

**OP JINDAL GLOBAL BUSINESS SCHOOL**



**PROJECT REPORT ON**  
**INVESTOR PERCEPTION TOWARDS WEALTH**  
**MANAGEMENT SERVICES OF HDFC SECURITIES**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENT OF MBA PROGRAMME OF**  
**AMITY SCHOOL OF DISTANCE LEARNING**

**PROJECT GUIDE:**

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**SUBMITTED BY:**

**XXXXXXXXXXXXX**

**ENROLLMENT NO.: XXXXXXXXXXXX**

**MBA 2 YEARS**

## **DECLARATION BY THE STUDENT**

I.....bearing

Reg.

No.....

hereby declare that this project report entitled\_\_\_\_\_ (Title)\_\_\_\_\_has been prepared by me towards the partial fulfilment of the requirement for the award of the

Master of Business Administration (MBA) Degree under the guidance of \_\_\_\_\_

I also declare that this project report is my original work and has not been previously submitted for the award of any Degree, Diploma, Fellowship, or other similar titles.

**Place:**

**(Name (in capitals) and signature of candidate)**

**Date:**

**Reg. No.**\_\_\_\_\_

## **ACKNOWLEDGEMENT**

When you want to show your appreciation for the individuals and organizations who helped you finish a project, you need to acknowledge them. It should primarily include acknowledging the organization you studied and the firm where your assignment was completed, followed by individuals who provided assistance during the process.

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## **EXECUTIVE SUMMARY**

Despite India's relative size in comparison to developed markets, the country has a great deal of untapped potential for asset accumulation in the years to come, according to forecasts. India has the key ingredients of a high-growth wealth management market, namely a very large and young mass affluent segment; an increase in the wealth of global Indians; the Indian government's push to curb illicit leaks and more tightly regulate markets; and an increasing share of the organized market players (e.g., independent wealth advisors and small brokers/agents who double as financial advisors). As a result of their younger age and unique perspective on wealth management, India's wealthy are distinct from their international counterparts. The demography Innovation offers a chance to meet the demands of a youthful population while also introducing cutting-edge technologies, such as social media and mobile-enabled investment applications, which are crucial differentiators. Not unexpectedly, considering the industry's youth, India's wealth management services sector is heavily fragmented. So far, most organized players have ignored the roughly 20% of India's high net worth individuals (HNWIs) in favor of the urban segment. Investing heavily in brand-building exercises will help enterprises enter the market and convey their trustworthiness, unlike early entrants and established local players who have already gained the confidence of potential investors. Companies should consider the future when calculating the possible return on investment. Established wealth managers in India have opportunities to expand their offerings due to the evolving regulatory environment. Investor protection and fiduciary duties are about to be regulated. An other source of uncertainty that may significantly alter product offerings is the changing tax regime in each annual budget cycle. What is the basic concept of management in terms of customer satisfaction? It's not often that the concept of satisfaction is brought up in discussions about investment. Spending and Each Capital Market is complementary to the others. A healthy capital market is necessary for an efficient investment process. Over the last two decades, the capital market in India has seen both expansion and structural changes. The capital market serves as a mechanism for capital formation and is the barometer of a country's economy. This piqued the interest of both domestic and international institutional investors in the Indian capital market. The expansion of India's stock exchange system is another effect of this.

# **CHAPTER 1: INTRODUCTION**

## **1.1 Introduction to the topic**

At HDFC Securities, we handled the Investor Perception project for Wealth Management Services. The main purpose of partnering with HDFC Securities on this project was to get a better understanding of the function of banks in assisting their clients with investment solutions and advice. The importance of leading a healthy, financially stable lifestyle is rising among individuals, and the capital market is offering a wide range of investment funds and financial products on a global scale. are discovered to be a great help in reaching these individual goals, personal financial planning is becoming more and more of a good idea, if not an absolute need. One may really be conscientious of how they handle financial matters with a solid personal financial plan.

### **Define Wealth:**

Money, property, or anything else with monetary or economic worth is often what is meant when people talk about wealth. This is the condition of having amassed a great number of valuable objects. The use of the word itself assumes some socially-accepted means of identifying objects, land, or money as "belonging to" someone, i.e. a broadly accepted notion of property and a means of protection of that property that can be invoked with minimal (or, ideally, no) effort and expense on the part of the owner. Definitions of wealth differ among cultures.

### **Economic and Philosophical Aspects of Wealth:**

According to Adam Smith, wealth creation may be described as the process of effectively combining materials, labor, land, and technology in order to generate a profit. These wealth views formed the basis of what we now call classical and Marxist economics, which were developed by thinkers like David Ricardo, John Locke, John Stuart Mill, and Karl Marx in the 18th and 19th centuries. The idea of man as an aggregate did not exist before to the 18th century, according to Michel Foucault. It is implied in the premises of political economy and later economics that we move away from analyzing individual wealth and toward the assumption of a general population.

## **Sources of Wealth:**

Wealth is created in a variety of ways.

- It is possible to harvest and sell natural resources to those who want them.
- Proper use of a labor and equipment may transform material into something more valuable.
- Better methods also contribute to wealth creation by allowing for faster wealth creation; ideas contribute to wealth creation by allowing for faster or newer methods.

Recognizing the significance of health management services, the SBI has established specific guidelines for the professional and appropriate conduct of health management services.

## **1.2 Research Problem**

It takes time, knowledge, and constant market monitoring to invest in equity. Wellness management service (PMS) is a solution for those who need assistance managing their investments. One of the best available tools for health management services is HDFC Security. The purpose of this study is to identify and evaluate the effectiveness of HDFC Security's wellness management services in terms of meeting customer expectations (excellent return on investment).

## **The Concept of Wealth Management:**

Wealth management encompasses the administration of many types of valuable and non-valuable wealth, as well as its sources and effects. India is a promising market for wealth management due to the relative ease with which domestic and international wealth managers may launch new businesses there. These pose less of a problem than regulatory restrictions in China or the Middle East.

## **Financial Planning:**

Continuously directing and allocating financial resources to meet strategic goals and objectives is financial planning. Budgets are the end result of financial planning. Among the

## **CHAPTER 2: COMPANY PROFILE**



As a subsidiary of the well-known private sector bank HDFC Bank, HDFC Securities is among India's top stock-broking companies.

As a stock breaking company, they have successfully served a diverse range of retail and institutional investors for 17 years.

A few of the many compelling arguments in favor of their services are as follows:

### **Customers' interest is HDFC's priority:-**

At HDFC, we prioritize meeting the financial requirements and goals of our investors. They provide a comprehensive view of financial planning options that match future goals and needs, and they make investing easier for customers.

### **One-stop shop for investments:**

HDFC Securities provides a range of products and services across many asset classes, including equity, gold, debt, and real estate. All of their investment needs are catered to by their wide range of products, including stocks, derivatives, mutual funds, fixed deposits, non-conforming debt instruments (NCDs), insurance, bonds, currency derivatives, and PMS.

### **Multiple platforms and seamless trading:-**

Multiple platforms, including online, mobile, telephone, or any of their branches, are available to them for trading with HDFC securities. Their trading experience is made more convenient and hassle-free by these platforms.



## **CHAPTER 3: REVIEW OF LITERATURE**

### **Wealth Management:**

It is exciting and lucrative to invest in securities like stocks, bonds, and dividends. It requires scientific knowledge and artistic talent, but it also involves a great deal of danger. Both rational and emotional responses are included in these types of investments. Investing in financial securities is now considered to be one of the best avenues for investing one savings while it is acknowledged to be one of the best avenues for investing one saving while it is acknowledged to be one of the most risky avenues of investment. "Rarely do investors put all of their money into one security. Rather, they choose to put their money into a portfolio of stocks.

### **Wealth Management:**

When discussing common partnership, the term "wealth management" is used to describe the process of choosing securities and how they are constantly changed within the portfolio in order to maximize returns for investors. If you want to get the most out of your stock market investments, you'll need financial expertise in selecting the correct combination of securities.

### **Level of Competition:**

With more and more local and international players planning to join the market and existing players aggressively expanding their operations, the competitive intensity of the Indian market is on the rise. Warehouses are launching wealth management services in an effort to increase wallet share via cross-selling. Financial advisors, insurance agents, tax consultants, sub-brokers, broker-dealers, and a host of other professionals will continue to clog the industry's pipeline for the foreseeable future. Considering the industry's infancy, consolidation or M&V activity is restricted.

## Players in the Wealth Management Space

Business Models	Market Position	Examples	Main Characteristics
Universal Banks	Strong	Kotak, HDFC, ICICI, HSBC, Axis	<ul style="list-style-type: none"> <li>• Developed lending offering.</li> <li>• Good reach.</li> <li>• Large players, relatively low entry levels for wealth management services.</li> <li>• Cross-sell potential with retail/corporate network.</li> </ul>
Wealth Management Specialists	Medium	Deutsche, BNP Paribas	<ul style="list-style-type: none"> <li>• Primarily foreign players with focus on advisory and offering of managed/structured products.</li> <li>• Wide range of wealth management entry levels; typically high entry barriers.</li> </ul>
Global Investment Banks	Weak	Morgan Stanley	<ul style="list-style-type: none"> <li>• Focus on the ultra high net worth segment.</li> <li>• Institutional approach to serve clients with investment banking products.</li> </ul>
Brokers/Dealers [Online, Retail]	Strong	DSP Merrill Lynch, ICICI Direct	<ul style="list-style-type: none"> <li>• Wide range of brokers targeting mass affluent market without focused approach for the HNWI segment.</li> <li>• Domestic equity/mutual funds focus.</li> <li>• Limited research recommendations.</li> </ul>
Family Office	Weak	Client Associates	<ul style="list-style-type: none"> <li>• Holistic advisory services for specific client segments such as entrepreneurs, professionals.</li> </ul>
Others	Medium	Independent Fund/ Insurance Advisors	<ul style="list-style-type: none"> <li>• Very low entry levels</li> <li>• Serve clients across segments</li> <li>• No dedicated wealth management offering</li> </ul>

Key market attributes are as follows:

- **Reach:** Foreign banks and large domestic brokers primarily serve the high-net-worth individual and family office segments, with their reach limited to metro areas. Unorganised players continue to service an estimated 20% of India's high-net-worth population, which resides outside of major metro areas. Consequently, wealth management organizations' research will be crucial in identifying accessible wealth and transforming it into manageable assets.

**Entrance barriers:** Potential investors face a major obstacle in the form of expensive property prices when looking to set up branch locations. Having a physical presence is crucial in the wealth management model since it is based on a high-touch client relationship. The steep rise in real estate prices over the last decade has made it unfeasible for new entrepreneurs to open brick-and-mortar locations. Therefore, businesses must think strategically and plan for a lengthy payback period. Trust in investors is another obstacle for new investors. A general air of distrust

and apathy prevails among investors due to India's unfortunate track record of financial scams. In order to construct a successful brand in India, it is essential to establish trust.

Items and offerings: Current wealth managers provide a range of goods and services, and their portfolio has significantly expanded over the last several years. However, in contrast to the variety and sophistication of items offered by players in more developed markets, the selection here is severely lacking.

Wealth Scam Administration: Wealth Managing money is the art of keeping it in a liquid form in a way that is completely safe, very profitable, and reasonable. Finding the optimal risk-reward ratio is often the primary objective of every investor. When deciding between potential investment opportunities, risk management should take the following factors into account:

- a) The level of risk and return chosen by the investor, which reflects their own preferences in terms of risk tolerance and return desired.
- b) Managing investment alternatives to increase the number of opportunities at the investor's acceptable risk level.

Requirement for Financial Management:

Asset and security-based wealth management encompasses a wide range of investment activities. Involving regular and systemic analysis, judgment, and action, it is a dynamic and flexible concept. Using the knowledge and expertise of investment wealth management specialists, this service aims to assist the unknown and investors.

## **CHAPTER 4: OBJECTIVE AND SCOPE OF THE STUDY**

### **4.1 Objectives**

- (a) To identify the current wealth management services offered by HDFC Securities
- (b) To analyze the effectiveness of current wealth management services offered by HDFC Securities
- (c) To measure the investors' perception towards wealth management services offered by HDFC Securities
- (d) To offer the valuable suggestions to improve the wealth management in HDFC Securities

### **4.2 Scope of the Study**

The current wealth management services provided by HDFC Security are identified in this research. The effectiveness of the current health management services provided by HDFC Security is examined in this research. This study assesses investors' adherence to the wealth management services provided by HDFC Security. This report provides useful recommendations to enhance HDFC Security's wealth management.

## **CHAPTER 5: RESEARCH METHODOLOGY**

Careful investigation or inquiry, especially in pursuit of new facts in the branch of knowledge, is known as research; market research specializes in gathering information. Needed to address these concerns: establishes the data collection procedure, oversees its execution, analyzes its outcomes, and disseminates its findings and their implications. When faced with a research problem, one must determine the best course of action that can be taken to achieve the objectives within the given environment. This is known as the best solution to the given problem.

### **Research Design**

The framework or blueprint for carrying out the research project specifies the specifics of the procedures required to get the information required to structure and/or solve research problems. A solid research design serves as the foundation for carrying out the project. A well-designed research project will guarantee that it is carried out effectively and efficiently. Generally speaking, a research design includes the following elements, or tasks:

- Specify the information that is required.
- Create the research.
- Pay close attention to the measurement and scanning procedures.
- Create and present a questionnaire or a suitable form for data collection.
- Pay close attention to the sampling procedure and sample size.
- Create a data analysis plan.

To achieve the goals of this research project, primary and secondary data were used. Primary data was collected using questionnaires given to participants.

**Target Population:** Survey has done among investors.

**Respondents Description:**

**Sample Size:** 100

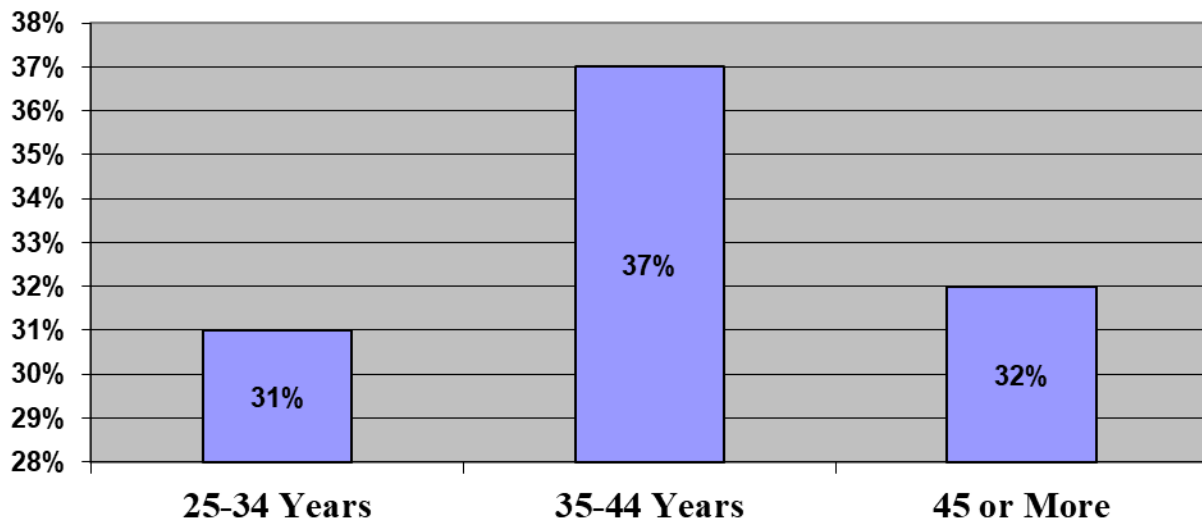
**Area of Study:** Delhi/NCR

**Method used to present data:** Using the percentile method, bar graphs are used to present primary data.

## **CHAPTER 6: DATA ANALYSIS AND FINDINGS**

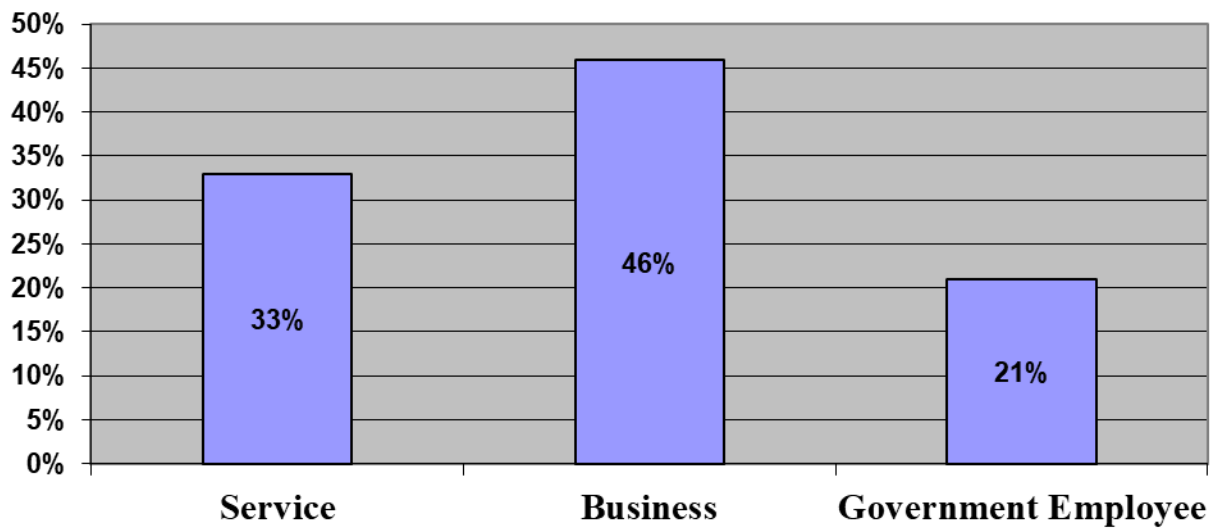
### **Survey with Investors**

#### **Q1. Age Group**



31% of respondents were in the 25–34 age range. However, 37% of respondents were in the 35–44 age range.

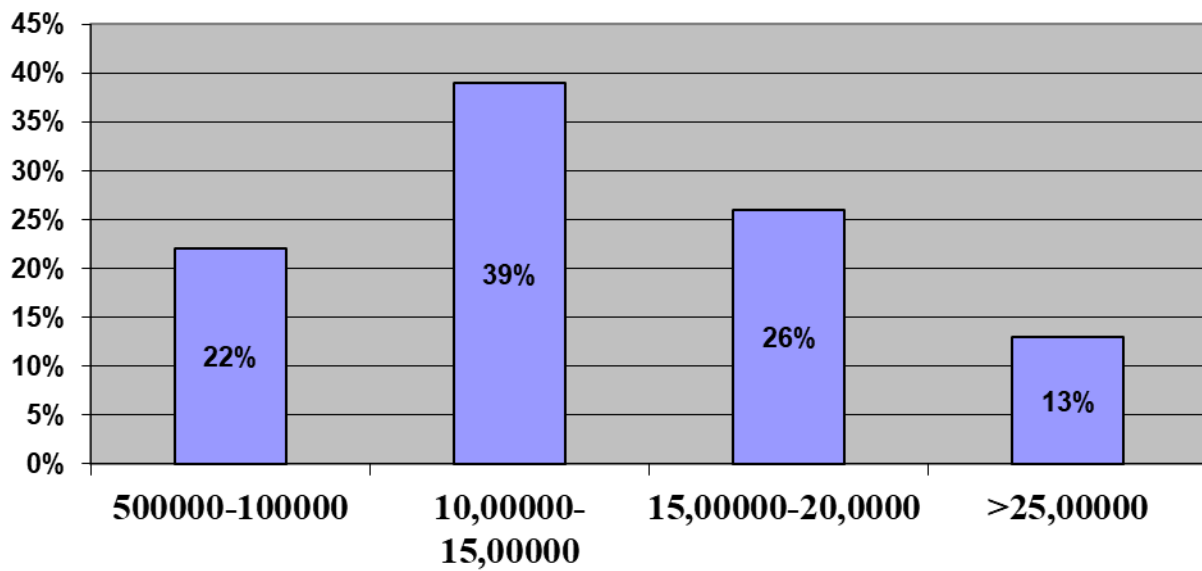
## Q2. Occupation



While 46% of respondents were business owners, 33% of respondents were providing services.

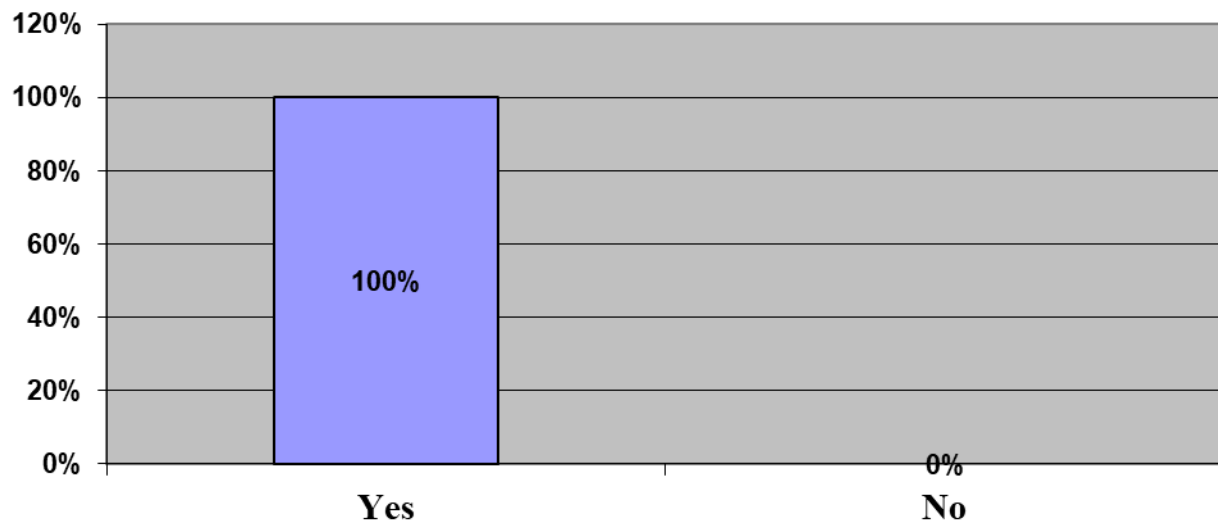


### Q3. Gross annual income:



39% of respondents had a gross income between \$1,000,000 and \$1,000,000, while 26% had a gross income between \$1,000,000 and \$200,000

**Q4. Do you use HDFC Security's wealth management services?**



All respondents (100%) agreed that they use HDFC Security's management services.

## **CHAPTER 7: CONCLUSION & SUGGESTIONS**

### **7.1 Conclusion**

It has been widely recognized that HDFC Security has a better experience with PMS activity than others. Without a doubt, PMS exercises assist investors in planning their resource investments with a high degree of proficiency in recent years.

It is evident from the above discussion that portfolio functioning is based on market risk; thus, one may seek assistance from HDFC Securities' professional portfolio managers prior to investing since the use of practical knowledge via technical analysis can assist an investor in lowering risk. I may draw the conclusion from this project that health management has emerged as a crucial tool for investors to identify businesses with development potential. Portfolio managers may provide investors professional guidance to help them make an insightful and well-informed investment.

Although the role of health management is still undefined at this time, the services provided by portfolio managers will be in high demand in the near future due to the expansion of investors' markets and their increasing complexity.

Individual investors are not interested in seeking professional assistance at this time, but given the increasing significance and awareness of portfolio managers, people will undoubtedly choose to seek professional assistance.

### **7.2 Suggestions**

Financial advisors at HDFC Securities need to be always learning to stay up with the ever-changing global financial markets.

Financial advisors at HDFC Securities should be abreast of regulatory trends in addition to doing research to stave off any issues.

Financial advisors should stay up-to-date with industry trends and research by subscribing to relevant publications, attending relevant conferences, and participating in other client-benefit initiatives.

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## **CHAPTER 9: ANNEXURE – QUESTIONNAIRE**

### **Survey with Investors**

Q1. Age Group

25-34 Years

35-44 Years

45 or More

Q2. Occupation

Service

Business

Government Employee

Others

Q3. Gross annual income:

500000-100000

10,00000-15,00000

15,00000-20,0000

>25,00000

Q4. Do you take wealth management services from HDFC Securities?

Yes

No

Q5. How much money do you invest from your income?

10%-20%

20%-30%

30%-40%

40%-50%

Q6. How do you take financial decisions?

Independently

Financial advisor

Friends

Broker

CA

Others

Q7. How much return do you expect from your investment?

4%-8%

8%-12%

12%-16%

16%-20%

20%- above