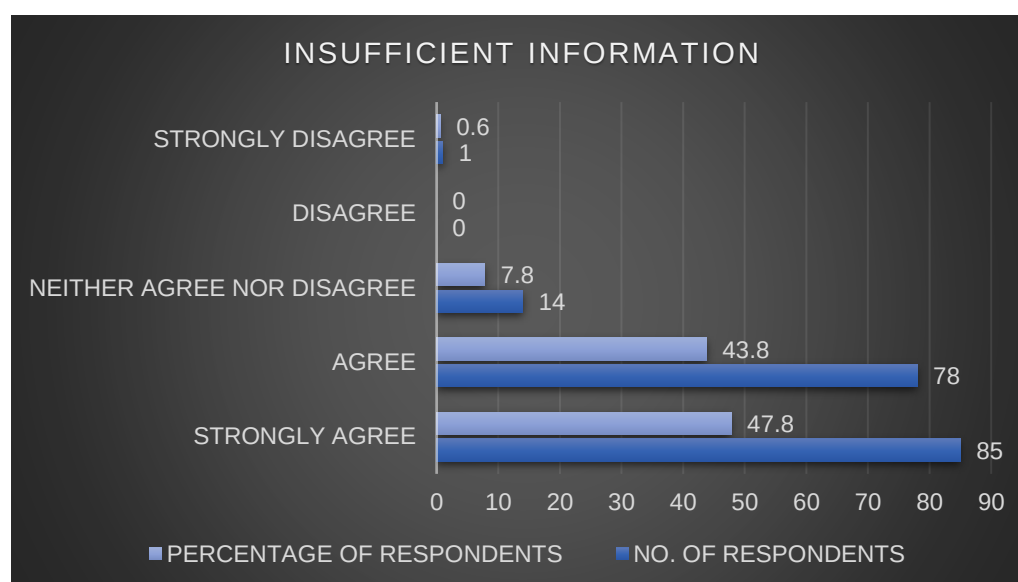


Chart 4.8 Showing Respondents Opinion as To Whether Insufficient Information Also Affects the Decision Making of The Investors in Online Share Trading.

Interpretation

From the above table it is interpreted that 47.8% of the respondents are strongly agree, 43.8% of the respondents are agree, 7.8% of the respondents neither agree nor disagree and 0.6% of the respondents are strongly disagree that insufficient information also affects the decision making in online share trading. Therefore, it can be concluded that majority of the respondents strongly agree that insufficient information also affects the decision making of the investors in online share trading.

Table 4.9 Showing Source of Information Lacked the Most During Online Share Trading.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
Trading Information	36	20.2
Technology Information	21	11.8
Market Information	52	29.2
All the Above	69	38.8
TOTAL	178	100.0

Source: Primary Data

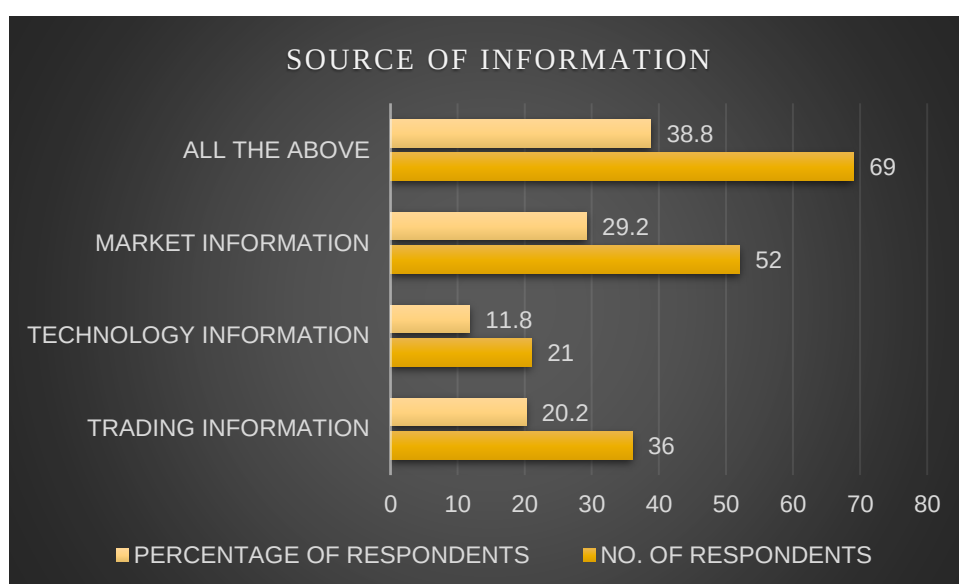


Chart 4.9 Showing Source of Information Lacked the Most During Online Share Trading.

Interpretation

From the above table it is interpreted that 20.2% of the respondents are lacked in trading information, 11.8% of the respondents are lacked in technology information, 29.2% of the respondents are lacked in market information and 38.8% of the respondents are lacked in all the source of information during online share trading. Therefore, it can be concluded that majority of the respondents lacked in all the source of information during online share trading.

Table 4.10 Showing Respondents Opinion as To Whether an Investor with Computer Illiteracy Cannot Sustain in Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	37	20.8
Agree	75	42.1
Neither Agree nor Disagree	35	19.7
Disagree	30	16.8
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

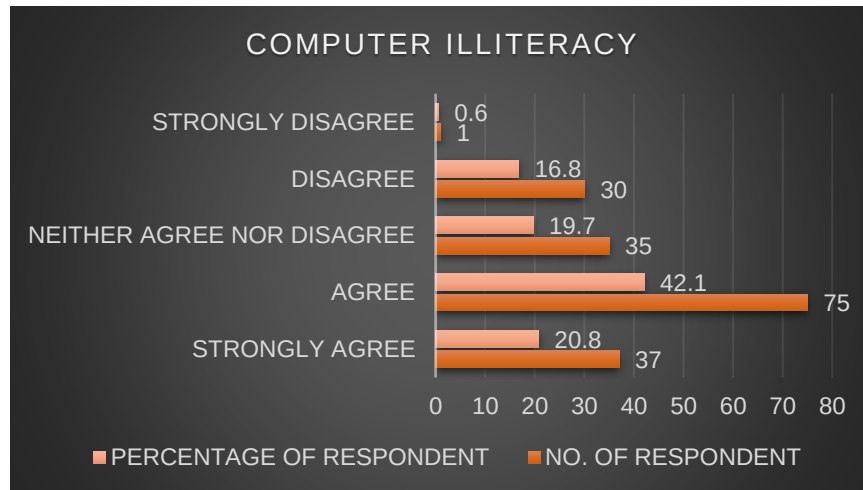


Chart 4.10 Showing Respondents Opinion as To Whether an Investor with Computer Illiteracy Cannot Sustain in Online Share Trading.

INTERPRETATION

From the above table it is interpreted that 20.8% of the respondents are strongly agree, 42.1% of the respondents are agree, 19.7% of the respondents neither agree nor disagree, 16.8% of the respondents are disagree and 0.6% of the respondents are strongly disagree that an investor with computer illiteracy cannot sustain in online share trading. Therefore, it can be concluded that majority of the respondents agree that an investor with computer illiteracy cannot sustain in online share trading.

Table 4.11 Showing Respondents Opinion as To Whether Technical Problems Are One of The Major Barriers in Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	39	21.9
Agree	85	47.8
Neither Agree nor Disagree	33	18.5
Disagree	20	11.2
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

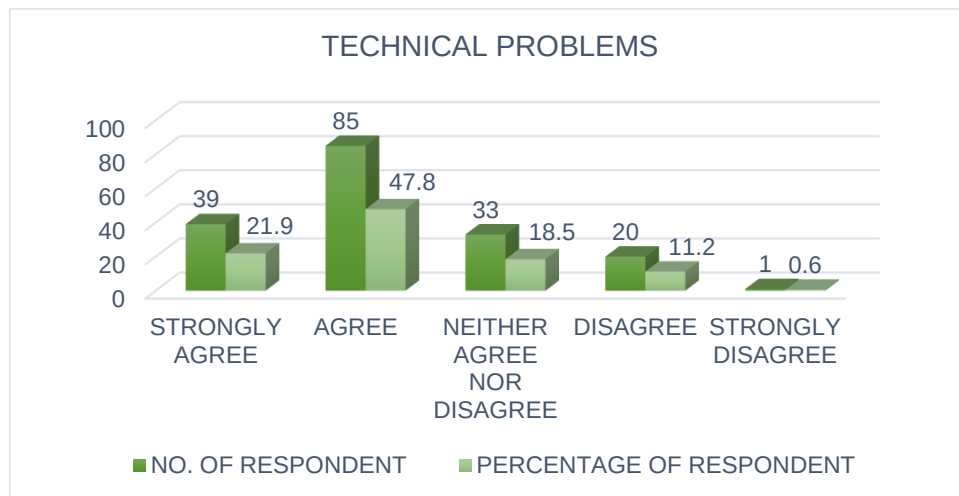


Chart 4.11 Showing Respondents Opinion as To Whether Technical Problems Are One of The Major Barriers in Online Share Trading.

Interpretation

From the above table it is interpreted that 21.9% of the respondents are strongly agree, 47.8% of the respondents are agree, 18.5% of the respondents neither agree nor disagree, 11.2% of the respondents are disagree and 0.6% of the respondents are strongly disagree that technical problems are one of the major barriers in online share trading. Therefore, it can be concluded that majority of the respondents agree that technical problems are one of the major barriers in online share trading.

Table 4.12 Showing Technical Issues Faced by The Investors in Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Most Frequently	11	6.2
Frequently	47	26.4
Occasionally	76	42.7
Rarely	28	15.7
Never	16	9
TOTAL	178	100.0

Source: Primary Data

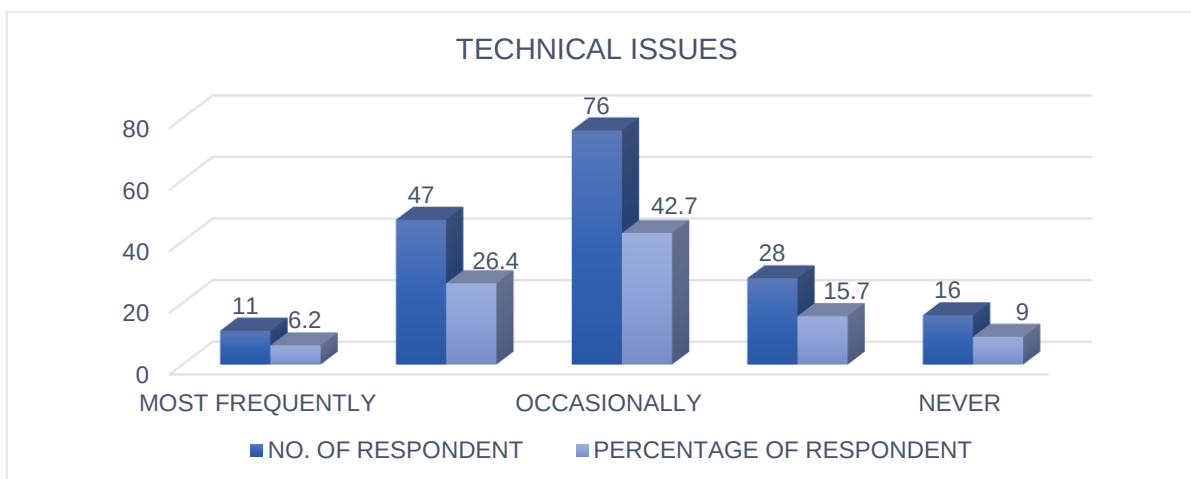


Chart 4.12 Showing Technical Issues Faced by The Investors in Online Share Trading.

Interpretation

From the above table it is interpreted that 6.2% of the respondents faced most frequently, 26.4% of the respondents faced frequently, 42.7% of the respondents faced occasionally, 15.7% of the respondents faced rarely and 9% of the respondents never faced technical issues in online share trading. Therefore, it can be concluded that majority of the respondents occasionally faced the technical issues in online share trading.

Table 4.13 Showing Respondents Opinion as To Whether Risk of System Failure Is the Most Common Threat in Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	28	15.7
Agree	90	50.6
Neither Agree nor Disagree	44	24.7
Disagree	15	8.4
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

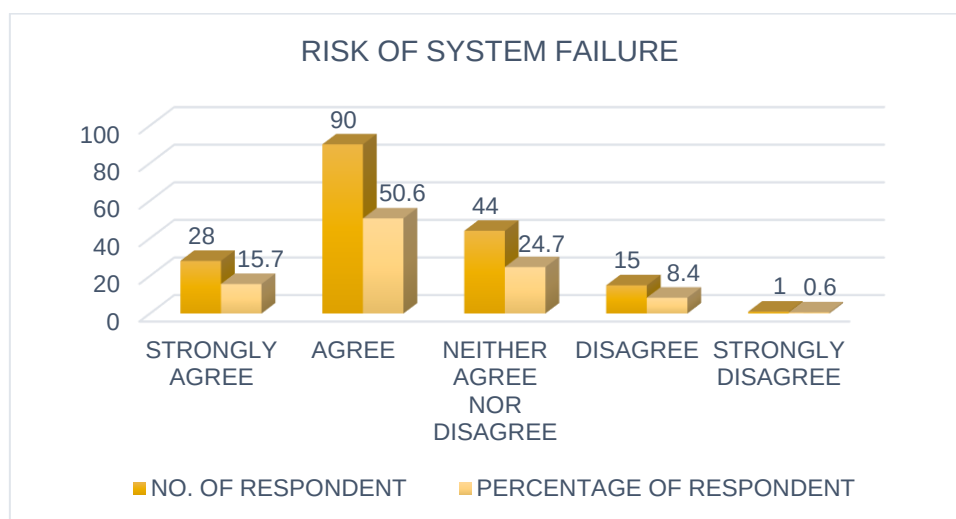


Chart 4.13 Showing Respondents Opinion as To Whether Risk of System Failure Is the Most Common Threat in Online Share Trading.

Interpretation

From the above table it is interpreted that 15.7% of the respondents are strongly agree, 50.6% of the respondents are agree, 24.7% of the respondents neither agree nor disagree, 8.4% of the respondents are disagree and 0.6% of the respondents are strongly disagree that risk of system failure is the most common threat in online share trading. Therefore, it can be concluded that majority of the respondents agree that risk of system failure is the most common threat in online share trading.

Table 4.14 Showing Respondents Opinion as To Whether Network Issues Interrupt Trading Analysis.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	43	24.1
Agree	85	47.7
Neither Agree nor Disagree	35	19.7
Disagree	14	7.9
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

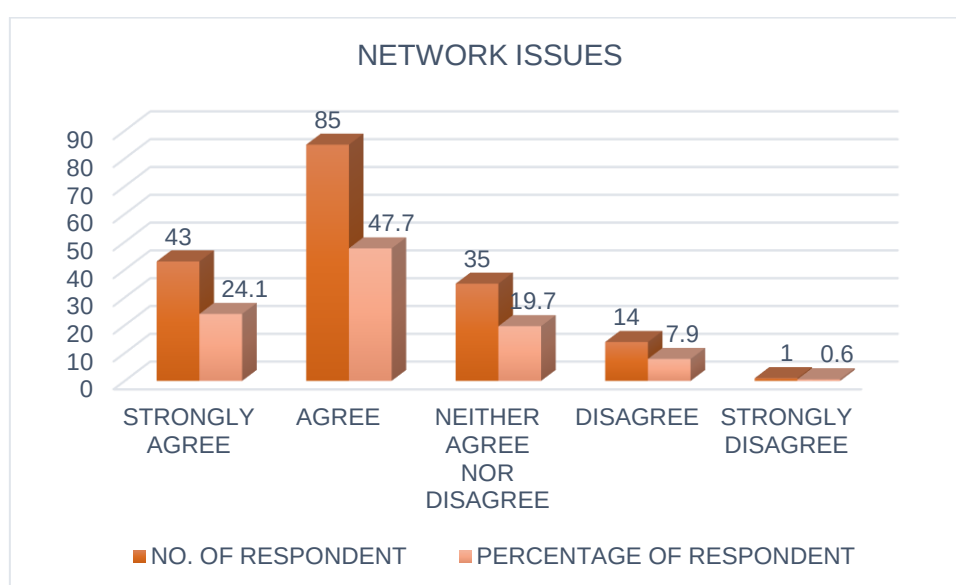


Chart 4.14 Showing Respondents Opinion as To Whether Network Issues Interrupt Trading Analysis.

Interpretation

From the above table it is interpreted that 24.1% of the respondents are strongly agree, 47.7% of the respondents are agree, 19.7% of the respondents neither agree nor disagree, 7.9% of the respondents are disagree and 0.6% of the respondents are strongly disagree that network issues interrupt trading analysis. Therefore, it can be concluded that majority of the respondents agree that network issues interrupt trading analysis.

Table 4.15 Showing Risk Taking Ability of The Investors in Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Low	58	32.6
Moderate	105	59
High	15	8.4
TOTAL	178	100.0

Source: Primary Data

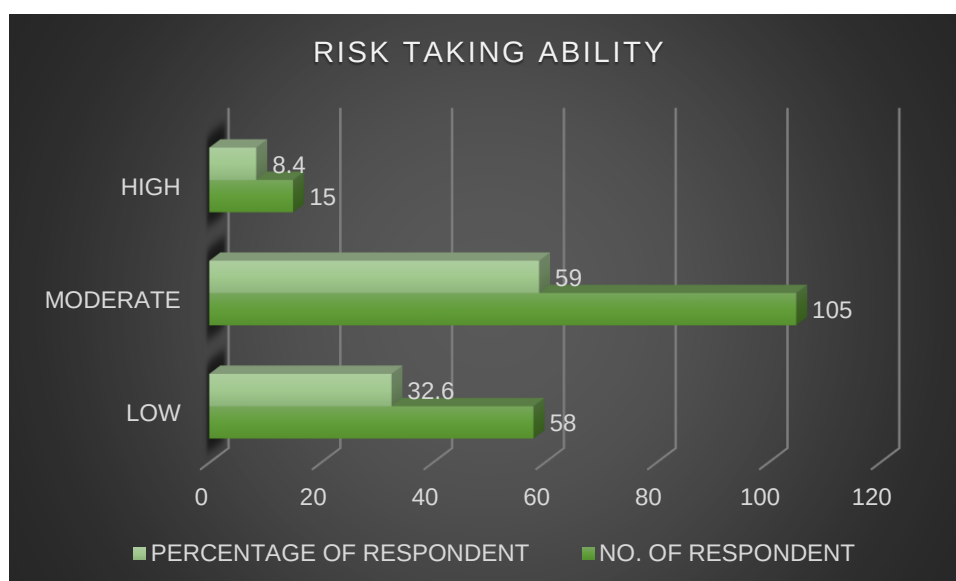


Chart 4.15 Showing Risk Taking Ability of The Investors in Online Share Trading.

Interpretation

From the above table it is interpreted that 32.6% of the respondents prefer to take low risk, 59% of the respondents prefer to take moderate risk and 8.4% of the respondents prefer to take high risk in online share trading. Therefore, it can be concluded that majority of the respondents are willing to take moderate risk.

Table 4.16 Showing Investors as A Risk Taker in Online Share Trading.

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE OF RESPONDENTS
Reckless Risk Taker	16	9
Willing to Take Evaluated Risk	60	33.7
Careful Risk Taker	92	51.7
Extremely Adverse Risk Taker	10	5.6
TOTAL	178	100.0

Source: Primary Data

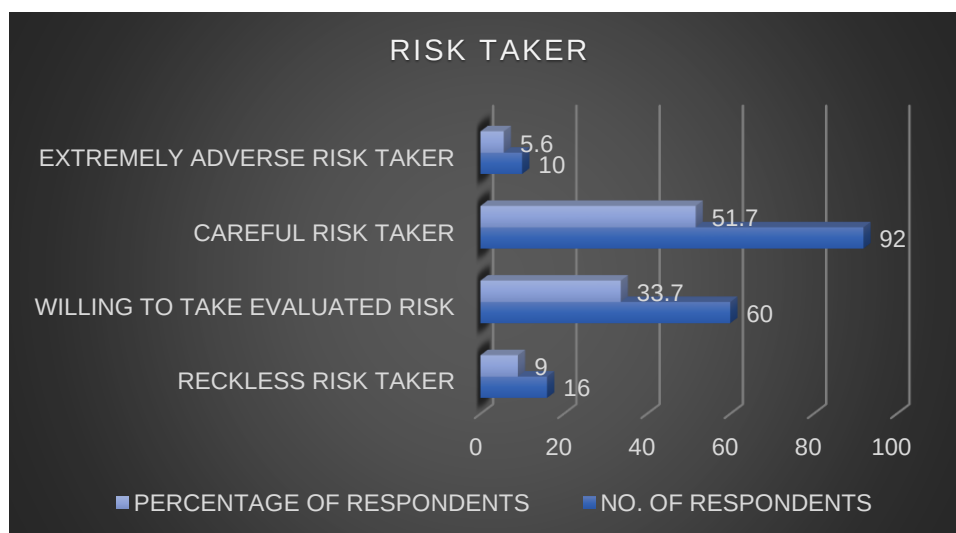


Chart 4.16 Showing Investors as A Risk Taker in Online Share Trading.

Interpretation

From the above table it is interpreted that 9% of the respondents describe themselves as a reckless risk taker, 33.7% of the respondents willing to take evaluated risk, 51.7% of the respondents are careful risk taker and 5.6% of the respondents are extremely adverse risk taker. Therefore, it can be concluded that majority of the respondents are careful risk taker.

Table 4.17 Showing Respondents Opinion as To Whether Protecting Portfolio Is More Important Than High Returns.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	44	24.7
Agree	99	55.6
Neither Agree nor Disagree	23	12.9
Disagree	10	5.6
Strongly Disagree	2	1.2
TOTAL	178	100.0

Source: Primary Data

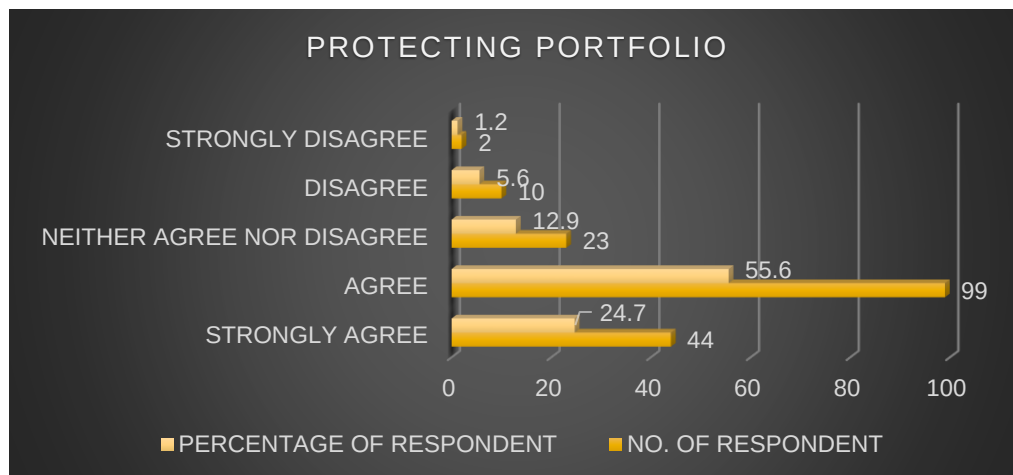


Chart 4.17 Showing Respondents Opinion as To Whether Protecting Portfolio Is More Important Than High Returns.

Interpretation

From the above table it is interpreted that 24.7% of the respondents are strongly agree, 55.6% of the respondents are agree, 12.9% of the respondents neither agree nor disagree, 5.6% of the respondents are disagree and 1.2% of the respondents are strongly disagree that protecting portfolio is more important for them than high returns. Therefore, it can be concluded that majority of the respondents agree that protecting portfolio is more important than high returns.

Table 4.18 Showing Respondents Opinion as To Whether Financial Decision Taken by The Investors Has Been Risky in The Past.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	17	9.6
Agree	84	47.2
Neither Agree nor Disagree	43	24.1
Disagree	31	17.4
Strongly Disagree	3	1.7
TOTAL	178	100.0

Source: Primary Data



Chart 4.18 Showing Respondents Opinion as To Whether Financial Decision Taken by The Investors Has Been Risky in The Past.

Interpretation

From the above table it is interpreted that 9.6% of the respondents are strongly agree, 47.2% of the respondents are agree, 24.2% of the respondents neither agree nor disagree, 17.4% of the respondents are disagree and 1.7% of the respondents are strongly disagree that their financial decisions has been risky in the past. Therefore, it can be concluded that majority of the respondents agree that their financial decisions has been risky in the past.

Table 4.19 Showing Respondents Opinion as To Whether Online Share Trading Has Enough Security Measures to Protect Personal and Financial Information.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	17	9.5
Agree	90	50.6
Neither Agree nor Disagree	55	30.9
Disagree	16	9
Strongly Disagree	0	0
TOTAL	178	100.0

Source: Primary Data

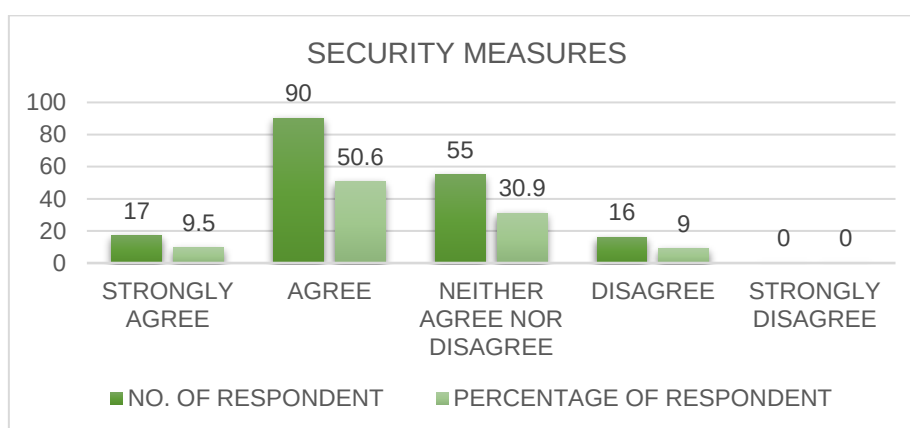


Chart 4.19 Showing Respondents Opinion as To Whether Online Share Trading Has Enough Security Measures to Protect Personal and Financial Information.

Interpretation

From the above table it is interpreted that 9.5% of the respondents are strongly agree, 50.6% of the respondents are agree, 30.9% of the respondents neither agree nor disagree and 9% of the respondents are disagree that online share trading has enough security measures to protect personal and financial information. Therefore, it can be concluded that majority of the respondents agree that online share trading has enough security measures to protect personal and financial information.

Table 4.20 Showing Respondents Opinion as To Whether Data Sent to Online Trading System Cannot Not Be Intercepted by Unauthorized Third Parties.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	24	13.5
Agree	80	44.9
Neither Agree nor Disagree	46	25.8
Disagree	26	14.6
Strongly Disagree	2	1.2
TOTAL	178	100.0

Source: Primary Data

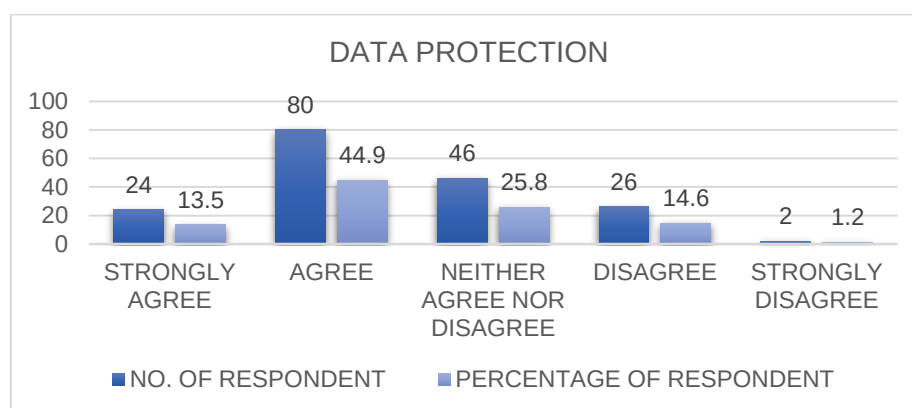


Chart 4.20 Showing Respondents Opinion as To Whether Data Sent to Online Trading System Cannot Not Be Intercepted by Unauthorized Third Parties.

Interpretation

From the above table it is interpreted that 13.5% of the respondents are strongly agree, 44.9% of the respondents are agree, 25.8% of the respondents neither agree nor disagree, 14.6% of the respondents are disagree and 1.2% of the respondents are strongly disagree that data sent to online trading system cannot not be intercepted by unauthorized third parties. Therefore, it can be concluded that majority of the respondents agree that data sent to online trading system cannot not be intercepted by unauthorized third parties.

Table 4.21 Showing Respondents Opinion as To Whether Online Share Trading Has Sufficient Technical Capacity to Ensure That the Data Cannot Be Modified by The Third Party.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	24	13.5
Agree	89	50
Neither Agree nor Disagree	51	28.6
Disagree	14	7.9
Strongly Disagree	0	0
TOTAL	178	100.0

Source: Primary Data

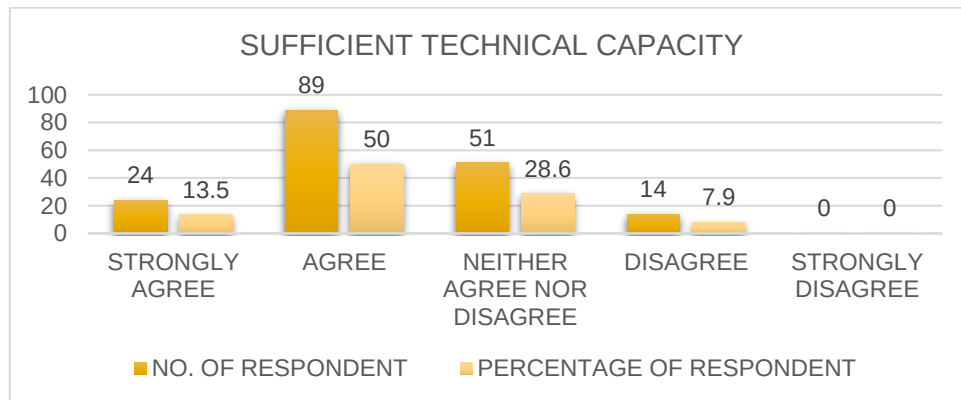


Chart 4.21 Showing Respondents Opinion as To Whether Online Share Trading Has Sufficient Technical Capacity to Ensure That the Data Cannot Be Modified by The Third Party.

Interpretation

From the above table it is interpreted that 13.5% of the respondents are strongly agree, 50% of the respondents are agree, 28.6% of the respondents neither agree nor disagree and 7.9% of the respondents are disagree that online share trading has sufficient technical capacity to ensure that the data cannot be modified by the third party. Therefore, it can be concluded that majority of the respondents agree that online share trading has sufficient technical capacity to ensure that the data cannot be modified by the third party.

Table 4.22 Showing Respondents Opinion as To Whether Online Share Trading Is Secured as Compared to Offline Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	23	12.9
Agree	74	41.6
Neither Agree nor Disagree	47	26.4
Disagree	31	17.4
Strongly Disagree	3	1.7
TOTAL	178	100.0

Source: Primary Data

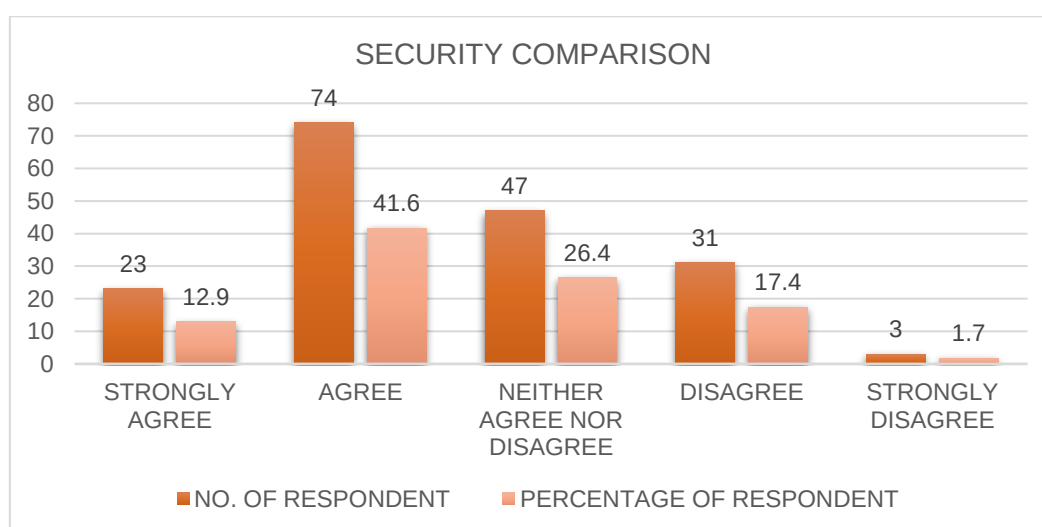


Chart 4.22 Showing Respondents Opinion as To Whether Online Share Trading Is Secured as Compared to Offline Share Trading.

Interpretation

From the above table it is interpreted that 12.9% of the respondents are strongly agree, 41.6% of the respondents are agree, 26.4% of the respondents neither agree nor disagree, 17.4% of the respondents are disagree and 1.7% of the respondents are strongly disagree that online share trading is secured as compared to offline share trading. Therefore, it can be concluded that majority of the respondents agree that online share trading is secured as compared to offline share trading.

Table 4.23 Showing Respondents Opinion as To Whether Online Share Trading Is Trustworthy.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	26	14.6
Agree	90	50.6
Neither Agree nor Disagree	41	23
Disagree	16	9
Strongly Disagree	5	2.8
TOTAL	178	100.0

Source: Primary Data

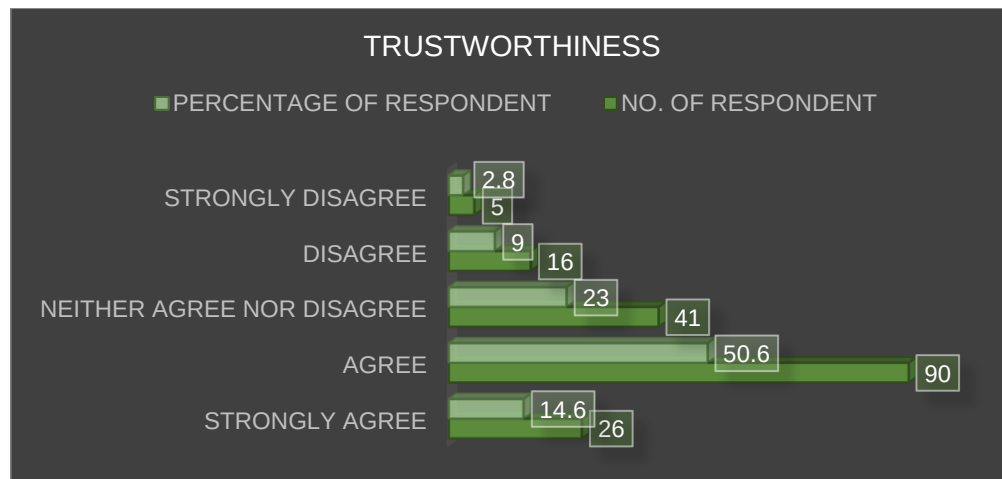


Chart 4.23 Showing Respondents Opinion as To Whether Online Share Trading Is Trustworthy.

Interpretation

From the above table it is interpreted that 14.6% of the respondents are strongly agree, 50.6% of the respondents are agree, 23% of the respondents neither agree nor disagree, 9% of the respondents are disagree and 2.8% of the respondents are strongly disagree that online share trading is trustworthy. Therefore, it can be concluded that majority of the respondents agree that online share trading is trustworthy.

Table 4.24 Showing Respondents Opinion as To Whether Online Share Trading Are Competent and Effective as Financial Dealer and Broker.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	22	12.3
Agree	100	56.2
Neither Agree nor Disagree	41	23
Disagree	14	7.9
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

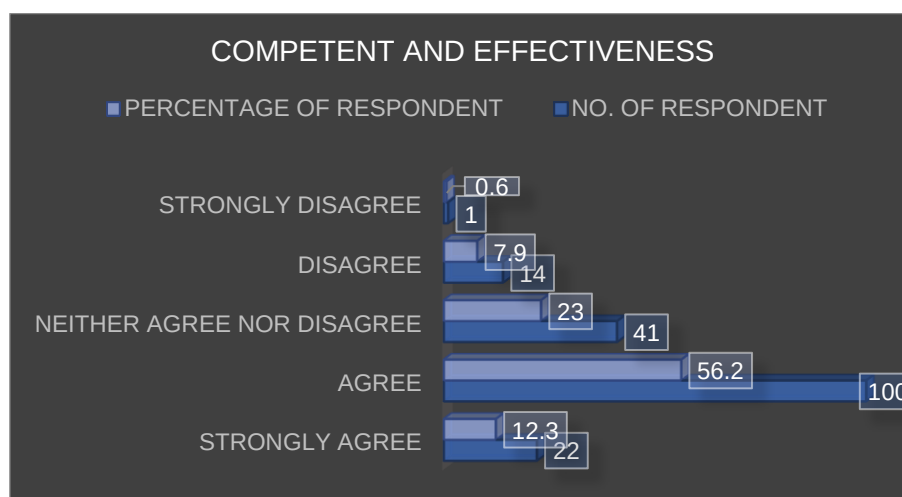


Chart 4.24 Showing Respondents Opinion as To Whether Online Share Trading Are Competent and Effective as Financial Dealer and Broker.

Interpretation

From the above table it is interpreted that 12.3% of the respondents are strongly agree, 56.2% of the respondents are agree, 23% of the respondents neither agree nor disagree, 7.9% of the respondents are disagree and 0.6% of the respondents are strongly disagree that online share trading are competent and effective as financial dealer and broker. Therefore, it can be concluded that majority of the respondents agree that online share trading are competent and effective as financial dealer and broker.

Table 4.25 Showing Respondents Opinion as To Whether Online Share Trading Has A Good Reputation as Financial Dealer and Broker.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	27	15.2
Agree	93	52.2
Neither Agree nor Disagree	38	21.3
Disagree	19	10.7
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

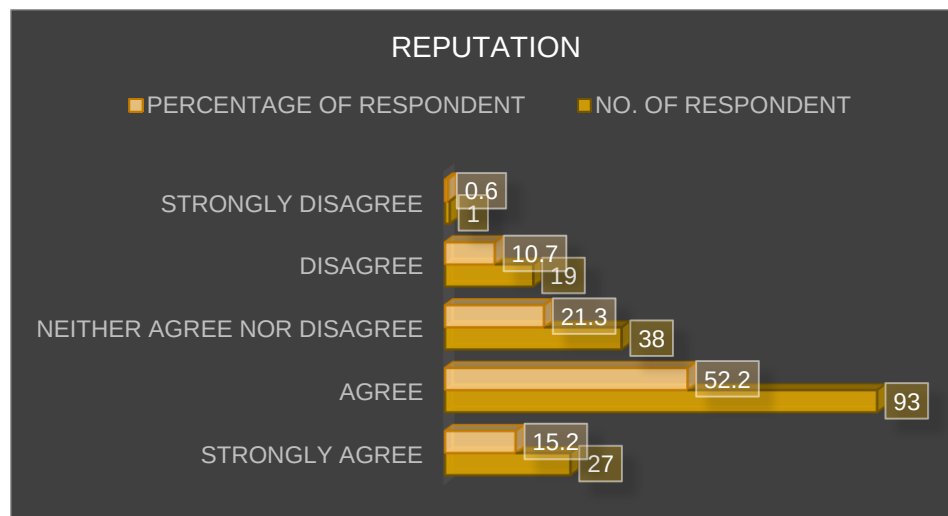


Chart 4.25 Showing Respondents Opinion as To Whether Online Share Trading Has A Good Reputation as Financial Dealer and Broker.

Interpretation

From the above table it is interpreted that 15.2% of the respondents are strongly agree, 52.2% of the respondents are agree, 21.3% of the respondent neither agree nor disagree, 10.7% of the respondents are disagree and 0.6% of the respondents are strongly disagree that online share trading has a good reputation as financial dealer and broker. Therefore, it can be concluded that majority of the respondents agree that online share trading has a good reputation as financial dealer and broker.

Table 4.26 Showing Respondents Opinion as To Whether There Is No Doubt on The Honest of The Online Share Trading.

PARTICULARS	NO. OF RESPONDENT	PERCENTAGE OF RESPONDENT
Strongly Agree	25	14
Agree	85	47.7
Neither Agree nor Disagree	45	25.3
Disagree	22	12.4
Strongly Disagree	1	0.6
TOTAL	178	100.0

Source: Primary Data

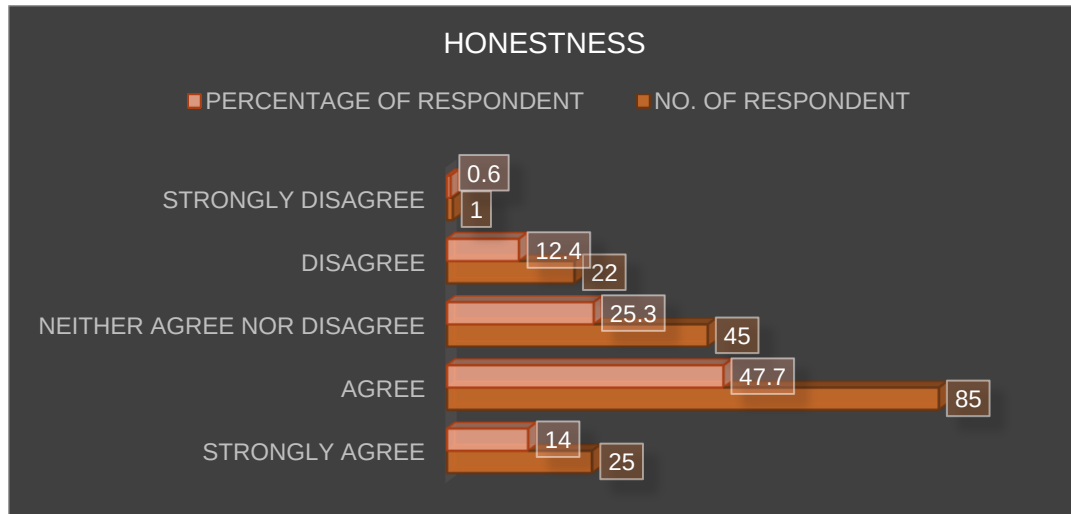


Chart 4.26 Showing Respondents Opinion as To Whether There Is No Doubt on The Honest of The Online Share Trading.

Interpretation:

From the above table it is interpreted that 14% of the respondents are strongly agree, 47.7% of the respondents are agree, 25.3% of the respondents neither agree nor disagree, 12.4% of the respondents are disagree and 0.6% of the respondents are strongly disagree that there is no doubt on the honest of the online share trading. Therefore, it can be concluded that majority of the respondents agree that there is no doubt on the honest of the online share trading.

4.2 INFERENCE ANALYSIS

4.2.1 ANOVA TEST

NULL HYPOTHESIS (H₀) - There is no significant difference among various occupation on risk tolerance level of investors.

ALTERNATIVE HYPOTHESIS (H₁) - There is significant difference among various occupation on risk tolerance level of investors.

Table 4.2.1.1 Showing Descriptive Statistics.

Descriptive

RISK TOLERANCE LEVEL

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for		Minimum	Maximum
					Mean			
					Lower Bound	Upper Bound		
1	83	2.1536	.41656	.04572	2.0627	2.2446	1.00	3.25
2	11	2.4545	.38435	.11589	2.1963	2.7128	1.75	3.00
3	48	2.3385	.35911	.05183	2.2343	2.4428	1.50	3.00
4	36	2.1319	.42463	.07077	1.9883	2.2756	1.25	3.00
Total	178	2.2177	.41171	.03086	2.1568	2.2786	1.00	3.25

Table 4.2.1.2 Showing ANOVA Of the Respondents Between Occupation and Risk Tolerance Level.

ANOVA

RISK TOLERANCE LEVEL

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.924	3	.641	3.974	.009
Within Groups	28.078	174	.161		
Total	30.002	177			

Source: Primary Data

RESULT

ANOVA was performed to examine the difference among various occupation on risk tolerance level.

Result of ANOVA showed P value 0.009 is less than 0.05. Hence null hypothesis is rejected. There is significant difference among various occupation on risk tolerance level of investors.

ANOVA TEST

NULL HYPOTHESIS (H0) - There is no significant difference among various age on technical problems faced by the investors.

ALTERNATIVE HYPOTHESIS (H1) - There is significant difference among various age on technical problems faced by the investors.

Table 4.2.1.3 Showing Descriptive Statistics.

Descriptive								
TECHNICAL PROBLEMS								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1	53	2.2311	.69657	.09568	2.0391	2.4231	1.00	4.00
2	44	2.5227	.66869	.10081	2.3194	2.7260	1.25	4.00
3	47	2.3936	.68116	.09936	2.1936	2.5936	1.25	3.75
4	34	2.4632	.59713	.10241	2.2549	2.6716	1.50	3.75
Total	178	2.3904	.67172	.05035	2.2911	2.4898	1.00	4.00

Table 4.2.1.4 Showing ANOVA Of the Respondents Between Age and Technical Problems Faced by The Investors.

ANOVA					
TECHNICAL PROBLEMS					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.296	3	.765	1.717	.165
Within Groups	77.568	174	.446		
Total	79.864	177			

Source: Primary Data

RESULT

ANOVA was performed to examine the difference among various age on technical problems faced by the investors.

Result of ANOVA showed P value 0.165 is more than 0.05. Hence null hypothesis is accepted. There is no significant difference among various age on technical problems faced by the investors.

4.2.2 T-TEST

NULL HYPOTHESIS (H0) - There is no difference between gender and risk tolerance level of the investors.

ALTERNATIVE HYPOTHESIS (H1) - There is difference between gender and risk tolerance level of the investors.

Table 4.2.2.1 Showing Descriptive Statistics.

Group Statistics					
	GENDER	N	Mean	Std. Deviation	Std. Error Mean
RISK TOLERANCE LEVEL	1	138	2.2264	.42168	.03590
	2	40	2.1875	.37872	.05988

Table 4.2.2.2 Showing T-Test of The Respondents Between Gender and Risk Tolerance Level of The Investors.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
RISK TOLERANCE LEVEL	Equal variances assumed	1.294	.257	.526	176	.600	.03895	.07408	-.10726	.18515
	Equal variances not assumed			.558	69.510	.579	.03895	.06982	-.10031	.17821

Source: Primary Data

RESULT

T-TEST was performed to examine the difference among various age on risk tolerance level the investors.

Result of T-TEST showed P value 0.6 is greater than 0.05. Hence null hypothesis is accepted. There is no significant difference between gender and risk tolerance level of the investors

T-TEST

NULL HYPOTHESIS (H0) - There is no difference between monthly income and trust level of the investors.

ALTERNATIVE HYPOTHESIS (H1) - There is difference between monthly income and trust level of the investors.

Table 4.2.2.3 Showing Descriptive Statistics.

Group Statistics					
	MONTHLY INCOME	N	Mean	Std. Deviation	Std. Error Mean
TRUST	1	24	2.2813	.75294	.15369
	2	40	2.5438	.57981	.09168

Table 4.2.2.4 Showing T-Test of The Respondents Between Monthly Income and Trust Level of The Investors.

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
TRUST	Equal variances assumed	1.556	.217	-1.565	62	.123	-.26250	.16769	-.59770	.07270
	Equal variances not assumed			-1.467	39.341	.150	-.26250	.17896	-.62438	.09938

Source: Primary Data

RESULT

T-TEST was performed to examine the difference among various monthly income on trust level the investors.

Result of T-TEST showed P value 0.15 is greater than 0.05. Hence null hypothesis is accepted. There is no significant difference between monthly income and trust level of the investors.

4.2.3 CORRELATION

NULL HYPOTHESIS (H0) - There is no relationship between insufficient information, technical problems, risk tolerance level, trust and security on online share trading.

ALTERNATIVE HYPOTHESIS (H1) - There is relationship between insufficient information, technical problems, risk tolerance level, trust and security on online share trading.

Table 4.2.3.1 Showing Correlation of The Respondents Between Insufficient Information, Technical Problems, Risk Tolerance Level, Trust and Security on Online Share Trading.

		Correlations				
		INSUFFICIENT INFORMATION	TECHNICAL PROBLEMS	RISK TOLERANCE LEVEL	TRUST	SECURITY
INSUFFICIENT INFORMATION	Pearson Correlation Sig. (2-tailed) N	1 178				
TECHNICAL PROBLEMS	Pearson Correlation Sig. (2-tailed) N	.281** .000 178	1 178			
RISK TOLERANCE LEVEL	Pearson Correlation Sig. (2-tailed) N	.166* .027 178	.311** .000 178	1 178		
TRUST	Pearson Correlation Sig. (2-tailed) N	.196** .009 178	.136 .070 178	.253** .001 178	1 178	
SECURITY	Pearson Correlation Sig. (2-tailed) N	.162* .030 178	.153* .041 178	.170* .023 178	.615** .000 178	1 178

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

RESULT

The result from table indicates that insufficient information, technical problems, risk tolerance level, trust and security are positively and significantly correlated with each other. The correlation between insufficient information and technical problems, risk tolerance level and insufficient information, risk tolerance level and technical problems, trust and insufficient information, trust and technical problems, trust and risk tolerance level, security and insufficient information, security and risk tolerance level, security and technical problems, security and trust exhibit a positive correlation. The correlation coefficients are 0.28, 0.16, 0.31, 0.19, 0.13, 0.25, 0.16, 0.15, 0.17, 0.61. Hence the five variables are little correlated, low correlated and moderately correlated.

CHAPTER-5

FINDINDS AND SUGGESTIONS

5.1 FINDINGS

- Most of the respondents are in the age group of less than 30 years.
- Most of the respondents are male.
- Most of the respondents are married.
- Most of the respondents are post graduate.
- Most of the respondents are salaried.
- Most of the respondent's monthly income are above 45000.
- Most of the respondents strongly agree that poor investment skills of investors will leads to risk.
- Most of the respondents strongly agree that insufficient information also affects the decision making of the investors in online share trading.
- Most of the respondents lacked all the three sources of information during online share trading.
- Most of the respondents agree with an investor with computer illiteracy cannot sustain in online share trading.
- Most of the respondents agree that technical problems are one of the major barriers in online share trading.
- Most of the respondents occasionally faced the technical issues in online share trading.
- Most of the respondents agree that risk of system failure is the most common threat in online share trading.
- Most of the respondents agree that network issues interrupt trading analysis.
- Most of the respondents preferred to take moderate risk.
- Most of the respondents described themselves as a careful risk taker.
- Most of the respondents agree that protecting their portfolio is more important than high returns.
- Most of the respondents agree that their financial decision has been risky in the past.

- Most of the respondents agree that online share trading has enough security measures to protect personal and financial information.
- Most of the respondents agree that data sent to online share trading system cannot not be intercepted by unauthorized third parties.
- Most of the respondents agree that online share trading has sufficient technical capacity to ensure that the data cannot be modified by the third party.
- Most of the respondents agree that online share trading is secured as compared to offline share trading.
- Most of the respondents agree that online share trading is trustworthy.
- Most of the respondents agree that online share trading are competent and effective as financial dealer and broker.
- Most of the respondents agree that online share trading has a good reputation as financial dealer and broker.
- Most of the respondents agree that there is no doubt on the honest of the online share trading.
- There is significance difference between occupation in regard to risk tolerance level of the investors in online share trading.
- There is no significance difference between age in regard to technical problems in online share trading.
- There is no difference between gender in regard to risk tolerance level of the investors in online share trading.
- There is no difference between monthly income in regard to trust level of investors towards online share trading.
- The correlation between the insufficient information, technical problems, risk tolerance level, trust and security are low and moderate.

5.2 SUGGESTIONS

- In online share trading, particular attention should be paid to the long-term strategy.
- The brokers should update day to day information to their investors. So that they will get to know more about online trading and also investors will not face any difficulties during online share trading.
- The brokers should intimate the online investors by ensuring the instant e-mail messages for each and every stage of transactions. So that it will obviously remove the major difficulties and improve the satisfaction level of the investors.
- Online financial dealers and stock brokers should improve their web security features in order to enhance the online investors trust in online share trading.
- The brokers should attract online investors to engage in transactions directly and also indirectly, through a high perception of trust. Perception of high security of the online share trading facilitate the trust in online investors.
- Online financial dealers should help online investors to search for profitable transactions quickly by providing them with full and detailed information's that may mitigate investors doubt and also allowing them to accomplish effective and efficient online securities transactions.
- Investors should be educated by giving seminars, lectures and practical knowledge before entering into the online share trading as computer knowledge is very much important. An investor with computer illiteracy will not able to sustain online share trading.
- The brokers should educate their investors with basic investment skills and tricks so that the investors will be confident while trading and also there will be increase in the satisfaction level of the investors towards online share trading.
- The big risk in online share trading is that of technical problems. The investors should ensure that the broker has a back-up option before online trading where the investors can call the customer support centre and execute the transaction over the plan.

- BSE and NSE have recently developed proprietary trading engines called webex and dotex. These engines will obviate the need for a broker to develop his own engine and the investors can trade electronically with superior technology.
- These suggestions will form a platform to allow companies with worldwide demand to experience 24 hours trading of their shares. This would be an innovative and a bold move and is expected to lead to a better price discovery on global basis.

5.2 CONCLUSION

Online trading has become a serious trend available markets round the world due to its lower commission cost for trading, faster trade execution, more control and adaptability over the kinds of transaction investors prefer to conduct, and no time or geographical limitations. In other words, online stock trading has created an urge to trade and a desire to possess more control over what investors are investing in.

Growth of online stock trading is increasing year by year. There are many problems and challenges involved on online stock trading like technical problems, more chances of fraud, high transaction cost, trust, security etc. There also are many advantages in online stock trading like speedier, more choices available, inexpensive etc. We must improve the system of online stock trading. Most of the investors like better to take moderate risk. Online trading empowers educated investors to form their own decision with close watch on market sensitivity by browsing through various sites. Major challenges for the expansion of online stock trading are technical problems, computer illiteracy, poor infrastructure, risk adverse attitude of investors etc. Thus, with the expansion of educated investors and support from rules and regulation, online trading is certain to grow faster. we should always improve the reliability of brokers and develop proper system for online share trading.

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APPENDIX – I

QUESTIONARIES

- 1) Name:
- 2) Age group:
 - a) Less than 30years b) 30-40years c) 40-50 years d) Above 50 years
- 3) Gender:
 - a) Female b) Male
- 4) Marital Status:
 - a) Married b) Single
- 5) Educational Qualification:
 - a) Graduate b) Post Graduate c) Diploma d) Non-Graduate
- 6) Occupation:
 - a) Salaried b) Government c) Private d) Self- Employed
- 7) Monthly Income:
 - a) Below Rs15000 b) Rs15000-Rs30000 c) Rs30000-Rs45000 d) Above Rs45000
- 8) Poor investment skills of investors in online share trading will lead to a risk. How well do you agree with the above statement?
 - a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree
- 9) Insufficient information also affects the decision making of the investors in online share trading?
 - a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree

- 10) During online share trading, which source of information you lacked the most?
- a) Trading information
 - b) Technology information
 - c) Market information
 - d) All the above
- 11) An investor with computer illiteracy cannot sustain in online share trading?
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree
- 12) Technical problems are one of the major barriers in online share trading.
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree
- 13) How frequently have you faced technical issues in online share trading?
- a) Most frequently
 - b) Frequently
 - c) Occasionally
 - d) Rarely
 - e) Never
- 14) Risk of system failure is the most common threat in online share trading.
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree

15) Network issues interrupt trading analysis. How well do you agree with the above statement?

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

16) As an investor to what extend you take risk in online share trading?

- a) Low
- b) Moderate
- c) High

17) How would you describe yourself as a risk- taker?

- a) Reckless risk taker
- b) Willing to take evaluated risk
- c) Careful risk taker
- d) Extremely adverse risk taker

18) Protecting my portfolio is more important to me than high returns.

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

19) In the past, your financial decision has been risky?

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

20) Online share trading has enough security measures to protect personal and financial information.

- a) Strongly agree

- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

21) Data sent to online share trading system cannot not be intercepted by unauthorized third parties.

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

22) Online share trading has sufficient technical capacity to ensure that the data cannot be modified by the third party.

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

23) Online share trading is secured as compared to offline share trading.

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

24) Online share trading is trustworthy. How well do you agree with the above statement?

- a) Strongly agree
- b) Agree
- c) Neither agree nor disagree
- d) Disagree
- e) Strongly disagree

- 25) Online share trading are competent and effective as financial dealer and broker.
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree
- 26) Online share trading has a good reputation as financial dealer and broker
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree
- 27) There is no doubt on the honest of the online share trading.
- a) Strongly agree
 - b) Agree
 - c) Neither agree nor disagree
 - d) Disagree
 - e) Strongly disagree



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A STUDY ON CHALLENGES FACED BY THE INVESTORS IN ONLINE SHARE TRADING

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ABSTRACT - The stock exchange is one among the gripping determinants of the economy and plays a crucial role within the country's financial state. In today's dynamic environment billion of people are connected to the Internet and Indian stock market has also witnessed these changes. The use of online trading increased dramatically within the mid- to late-'90s with the introduction of affordable high-speed computers and internet connections. Online share trading generally requires an online trading platform offered by most online brokers for order execution. This study investigated the challenges faced by the investors in online share trading. Majority of the investors faced the problem of insufficient information and technical problems during online share trading. Primary data were collected from the respondents through the structured questionnaire with the sample of 178 investors. Data collected have been analysed and tested using SPSS. From this study we conclude that there are lots challenges but that can be solved by a successful implementation of online share trading.

KEYWORDS: Online share trading, technical problems, risk-taking ability, trust, security.

1. INTRODUCTION

Online share commercialism could be a basic understanding of on-line commercialism processes. Since the invention of web, individuals are able to do much everything just about. because of the net, on-line commercialism has become one among the foremost well-liked ways in which to trade as so much as stock commercialism clothed to be as out there to freelance investors as attainable. on-line commercialism provides each beginners who've simply had one day commercialism course and advanced traders a chance to trade stocks, options, forex and futures everywhere the planet while not physical presence of a broker and with a lot of lower commissions, as a result of everything is completed on-line. on-line commercialism is that the act of putting buy/sell orders for money securities and/or currencies with the utilization of a brokerage's internet-based proprietary commercialism platforms. the utilization of on-line commercialism inflated dramatically within the mid- to late-'90s with the introduction of cheap high-speed computers and web connections.

1.1. STATEMENT OF THE PROBLEM

Online trading is buying and selling stocks through a brokerage's internet-based proprietary trading platforms. Stocks, bonds, mutual funds, ETFs, options, futures, and currencies can all be traded online. Traditionally, investors and traders need to call their brokerage firms to form a trade for them with a buy order request. The broker would let know the market value and ensure the acquisition order. If the investor is making a limit order, the broker has got to confirm the limit price, how long to stay the order open for, what account to get the shares in (if investor has multiple investment accounts) etc. Although, Investors also face certain challenges in online share trading. The major challenges are lack of sufficient information, technical problems and chances of fraud. As there is no direct communication between the brokers and the investors, investors can't get customised expert advice and this will lead to lack of market knowledge for investing in online trading. Technical problems like risk of system failure, network congestion, electricity failure etc are also considered as the major challenges of the investors as online share trading cannot be done without these technologies.

1.2. OBJECTIVES OF THE STUDY

- To analyse the challenges faced by the investors in online share trading.
- To identify the technical problems faced by the investors.
- To measure the risk-taking ability of the investors in online share trading.
- To investigate the insufficient information faced by the investors in online share trading.

1.3. SCOPE OF THE STUDY

The scope of this study is to know the challenges faced by the investors in online share trading and to identify the risk-taking ability of the investors. The topics and theories that are covered under this study would be insufficient information, technical problems, risk taking ability, security and trust level of the investors. Through this study a better understanding of the investor's intention could be identified.

1.4. LIMITATIONS OF THE STUDY

- The area of data has been restricted to Chennai city.
- The sample size is restricted to 178 investors.
- The time limit was restricted to three months.
- Due to limited sample survey the data collected may not be reliable.
- Analysis is done on the assumption that respondents have given correct information through the questionnaire

II. REVIEWS OF LITERATURE

Barber and Odean (1999) analysed the adjustments in the stock exchanging conduct and speculation execution of investors who change from telephone based to internet exchanging. young fellows who are dynamic merchants with major league salaries and an inclination for putting resources into little development stocks with high market risk are bound to change to internet exchanging.

Juan carlos et al (2008) expressed that apparent trust, helpfulness and usability are significant issues in online share trading frameworks. The findings recommended that online financial sellers and stockbrokers should improve the security of the online framework since online share traders structure insights about its apparent security

Rashid and Nishat (2009) states that most investors were youthful and unpractised however taught, with deficiencies of abilities and pay. The investors put the most grounded accentuation on powerful venture examination, trailed by simplicity of the exchange interaction, successful data the executives and opportune danger management. Quick and less exorbitant speculation handling decidedly affect investors fulfilment.

Manoj (2010) studied about key factors that impact venture conduct and ways these factors sway venture risk resilience and dynamic cycle among people and among various age gatherings. The people might be equivalent taking all things together angles, may even be living nearby, however their monetary arranging needs are totally different

Sultana (2010) study affirms that the individual investors actually like to put resources into monetary items which give risk free returns. From the exact investigation it was tracked down that independent of sex, the greater part of the investors is found have okay resilience level and numerous others have high danger resistance level as opposed to direct risk resilience level.

Abdul rahim (2013) dissected the issues and prospects of online share trading rehearses India and found that the principal advantage determined out of online share trading is more extensive decision followed by better worth and wellspring of data. Results likewise uncovered that deficient innovation is the serious issues looked by online offer brokers followed by absence of expert administration.

Arshia bansal et al (2018) stated the issue and prospects of online stock exchanging solan town of himachal Pradesh and established that insufficient innovation and danger of framework disappointment are the serious issues looked by the investors. Hacking is exceptionally normal in the event of online share trading so there is a need to survey the security framework.

Sakthivel and Saravanakumar (2018) explored investors fulfilment on online share trading and specialized issues looked by the investors in Coimbatore region of Tamilnadu and established that Operational challenges, E-mail affiliation and Lack of insightful abilities are the main specialized issues looked by the investors in online share trading.

Shiji and Jeevitha Priya (2019) analysed the problems faced by the investors in online share trading. Majority of the respondents are concurred with the issues of obligation on exchanging, deficient monetary development, impact of legislators, helpless speculation abilities, high market unpredictability, absence of capital ventures, stock market slumps, deficiency of cash because of accidental variables in online trading exchanging.

Saritha and Lakshmi (2019) stated that Significant obstacles for the development of online stock exchanging are PC ignorance, helpless foundation, hazard unfavourable disposition of investors and so on. Investors purchase value offers or value based common assets since values are viewed as the most fulfilling, when contrasted with other venture choices whenever held over a long span and furthermore established that deficient accessibility of innovation is the serious issue looked by the online share traders.

III. RESEARCH METHODOLOGY

3.1 SAMPLING TECHNIQUE

The sampling method used in this research is Random Sampling Technique.

3.2. SAMPLING SIZE

For this research the sample of population is taken from the individual investors from Chennai city with respect

3.3 DATA SOURCE

The source of data are the primary data was collected through survey from 178 respondents. Secondary data was collected from reviewing various literature related to challenges faced by the investors in online share trading.

3.4 RESEARCH HYPOTHESIS

Hypothesis 1: There is no significant difference between risk tolerance level of investors and occupation.

Hypothesis 2: There is no significant difference between technical problems and age of the investors.

Hypothesis 3: There is no difference between risk tolerance level of the investors and gender.

Hypothesis 4: There is no difference between trust level in online share trading and monthly income of the investors.

Hypothesis 5: There is no relationship between insufficient information, technical problems, risk tolerance level, trust and security level on online share trading.

IV. HYPOTHESIS TESTING AND DATA ANALYSIS

4.1 HYPOTHESIS 1:

NULL HYPOTHESIS (H₀) - There is no significant difference among various occupation on risk tolerance level of investors.

ALTERNATIVE HYPOTHESIS (H₁) - There is significant difference among various occupation on risk tolerance level of investors.

TABLE 1: SHOWING ANOVA BETWEEN OCCUPATION AND RISK TOLERANCE LEVEL.

ANOVA
RISK TOLERANCE LEVEL

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.924	3	.641	3.974	.009
Within Groups	28.078	174	.161		
Total	30.002	177			

RESULT

ANOVA was performed to examine the difference among various occupation on risk tolerance level. Result of ANOVA showed P value 0.009 is less than 0.05. Hence null hypothesis is rejected. There is significant difference among various occupation on risk tolerance level of investors.

4.2 HYPOTHESIS 2:

NULL HYPOTHESIS (H₀) - There is no significant difference among various age on technical problems faced by the investors.

ALTERNATIVE HYPOTHESIS (H₁) - There is significant difference among various age on technical problems faced by the investors

TABLE 2: SHOWING ANOVA BETWEEN AGE AND TECHNICAL PROBLEMS FACED BY THE INVESTORS.

RESULT

ANOVA
TECHNICAL PROBLEMS

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.296	3	.765	1.717	.165
Within Groups	77.568	174	.446		
Total	79.864	177			

ANOVA was performed to examine the difference among various occupation on risk tolerance level. Result of ANOVA showed P value 0.009 is less than 0.05. Hence null hypothesis is rejected. There is significant difference among various occupation on risk-tolerance level of investors.

4.3 HYPOTHESIS: 3

NULL HYPOTHESIS (H₀) - There is no difference between gender and risk tolerance level of the investors.

ALTERNATIVE HYPOTHESIS (H₁) - There is difference between gender and risk tolerance level of the investors.

TABLE SHOWING 3 T-TEST BETWEEN GENDER AND RISK TOLERANCE LEVEL OF THE INVESTORS

RESULT

T-TEST was performed to examine the difference among various age on risk tolerance level the investors. Result of T-TEST showed P value 0.6 is greater than 0.05. Hence null hypothesis is accepted. There is no significant difference between gender and risk tolerance level of the investors.

4.4 HYPOTHESIS: 4

NULL HYPOTHESIS (H₀) - There is no difference between monthly income and trust level of the investors.

ALTERNATIVE HYPOTHESIS (H₁) - There is difference between monthly income and trust level of the investors.

TABLE 4 SHOWING T-TEST OF THE RESPONDENTS BETWEEN MONTHLY INCOME AND TRUST LEVEL OF THE INVESTORS.

Independent Samples Test						
		Levine's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
RISK TOLERANCE LEVEL	Equal variances assumed	1.294	.257	.526	176	.600
	Equal variances not assumed			.558	69.510	.579
Independent Samples Test						
		Levine's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
TRUST	Equal variances assumed	1.556	.217	1.565	62	.123
	Equal variances not assumed			1.467	39.341	.150

RESULT

T-TEST was performed to examine the difference among various monthly income on trust level the investors. Result of T-TEST showed P value 0.15 is greater than 0.05. Hence null hypothesis is accepted. There is no significant difference between monthly income and trust level of the investors.

4.5 HYPOTHESIS: 5

NULL HYPOTHESIS (H₀) - There is no relationship between insufficient information, technical problems, risk tolerance level, trust and security on online share trading.

ALTERNATIVE HYPOTHESIS (H₁) - There is relationship between insufficient information, technical problems, risk tolerance level, trust and security on online share trading

TABLE 5 SHOWING CORRELATION OF THE RESPONDENTS BETWEEN INSUFFICIENT INFORMATION, TECHNICAL PROBLEMS, RISK TOLERANCE LEVEL, TRUST AND SECURITY ON ONLINE SHARE TRADING.

CORRELATIONS						
		INSUFFICIENT INFORMATION	TECHNICAL PROBLEMS	RISK TOLERANCE LEVEL	TRUST	SECURITY
INSUFFICIENT INFORMATION	Pearson Correlation	1				
	Sig. (2-tailed)					
TECHNICAL PROBLEMS	Pearson Correlation	.281**	1			
	Sig. (2-tailed)	.000				
RISK TOLERANCE LEVEL	Pearson Correlation	.166*	.311**	1		
	Sig. (2-tailed)	.027	.000			
TRUST	Pearson Correlation	.196**	.136	.253**	1	
	Sig. (2-tailed)	.009	.070	.001		
SECURITY	Pearson Correlation	.162*	.153*	.170*	.615**	1
	Sig. (2-tailed)	.030	.041	.023	.000	

*Correlation is significant at 1% level.

RESULT

The result from table indicates that insufficient information, technical problems, risk tolerance level, trust and security are positively and significantly correlated with each other. The correlation between insufficient information and technical problems, risk tolerance level and insufficient information, risk tolerance level and technical problems, trust and insufficient information, trust and technical problems, trust and risk tolerance level, security and insufficient information, security and risk tolerance level, security and technical problems, security and trust exhibit a positive correlation. The correlation coefficients are 0.28, 0.16, 0.31, 0.19, 0.13, 0.25, 0.16, 0.15, 0.17, 0.61. Hence the five variables are little correlated, low correlated and moderately correlated.

V. SUGGESTIONS

In online share trading, particular attention should be paid to the long-term strategy. The brokers should update day to day information to their investors. So that they will get to know more about online trading and also investors will not face any difficulties during online share trading. So that it will obviously remove the major difficulties and improve the satisfaction level of the investors. Investors should be educated by giving seminars, lectures and practical knowledge before entering into the online share trading as computer knowledge is very much important. The big risk in online share trading is that of technical problems. The investors should ensure that the broker has a back-up option before online trading where the investors can call the customer support centre and execute the transaction over the plan. These suggestions will form a platform to allow companies with worldwide demand to experience 24 hours trading of their shares. This would be an innovative and a bold move and is expected to lead to a better price discovery on global basis.

VI. CONCLUSIONS

Online trading has become a serious trend available markets round the world due to its lower commission cost for trading, faster trade execution, more control and adaptability over the kinds of transaction investors prefer to conduct, and no time or geographical limitations. Growth of online stock trading is increasing year by year. There are many problems and challenges involved on online stock trading like technical problems, more chances of fraud, high transaction cost, trust, security etc. There also are many advantages in online stock trading like speedier, more choices available, inexpensive etc. We must improve the system of online stock trading. Most of the investors like better to take moderate risk. Major challenges for the expansion of online stock trading are technical problems, computer illiteracy, poor infrastructure, risk adverse attitude of investors etc. Thus, with the expansion of educated investors and support from rules and regulation, online trading is certain to grow faster. we should always improve the reliability of brokers and develop proper system for online share trading.

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