CONCLUSION

Behavioural finance is the study of the influence of psychology on the behaviour of financial practitioners and their subsequent effect on markets. The science deals with theories and experiments focused on what happens when investors make decisions based on hunches or emotions, on the other hand behavioural finance is the application of psychology to financial decision making and financial market. The investor is a risk-seeker when faced with the prospect of losses, but is risk averse when faced with the prospects of enjoying gains.

The research problem is defined by testing the assumed hypothesis, the research objectives are proved.

Investor’s decision have subsequent effect on the market trend so the main objective of this study was to determine behavioural factor influencing individual investors decision making and investment performance in capital market. The study also included the following objectives: that each behavioural factor has impact on Investors decision, behavioural factor affect investment decision and behavioural factor affect Investment performance. After applying the statistical tools following result can be concluded as follows:

In the study the ratio of females is less as compare to males, it was observed there is significant difference in the behaviour of investment among male and female in capital
market. It is suggested to provide females with more investment opportunities and knowledge to improve their investment.

Investment in capital market is also affected by the education level of the respondent, in the research it is noted that the graduated respondent are more likely to understand the pattern of capital market then the other education level of respondent, so the behaviour of investment is always concern to the higher education.

The marital status of the respondent is also an important factor in defining investment in capital market.

Research suggests that as the level of experience of investment increases respondents understand the pattern of investment, age is important factor in defining the investment in capital market, study shows that the youngster are more exposed to the investment rather than the respondents from other age groups.

Monthly income of the respondent plays a significant role in investment in capital market, it is observed that both the level of income and investment go hand in hand.

The behavioural factor influences the investment decision are grouped in four factors Heuristic, prospect, Market and Herding. Heuristic includes Representativeness, gambler Fallacy and Availability bias, Prospect consists of loss aversion , mental accounting and self control, Market factor includes overreaction, market information and fundamentals
of underlying concept and Herding consist of choice of stocks, time to hold stocks and buying and selling.

Heuristic, Prospect, Market and Herding have moderate impact on investment decision while one variable S13 which is a variable named representativeness grouped in heuristic have low impact on investors decision making, moderate impact on investment decision shows that all investors are cautious while decision making, so it is recommended to the investors to make investment after proper analysis.

The impact behavioural factor named Heuristic, Prospect, Market and Herding on investment performance revealed that heuristic and herding have positive impact on investment performance, where market factors have negative impact and prospect factor have no impact on investment performance
Further research

This research is based on the behavioural finance and a case from Madhya Pradesh state is taken to know the scenario of Investment in Indian context. This study will help future researchers to explore new areas in investment market. Finding of the research can be helpful for the researcher to know the various aspects of the area by considering the limitation of the study. More factors can be explored to know the variances in the investors’ decision making. This research can be done by taking secondary data, to draw the relation between the investment decision making and the investment performance. This research can be done on foreign institutional investors, institutional investors etc. which can contribute to understand the concept at global approach.