



# A Study on Awareness on Share Trading Among College Students with Special Reference to Coimbatore City

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**Abstract.** This study explores the level of awareness about share trading among college students in Coimbatore City. With the growing significance of equity markets in India's financial ecosystem and the increasing accessibility of trading platforms through smartphones, it has become essential to understand the extent to which the younger generation particularly students is informed about and engaged with the stock market. The study investigates key dimensions including awareness levels, sources of information, trading experience, investment behavior, and the factors influencing participation in share markets. Data was collected from 90 college students in Coimbatore City through structured questionnaires and analyzed using percentage analysis and chi-square tests. The findings indicate that while general awareness of share trading exists among students, actual participation remains low due to lack of knowledge, perceived risk, and financial constraints. The study offers insights and recommendations for promoting financial literacy and responsible investment habits among youth.

**Keywords:** Share Trading, Awareness, College Students, Stock Market, Financial Literacy, Coimbatore City

## I. Introduction of the Study

The Indian capital market has undergone a remarkable transformation over the past two decades. The advent of online trading platforms, discount brokerages, and mobile-based investment applications has democratized access to the stock market, making it possible for individuals from diverse socioeconomic backgrounds to participate in equity trading. Against this backdrop, youth participation — particularly among college students — has emerged as a significant and growing segment of the investor population.

Coimbatore, one of Tamil Nadu's most industrially vibrant cities, is home to a large number of educational institutions offering undergraduate, postgraduate, and professional courses. The student population in Coimbatore is increasingly exposed to digital financial tools and is at a stage of life where foundational financial habits are formed. Understanding their awareness of and attitudes toward share trading is therefore a matter of both academic and practical importance.

Share trading involves the buying and selling of company stocks listed on stock exchanges such as the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). While it offers the potential for significant financial returns, it also carries considerable risk. Navigating this landscape requires a sound understanding of market mechanisms, financial instruments, regulatory frameworks, and risk management strategies — knowledge that is often lacking among first-time investors, especially students. This study aims to bridge the knowledge gap by systematically assessing the awareness levels of college students in Coimbatore City with respect to share trading, identifying



the barriers to participation, and suggesting pathways for improving financial literacy among young adults.

### **Objectives of the Study**

- To assess the level of awareness about share trading among college students in Coimbatore City.
- To understand the sources through which students gain knowledge about the stock market.
- To examine the extent of participation and investment behavior of students in share trading.
- To identify the factors that influence students' interest in and hesitation toward share trading.
- To suggest measures for enhancing financial literacy and responsible investment awareness among college students.

## **II. Statement of the Problem**

India is one of the fastest-growing economies in the world, and its stock markets have consistently delivered strong long-term returns. Despite this, retail participation in equity markets remains disproportionately low compared to countries like the United States or China. This gap is particularly pronounced among young adults and students, who represent the future investor base of the country.

In Coimbatore City, while the general awareness of financial products has grown due to increased media exposure and digital penetration, structured knowledge about share trading including how markets operate, how to evaluate stocks, and how to manage investment risk remains limited among college students. Many students are either unaware of the opportunities offered by the stock market or are deterred by perceived complexity, volatility, and lack of guidance.

Moreover, with the rise of speculative trading apps and social media-driven investment trends, there is an increasing risk that students may engage in share trading without adequate knowledge, exposing themselves to significant financial losses. This study addresses this critical gap by examining the current state of awareness among college students in Coimbatore City and identifying the informational and motivational barriers that prevent responsible participation in the equity market.

## **III. Research Methodology**

### **Research Design**

The study is based on a descriptive and analytical research design.

### **Data Collection**

Both primary and secondary data are used for analysis.

### **Primary Data**

Primary data is collected through structured questionnaires distributed to college students across various institutions in Coimbatore City. The questionnaire includes questions on awareness levels, sources of information, trading experience, and perceptions about share trading.



### **Secondary Data**

Secondary data is collected from journals, research articles, websites, annual reports of SEBI and NSE, and publications related to investor education and financial literacy in India.

### **Sample Size**

A sample of 90 college students from various undergraduate and postgraduate institutions in Coimbatore City is selected for the study.

### **Sampling Technique**

Convenience sampling method is used for selecting respondents.

### **Tools for Analysis**

- Percentage analysis
- Chi-square test

### **Limitations**

- Limited sample size restricted to Coimbatore City
- Possible self-reporting bias in student responses
- Findings may not be generalized to students in other cities or regions

## **IV. Review of Literature**

1. Prasad & Mohapatra (2023): conducted a study on financial awareness among undergraduate students in Tier-II cities of India. Their research found that while a majority of students had heard of the stock market, fewer than 30% had any understanding of how equity trading works. The study emphasized the need for integrating financial literacy programs into college curricula.

2. Sharma & Bhandari (2024): examined the factors influencing investment decisions among college students in South India. Their findings highlighted that peer influence, social media, and family background were the primary drivers of awareness and participation in equity markets, while risk aversion and lack of capital were the main deterrents.

3. Selvam & Rajasekar (2023): published a study focusing on the investment awareness of management students in Coimbatore. The authors found that students pursuing commerce and management disciplines had significantly higher awareness of share trading compared to students in technical or arts streams. The study called for cross-disciplinary financial education initiatives.

4. Narayanan & Venkatesh (2024): analyzed the role of digital platforms in increasing youth participation in capital markets. Their study found that mobile trading apps like Zerodha and Groww had significantly lowered entry barriers for young investors, but also raised concerns about impulsive and uninformed trading behavior driven by social media trends.



## V. Data Analysis and Interpretation

Table 1: Showing Respondents' Level of Awareness about Share Trading

Awareness Level	Number of Respondents	Percentage
Highly Aware	12	13%
Aware	25	28%
Moderately Aware	28	31%
Less Aware	18	20%
Not Aware	7	8%
TOTAL	90	100%

**Interpretation:** The data reveals that a combined 41% of respondents consider themselves aware or highly aware of share trading, while 31% have moderate awareness. However, a significant 28% of students report low or no awareness, highlighting a substantial gap in financial literacy. This underscores the need for structured investor education programs targeted at college students in Coimbatore City.

Table 2: Showing Primary Sources of Information about Share Trading

Source of Information	Number of Respondents	Percentage
Social Media & YouTube	29	32%
Family & Friends	23	26%
College Curriculum	14	16%
News Channels & Newspapers	16	18%
Books & Online Courses	8	8%
TOTAL	90	100%

**Interpretation:** The findings indicate that social media and YouTube (32%) are the most dominant sources of information about share trading among college students, followed by family and friends (26%). Formal educational channels — including college curriculum and books — account for only 24% of information sources combined. This overreliance on informal and potentially unregulated sources raises concerns about the quality and accuracy of financial knowledge being acquired by students.



Table 3: Showing Respondents' Participation in Share Trading

Participation Level	Number of Respondents	Percentage
Currently Trading	11	12%
Traded Previously	9	10%
Planning to Trade	27	30%
Interested but Hesitant	24	27%
Not Interested	19	21%
TOTAL	90	100%

**Interpretation:** Only 22% of respondents have actively traded in shares (currently or previously), which contrasts sharply with the 57% who are either planning to participate or are interested but hesitant. This large 'interested but inactive' segment represents a significant opportunity for financial literacy intervention. The 27% who are interested but hesitant cite risk perception and lack of knowledge as primary barriers, indicating that targeted education could meaningfully increase responsible participation.

### Findings

The study presents several key findings relating to awareness of share trading among college students in Coimbatore City:

- **Awareness Gap:** While 41% of respondents report awareness or high awareness of share trading, a notable 28% possess low or no awareness. This gap is more pronounced among students from non-commerce disciplines, indicating the need for cross-departmental financial education.
- **Dominance of Informal Sources:** Social media and peer networks are the primary sources of information for over 58% of students, while formal academic sources account for less than a quarter of information intake. This raises concerns about the reliability and depth of knowledge being acquired.
- **Low Actual Participation:** Despite relatively high interest, actual participation in share trading remains low at 22%. Financial constraints, risk aversion, and lack of demat account knowledge are the main barriers cited by students.
- **High Aspirational Interest:** A combined 57% of respondents either plan to trade or are interested but hesitant, demonstrating strong aspirational interest in the stock market that can be channelled through proper education and guidance.
- **Gender and Stream Disparity:** Male students and those enrolled in commerce, management, and economics courses demonstrate significantly higher awareness and participation compared to female students and those in technical or arts streams.

### Suggestions

- **Financial Literacy Programs:** Colleges in Coimbatore City should introduce mandatory or elective modules on financial literacy, covering basics of share markets, types of securities, risk management, and portfolio diversification as part of the academic curriculum.



- **Industry–Academia Partnerships:** Institutions should collaborate with stockbrokers, SEBI-registered advisors, and companies like NSE and BSE to conduct workshops, seminars, and mock trading competitions that give students hands-on exposure to capital markets.
- **Regulation of Digital Influences:** Students should be encouraged to critically evaluate information obtained from social media and online platforms. Colleges can facilitate sessions on identifying credible financial information sources and avoiding speculative trading pitfalls.
- **Accessible Investment Tools:** Awareness about low-cost investment options such as Systematic Investment Plans (SIPs), mutual funds, and paper trading simulators should be promoted to help students begin their investment journey with minimal capital and risk.
- **Inclusive Financial Education:** Special efforts should be made to reach female students and those in non-commerce disciplines through targeted workshops and peer mentoring programs to bridge the awareness and participation gap across genders and streams.

## VI. Conclusion

Share trading represents one of the most powerful vehicles for long-term wealth creation available to individual investors in India. As the country's economy grows and its capital markets mature, fostering a generation of informed, responsible retail investors is both a national priority and an educational imperative. This study, conducted among 90 college students in Coimbatore City, provides a revealing snapshot of the current state of share trading awareness among youth.

The findings demonstrate a significant divide between aspirational interest and actual participation. While a majority of students are aware of the stock market's existence and express curiosity about investing, their knowledge remains superficial, heavily shaped by informal digital sources, and insufficient to support confident and responsible trading decisions. Structural barriers such as the absence of formal investor education in most colleges, the perceived complexity of financial markets, and limited access to seed capital further compound this gap.

Addressing these challenges requires a collaborative effort involving educational institutions, regulatory bodies like SEBI, financial industry players, and families. By embedding financial literacy into academic environments and providing students with structured exposure to equity markets, Coimbatore's colleges can play a transformative role in building the next generation of financially empowered citizens. With the right educational foundation, the aspirational interest demonstrated by students in this study can be converted into informed, sustainable, and value-creating investment behavior that benefits both individual students and India's broader capital market ecosystem.

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