
**NON RESIDENTIAL INDIANS APPROCH TO THE PORTFOLIO MANAGEMENT SERVICES: A STUDY
BASED ON DOHA(QATAR)**

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ABSTRACT

Portfolio Management Services (PMS) in India, is an investment portfolio in various stocks managed by a professional Portfolio manager to meet the specific investment objectives i.e. especially for the higher returns. It is one of the best investment option to the individuals as per their earning and ability to undertake high risks. Portfolio manager will provide customized investment solutions to their clients as per their requirements. An important part of this study is to find out the approach of the non-resident Indians to the Portfolio Management Services. A study was conducted in Doha, from 1st November 2017 to 30th November2017to find out the approach of the people to the Portfolio Management Services (PMS).The result shows most of the people doesn't like the Portfolio Management Services (PMS) because the minimum investment amount is high and dislikes (no interest)on investments. The change in the level of minimum investment amount and proper awareness can attract the approach of the NRIs living in Doha, Qatar to the Portfolio Management Services (PMS).

Key Words: Non Residential Indians (NRIs), Portfolio Management Services, Investment in stock market

INTRODUCTION

The changes in the stock market are unpredictable. Investment in the stock market therefore, requires more knowledge and regular monitoring. It requires an individual to be highly experienced in the market research. An individual may doesn't have enough time or doesn't have interest to take the direct dealing with the stock market. In this situation, the Portfolio management services (PMS) will help the investor to invest in the stock market to get more returns without any difficulty. A portfolio manager will help the investor to achieve his goals through the PMS via stock market investment. Portfolio management services is one of the indirect ways of investing in the markets, i.e. almost similar to the Mutual Funds' investments. It is a type of wealth management service that offers a range of specialized investment strategies to get more benefit from the market through the investment, and is managed by professional portfolio managers.

LITERATURE REVIEW

In today's fast moving world it is not at all possible to do all personal investments on our own. It is difficult to follow the market status on day to day basis. This is where a Portfolio Management Service help the investors to invest in stock market. Considering the geographical locations of the NRIs ,the PMS is a good option to manage their investments.

GENERAL APPROCH OF THE NRIS TO THE PORTFOLIO MANAGEMENT SERVICES

The general approach of the NRIs toward the Portfolio Management Services is not attractive. The NRIs are not getting attracted by the stock market investments.

METHODOLOGY TO FIND OUT THE APPROCH OF NRIS AGAINST THE STOCK MARKET INVESTMENTS.

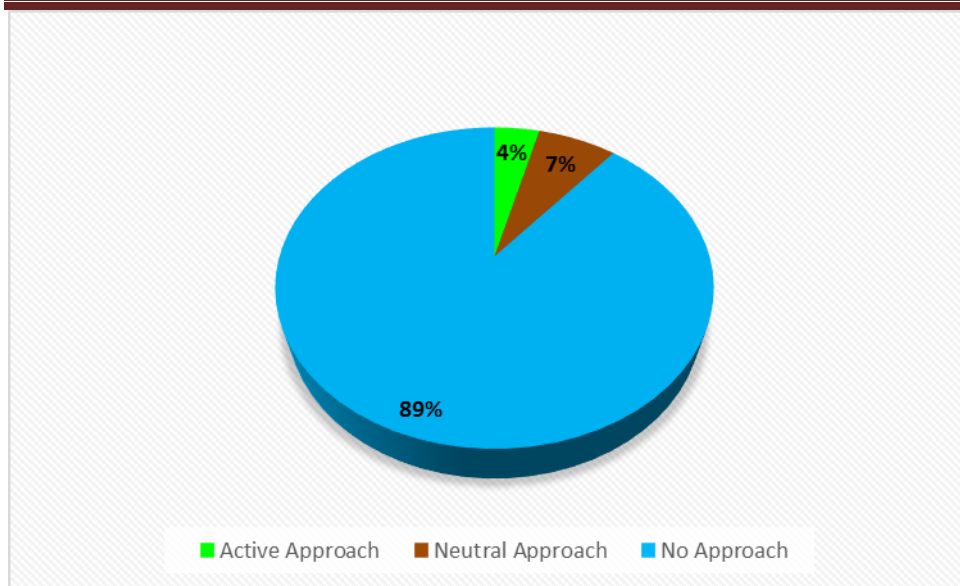
An important part of the Portfolio Management Services approach study is to find out the general approach of the NRIs living in Doha, Qatar to the Portfolio Management Services. The study has received valuable output from the NRIs.

To perform the study, considered the people living in all the standards that who is working in the various levels of the different organizations in Doha, Qatar. It includes the people those who are working in the field of Administration, Engineering, Medical, Human Resources, Accounting, Information Technology, Marketing& Sales and Others of various industries in Doha, Qatar.

According to the study, we can classify the approach in to three major categories which is below

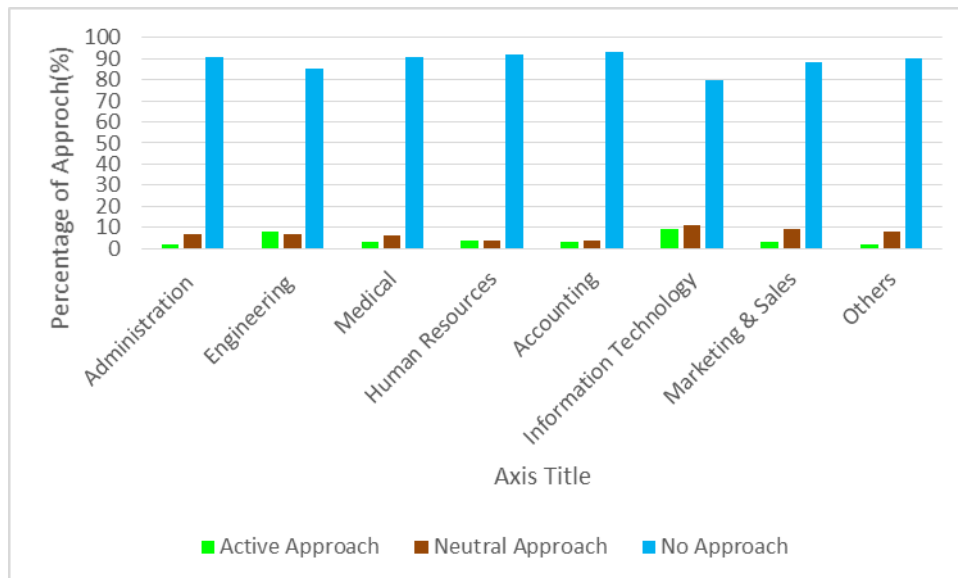
- 1) Active Approach**
- 2) Neutral Approach**
- 3) No Approach**

The below picture (Pic.1) shows the summery of the survey result.



Pic.1

The below picture (Pic.2) shows the detailed approach of the NRIs participated in the study based on their professions.



Pic.2

1) Active Approach

The term active approach refers a person (NRI) who has an interest in Portfolio Management Services but who is not able to invest due to various reason which is related to,

a) Lack of Budget

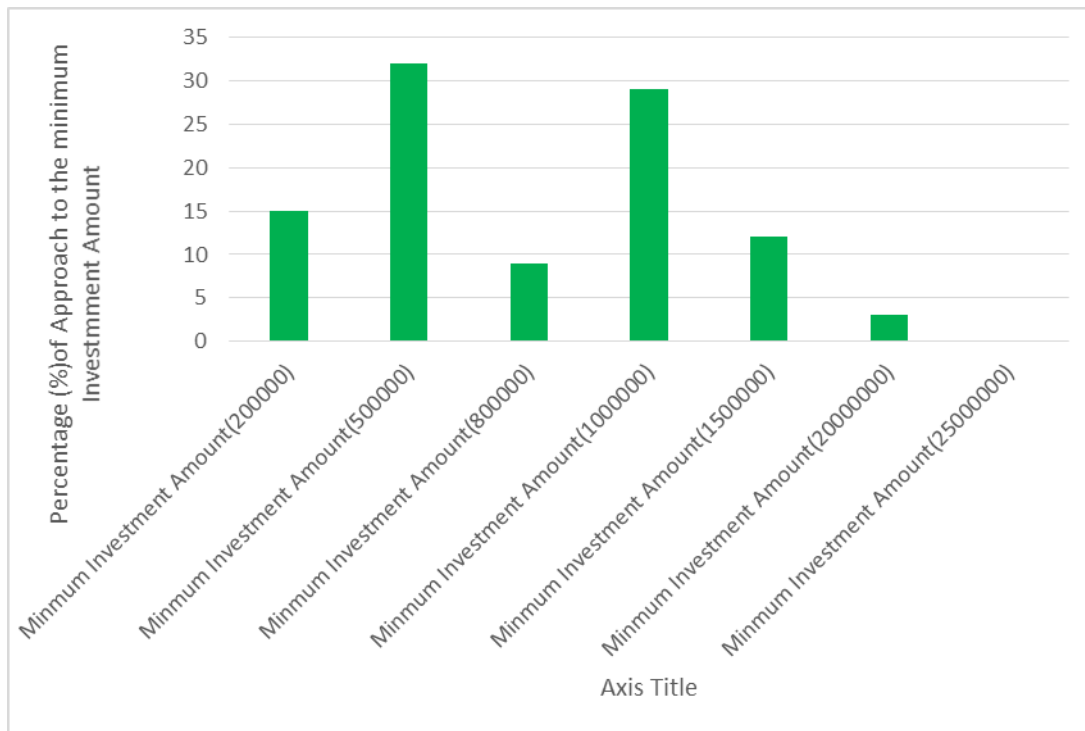
b) Higher initial investment

c) Personal Matters

The above mentioned are some of the parameter which can be affect the active approach of the NRIs in investments. During the study, it has been identified the higher level of the minimum investment amount to open the Portfolio Management Services account is the main barrier in front of the NRIs to distracting from the Portfolio Management Services. The minimum amount is Rs 2,500,000 for most of the Portfolio Management Service providers which is enhanced by Securities and Exchange Board of India (SEBI) those who is regulating the stock market.

According to the study, the NRIs are interested to the Portfolio Management Services but they were not able to invest or not willing to open the PMS account with higher level investment amount. High amount is affecting their investment budget and disclosed personal matters also a parameter for disattaratction form the Portfolio Management Services. But over all we can observe their approach to the PMS is active but due to the financial shortage they are unable to open the PMS account.

During the survey NRIs suggest that if Securities and Exchange Board of India (SEBI) decreased the level of minimum investment amount to their expectation level, they may decide to open the PMS account for the investment. The below picture shows NRIs expectation of the minimum amount of investment (In Rupees) which can attract their investment.



Pic .3

As per the above picture (Pic.3) we can assume the interest toward the approach of NRIs against the minimum investment amount in PMS

2) Neutral Approach.

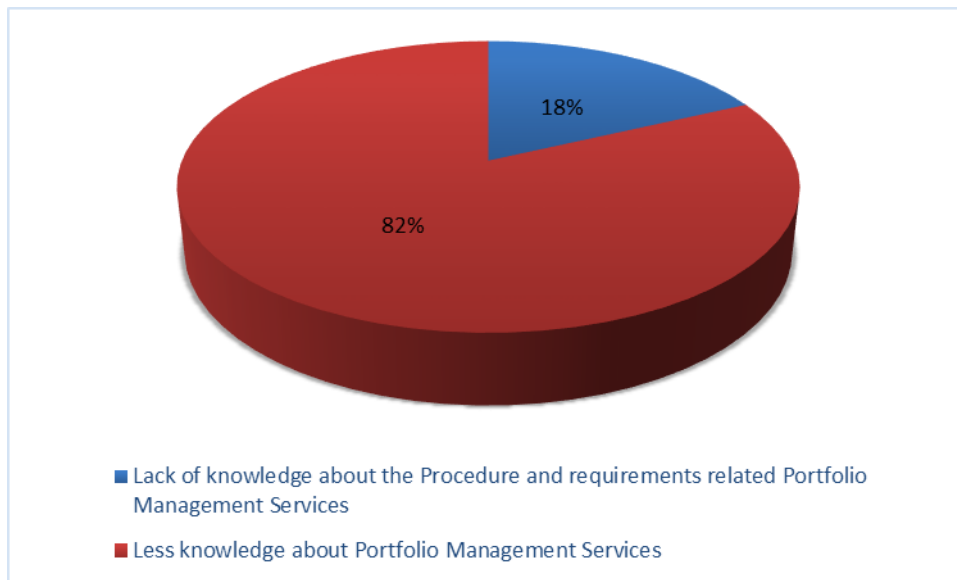
Neutral Approach refer NRIs are aware about Portfolio Management Services but not approaching for proper advise to know more about the investment. It is due to,

a) Less knowledge about Portfolio Management Services

Less knowledge about Portfolio Management Services is one of the major reason for the neutral approach. The NRIs under this category have knowledge in Portfolio Management Services but not interested to know more about the PMS.

b) Lack of knowledge in the Procedure and requirements related Portfolio Management Services

The NRIs fall under this category has indicated lack of knowledge in the procedure requirements of Portfolio Management Services. They have indicated that, No interest to know more about the PMS.



(Pic.3)

The above picture shows the summery of the Neutral Approach (Pic.3)

3) No Approach

Most of the NRIs falls under this category, it is because of their unawareness and dislikes (no interest).It is mainly due to

1) No awareness about the Portfolio Management Services

The NRIs under this category doesn't know anything about the Portfolio Management Services and not willing to learn more about it. The attitude is Reverse against the Portfolio Management Services

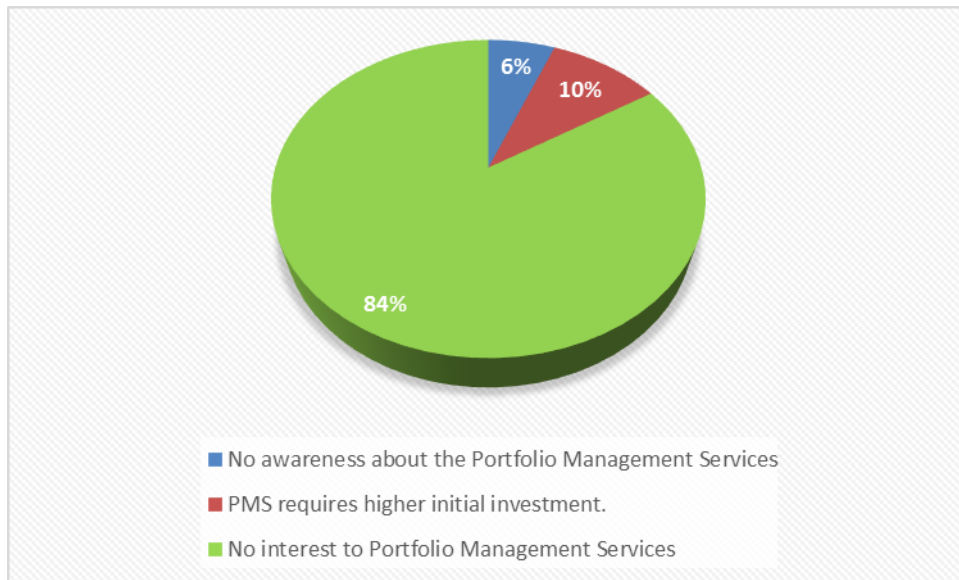
2) PMS requires higher initial investment.

The NRIs are aware about the minimum investment amount and they are thinking the amount is not affordable for them

3)No interest to Portfolio Management Services.

Most of the NRIs falls under this category and they are not interested in the stock market investments.

The below picture (Pic.4) shows their approach



Pic.4

CONCLUSION

Portfolio Management Services (PMS) is one of the best investment options for NRIs those who are having enough budget and less time to monitor and manage their investments. The general approach of the NRIs is not attractive, it is mainly due to the higher level of the minimum amount to open the PMS account and dislikes (no interest) on the investments. Some of the NRIs suggest that if SEBI change the minimum investment amount, they may be interested to invest via Portfolio Management Services (PMS) to the stock market.

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