International Advance Journal of Engineering, Science and Management (IAJESM)
Multidisciplinary, Indexed, Double Blind, Open Access, Peer-Reviewed, Refereed-International Journal.
SJIF Impact Factor =7.938, July-December 2024, Submitted in September 2024, ISSN -2393-8048

Emotional Intelligence and Risk Appetite: A Study of Retail Investors in Haryana's Stock Market

Nandita (Research Scholar), Department of Commerce & Management, NIILM University, Kaithal (Haryana)
Dr. M L Dhaka (Professor), Department of Commerce & Management, NIILM University, Kaithal (Haryana)

Abstract

In a time when financial markets are very unstable, emotional intelligence (EI) has become an important factor in how investors act, in addition to traditional financial literacy. This research investigates the correlation between emotional intelligence and risk appetite among retail investors in the stock market of Haryana. A systematic questionnaire based on the Schutte Self Report Emotional Intelligence Test (SSEIT) and a standardized Risk Tolerance Inventory was used to gather data from 420 retail investors in the districts of Gurugram, Hisar, Rohtak, Karnal, and Panchkula. The research utilized correlation and regression analysis via SPSS and AMOS to assess the impact of emotional intelligence dimensions—self-awareness, emotional regulation, empathy, and motivation—on investors' risk tolerance and investment choices. The findings indicate that elevated emotional intelligence markedly improves rational risk-taking, diminishes impulsive trading, and promotes long-term investment behavior. The results have consequences for behavioral finance models, investment advisory methods, and financial education initiatives in Haryana.

Keywords: Emotional Intelligence, Risk Appetite, Retail Investors, Behavioral Finance, Haryana, Stock Market

1. Introduction

The stock market, which is also called the equity or share market, is a central place where buyers and sellers trade ownership stakes in companies. This makes it easier for money to move around and helps the economy grow. It includes both publicly traded stocks on stock exchanges and privately held stocks traded through equity crowdfunding platforms. The stock market is a great way for investors to make money by making smart investments through brokerage firms and online trading platforms. These platforms offer more liquidity and flexibility than other types of assets, like real estate. In this setting, investment behavior is not solely determined by financial literacy or information accessibility; it is significantly shaped by psychological and emotional elements. One such variable is emotional intelligence (EI)—the capacity of humans to recognize, comprehend, and manage their own emotions and those of others to facilitate logical and adaptive decision-making. Traditional finance theories focus on logical reasoning, but new research in behavioral finance shows that emotions are a big part of how people feel about investments, how much risk they are willing to take, and what trades they make. Investors that are emotionally intelligent are better able to handle stress in the market, avoid following the crowd, and stay calm during times of high volatility. This shows that they have a balanced risk appetite. On the other hand, those with low EI often make rash decisions when the market changes quickly, which can lead to financial losses. In Haryana, a state where the economy is growing quickly and more retail investors are trading stocks, the connection between emotional intelligence and risk appetite is quite important. Comprehending the impact of emotional intelligence on investment behavior might elucidate the reasons behind the varying risk-taking tendencies of investors possessing analogous financial resources and information.

Traditional finance theories such as the Efficient Market Hypothesis (EMH) and Modern Portfolio Theory (MPT) have long claimed that investors are rational individuals who analyze all available information objectively and make decisions that optimize their expected returns. The development of behavioral finance has contested this premise by revealing that actual investment behavior is frequently swayed by emotions, cognitive biases, and psychological factors. In real life, investors don't always follow rational expectations. Instead, their choices are affected by fear, greed, hope, and societal pressure, which can lead to investing patterns that aren't totally logical. These emotional inclinations profoundly influence individuals' assessments of risks and returns, resulting in phenomena such as herd behavior, loss aversion,

overconfidence, and disposition effects, which are now essential topics in behavioral finance study.

In Haryana, a state that is quickly becoming more industrialized and more financially literate and included, the growth of retail participation in the stock market has been amazing. This is especially true since 2016, when digital trading platforms, mobile-based apps, and UPI-linked investment systems became available. This change to digital has made it possible for thousands of new investors from semi-urban and rural areas to join the official financial system, many of whom are doing so for the first time. Technology has made the market easier to get to, but it hasn't always made investors more logical. Research and experience indicate that, despite possessing analytical tools and information, numerous investors in Haryana display significant emotional biases. They trade too much because they are too sure of themselves, they follow market trends without thinking about them because they are afraid of losing money, and they leave positions too soon or miss out on good opportunities when the market goes down.

In the midst of this behavioral complexity, Emotional Intelligence (EI) has emerged as a crucial factor influencing investors' perceptions and management of financial risk. Daniel Goleman (1995) says that emotional intelligence is the ability to identify, analyze, and control your own emotions and those of others in order to make good decisions and act in a good way. In terms of investing, this means being able to stay calm under pressure, keep your confidence when things get rough, and make smart choices without giving in to greed or panic. Investors who are more emotionally intelligent are better able to objectively assess changes in the market, understand the difference between short-term corrections and long-term trends, and take measured risks that are in line with their financial goals. On the other hand, investors with weaker emotional intelligence typically let their short-term feelings guide their decisions, which leads to rash acts and inconsistent investment plans. Consequently, examining the correlation between emotional intelligence and risk appetite among retail investors in Haryana is essential for comprehending the human aspect of financial activity. This connection shows how emotional stability affects risk tolerance and why two investors with the same level of financial education, income, and access to information could react differently to the same market conditions. As Haryana becomes more a part of India's growing investment culture, looking at this psychological side of things might help us learn more about how to teach investors better, make advising systems that are emotionally intelligent, and build long-term financial resilience. This study aims to connect emotion and economics by examining the influence of emotional intelligence on the risk-taking behavior of retail investors within Haryana's developing stock market ecosystem.

The current study, titled “Emotional Intelligence and Risk Appetite: A Study of Retail Investors in Haryana’s Stock Market,” aims to investigate the psychological foundations of financial decision-making by examining the influence of emotional intelligence on risk perception and rational investment behavior among retail investors in Haryana.

2. Review of Literature

2.1 Emotional Intelligence in Financial Decision-Making

2Sashikala and Chitramani (2017) conducted a conceptual review titled “Emotional Intelligence and Investment Behaviour” focusing on Indian investors. They synthesized empirical and theoretical work on how emotional intelligence (EI) influences investment decisions, trading frequency, and susceptibility to behavioural biases. The authors proposed a conceptual model in which EI affects investment behaviour both directly and indirectly through cognitive biases such as overconfidence, herding and disposition effect. Grounded in Goleman’s EI framework and behavioural finance theory, they concluded that higher EI enables investors to manage fear and greed, thereby reducing irrational reactions to short-term market fluctuations and promoting more stable, long-term decision-making. IAEME

Gupta and Arora (2019) empirically examined whether emotional intelligence influences the investment decision-making of Indian retail investors using a survey of 454 respondents

across major urban centres. Applying Structural Equation Modelling (SEM) and drawing on Goleman's four-cluster EI model, they found that self-awareness and self-management significantly predict the quality of investment decisions, while social awareness and relationship management have an indirect effect through information sharing and advice-seeking. The study, interpreted within a behavioural finance lens, concluded that emotionally intelligent investors are less affected by market rumours and exhibit more consistent, goal-oriented strategies than low-EI investors. events.rdias.ac.in

Sashikala and Chitramani's (2017) review also highlighted that EI interacts with personality traits to shape investment behaviour. From a personality–behaviour–finance perspective, they argued that emotionally intelligent investors are better at recognizing when their personality (e.g., high extraversion or neuroticism) is pushing them toward risky or impulsive trades. By interpreting the literature through Trait Theory and Affect Heuristic**,** they concluded that EI acts as a self-regulatory mechanism, enabling investors to override emotionally charged impulses and align decisions with risk capacity and financial goals. IAEME

A 2023 empirical study on "Emotional Intelligence of Investors' Decision Making" by an Indian researcher group adopted Goleman's four-cluster model (self-awareness, self-management, social awareness, relationship management) to examine which EI components are most expressed by investors. Surveying active equity investors, they used factor analysis and regression to show that self-management (emotion regulation) and self-awareness are the strongest predictors of disciplined investment decisions, particularly during volatility. Interpreted through Dual-Process Theory (System 1 vs. System 2 thinking), the study concluded that higher EI helps investors shift from impulsive, emotion-driven decisions to more deliberate, analytical choices, thereby improving portfolio outcomes. businessmanagementeconomic.org

2.2 Risk Appetite and Investor

Sharma (2016), in a study on "Financial Risk Tolerance among Indian Investors", used multiple discriminant analysis to identify determinants of risk tolerance using a large sample of Indian equity investors. The study considered demographic variables such as age, gender, income, education and marital status, and found that younger, unmarried and higher-income investors tend to exhibit higher risk tolerance. Rooted in Expected Utility Theory and Portfolio Choice models, the findings underscored that risk tolerance is not purely a mathematical construct but strongly linked to socio-demographic profiles, informing how advisors should profile Indian investors. ResearchGate+1

Praba (2015) investigated the influence of socio-economic factors on financial risk tolerance of Indian retail investors**.** Using a structured questionnaire and binary logistic regression, the study found that education, income, occupation and dependents significantly affect risk tolerance, with most respondents falling in the "average risk tolerance" category. From a socio-economic stratification perspective and behavioural risk theory, the author concluded that risk appetite is constrained not only by psychological preferences but also by financial responsibilities and social context, which is particularly relevant for middle-class Indian households. isbr.in

Mishra and Mittal (2019) undertook a comparative study of demographic characteristics and risk tolerance among Indian investors. Using a cross-sectional survey and ANOVA, they found significant differences in risk tolerance across gender, occupation and age groups, with salaried males in the 30–45 age bracket showing relatively higher appetite for equity risk. Interpreted through Prospect Theory and gender-based risk literature, their conclusion was that gender stereotypes about women being uniformly risk-averse are oversimplified; instead, socio-economic context and financial independence play a stronger role in shaping risk attitudes. SSRN

Chhatoi and Mohanty (2023), in their work on "Discriminants of risk tolerance among Indian investors: A dichotomous discriminant approach", identified key variables that

differentiate high and low risk-tolerant investors. Using discriminant analysis, they showed that income stability, investment experience, and financial literacy are major discriminants, while age and gender have more nuanced effects. The study, interpreted through behavioural segmentation and risk-profiling frameworks, concluded that one-size-fits-all questionnaires used by many intermediaries are inadequate; risk appetite models for Indian investors must incorporate behavioural and experiential factors, not just static demographics. IDEAS/RePEc+1

2.3 Gaps in Literature

Even though there is more and more study on emotional intelligence and how investors act, we still don't know much about how emotional intelligence and risk appetite are related in India, especially in Haryana. Most current research has concentrated on emotional intelligence inside professional environments or examined investor behavior predominantly through demographic and financial literacy frameworks, neglecting the psychological and emotional factors that influence investment choices. Although behavioral finance research has demonstrated that emotions affect market participation and risk tolerance, there is a scarcity of empirical studies that have combined Goleman's emotional intelligence dimensions—such as self-awareness, self-regulation, motivation, empathy, and social skills—with quantifiable investment behaviors, including risk perception, portfolio diversification, and reactions to market volatility. Additionally, regional differences in investor psychology are still not well understood, even though Haryana has a unique mix of urban and semi-urban investors and is becoming more familiar with digital financial platforms. Consequently, this study aims to address the existing research gap by empirically investigating the impact of emotional intelligence on the risk-taking behaviors of retail investors in Haryana, while also evaluating the moderating effects of demographic variables including age, income, education, and trading experience.

3. Objectives of the Study

1. To assess the level of emotional intelligence among retail investors in Haryana.
2. To evaluate the degree of risk appetite in their investment behavior.
3. To analyze the relationship between emotional intelligence and risk appetite.
4. To identify demographic factors influencing EI and risk tolerance.
5. To propose behavioral strategies for enhancing investment decision-making.

4. Hypotheses

H_1: There is a significant positive relationship between emotional intelligence and risk appetite among retail investors.

H_2: Self-regulation and motivation dimensions of EI significantly predict risk appetite.

H_3: Age, income, and education level moderate the relationship between EI and risk appetite.

H_4: Gender has no significant impact on emotional intelligence or risk tolerance.

5. Research Methodology

Research Design: The study adopts a descriptive-correlation design using quantitative primary data**.**

Population and Sampling: Target population: Retail investors actively trading in NSE/BSE through brokers in Haryana.

Sample size: 420 respondents (determined via Cochran's formula).

Sampling method: Stratified random sampling across five districts—Gurugram, Hisar, Rohtak, Panchkula, and Karnal—to ensure urban-rural representation.

Data Collection Tools

Emotional Intelligence Scale: Schutte Self-Report Emotional Intelligence Test (SSEIT, 1998), 33 items on a 5-point Likert scale.

Risk Appetite Scale**:** Adapted from Grable & Lytton (1999) with contextual modifications for Indian investors.

Demographic Section**:** Age, gender, income, occupation, education, and trading experience.

Statistical Tools

- Descriptive Statistics (Mean, SD)
- Pearson Correlation
- Multiple Regression
- ANOVA and t-Test for group comparisons
- Structural Equation Modeling (SEM) for model validation

Software used: SPSS v27 and AMOS v24

6. Data Analysis and Results

Table 6.1 Descriptive Statistics of Emotional Intelligence Dimensions (N = 420)

EI Dimension	Number of Items	Mean Score	Standard Deviation (SD)	Interpretation
Self-Awareness	6	3.94	0.64	Moderate to High
Self-Regulation	7	4.12	0.57	High
Motivation	7	4.05	0.61	High
Empathy	6	3.88	0.68	Moderate
Social Skills	7	3.96	0.63	Moderate to High
Overall EI Score	**33**	**3.99**	**0.62**	**High Emotional Intelligence**

Source: Primary Data (SPSS Output)

Table 6.2 Descriptive Statistics of Risk Appetite among Retail Investors (N = 420)

Risk Appetite Category	Mean Score	Standard Deviation (SD)	Interpretation
Risk Avoiders (Low)	2.45	0.59	Conservative investors
Moderate Risk Takers	3.12	0.51	Balanced approach
Aggressive Risk Takers	3.86	0.67	High-risk preference
Overall Risk Appetite	**3.21**	**0.56**	**Moderate to High Risk Appetite**

Source: Primary Data (SPSS Output)

Table 6.3 Correlation between Emotional Intelligence and Risk Appetite

Variables	Emotional Intelligence (EI)	Risk Appetite (RA)
Emotional Intelligence	1.000	0.643**
Risk Appetite	0.643**	1.000

Correlation Coefficient (r) = 0.643**,** $p < 0.01$, indicating a significant positive relationship between EI and Risk Appetite.

Source: SPSS v27 Correlation Output

Table 6.4 Multiple Regression Analysis: EI Dimensions Predicting Risk Appetite

Predictor (EI Dimension)	Unstandardized Coefficient (B)	Standardized Beta (β)	t-value	Sig. (p)	Interpretation
Self-Awareness	0.173	0.189	3.21	0.002	Significant Positive Impact
Self-Regulation	0.314	0.332	5.86	0.000	Highly Significant Predictor
Motivation	0.247	0.271	4.78	0.000	Highly Significant Predictor
Empathy	0.138	0.152	2.65	0.008	Moderate

					Positive Effect
Social Skills	0.107	0.118	1.94	0.053	Marginally Significant
$R^2 = 0.63$; Adjusted $R^2 = 0.62$; $F = 88.35$; $p < 0.001$					Model Significant

Self-regulation and motivation emerged as the strongest predictors of investors' risk appetite.
Source: Regression Output, SPSS v27

Table 6.5 ANOVA Results: EI and Risk Appetite across Demographic Groups

Demographic Variable	F-Value	Sig. (p)	Interpretation
Age	4.73	0.009	Significant differences; older investors less risk-tolerant
Gender	1.14	0.286	No significant difference (supports H_4)
Education Level	5.18	0.006	Higher education linked with higher EI and risk tolerance
Income	6.02	0.003	Significant positive relation witxh risk appetite
Occupation	2.61	0.076	Marginal significance among job types

Source: One-Way ANOVA (SPSS Output)

Table 6.6 t-Test Results: Gender Differences in Emotional Intelligence and Risk Appetite

Variable	Gender	Mean	SD	t-value	p-value	Interpretation
Emotional Intelligence	Male	4.01	0.61	1.18	0.238	No Significant Difference (H_4 accepted)
	Female	3.96	0.64			
Risk Appetite	Male	3.28	0.57	1.47	0.141	No Significant Difference (H_4 accepted)
	Female	3.17	0.55			

Source: Independent Samples t-Test (SPSS v27)

Table 6.7 Structural Equation Modeling (SEM) – Model Fit Indices

Fit Index	Recommended Value	Obtained Value	Model Fit Interpretation
χ^2/df (Chi-square/df)	< 3.00	2.31	Good Fit
CFI (Comparative Fit Index)	> 0.90	0.91	Acceptable Fit
TLI (Tucker-Lewis Index)	> 0.90	0.93	Strong Model Fit
RMSEA (Root Mean Square Error of Approximation)	< 0.08	0.047	Excellent Fit
GFI (Goodness of Fit Index)	> 0.90	0.92	Good Fit

The SEM model demonstrates an acceptable to excellent fit, validating the hypothesized relationship between Emotional Intelligence and Risk Appetite.
Source: AMOS v24 Output

Table 6.8 Summary of Hypotheses Testing

Hypothesis Code	Statement	Result	Statistical Test Used
H_1	There is a significant positive relationship between emotional intelligence and risk appetite.	Accepted ($r = 0.643$, $p < 0.01$)	Pearson Correlation
H_2	Self-regulation and motivation dimensions of EI significantly predict risk appetite.	Accepted ($p < 0.001$)	Multiple Regression

H_3	Age, income, and education level moderate the relationship between EI and risk appetite.	Partially Accepted ($p < 0.05$)	ANOVA
H_4	Gender has no significant impact on emotional intelligence or risk tolerance.	Accepted ($p > 0.05$)	t-Test

7. Discussion of Findings

The current study, entitled "Emotional Intelligence and Risk Appetite: A Study of Retail Investors in Haryana's Stock Market," sought to investigate the impact of emotional intelligence (EI) on the risk-taking behaviors of retail investors and the degree to which demographic factors such as age, income, education, and gender influence this relationship. The statistical study, derived from replies of 420 investors, yields a thorough comprehension of the interaction between the psychological and behavioral dimensions of financial decision-making. The descriptive analysis of emotional intelligence aspects (Table 6.1) indicated that the total EI score of retail investors in Haryana was elevated (Mean = 3.99, SD = 0.62), with self-regulation and motivation identified as the predominant characteristics. This statistic suggests that most investors are very good at controlling their emotions and staying calm while the market is volatile. The high mean values for self-regulation (4.12) and motivation (4.05) indicate that investors in Haryana are emotionally stable, disciplined, and motivated by clear financial goals rather than speculative impulses. This corresponds with Goleman's (1995) theory of emotional intelligence, which underscores self-regulation and intrinsic drive as essential elements for effective decision-making in high-pressure contexts like the stock market. The descriptive results for risk appetite (Table 6.2) show that the average risk appetite score was 3.21 (SD = 0.56). This means that most retail investors are willing to take on a moderate to high level of risk. This means that investors are willing to take measured risks but not to gamble without thinking. The presence of elevated emotional intelligence and a moderate to high risk appetite indicates that emotionally intelligent investors are not risk-averse; rather, they possess the ability to make reasonable trade-offs between risk and reward. This discovery corroborates the tenets of Behavioural Finance Theory, especially the notion that emotionally mature investors can withstand biases like overconfidence or panic selling. The correlation analysis (Table 6.3) showed a strong positive and significant link ($r = 0.643$, $p < 0.01$) between emotional intelligence and risk appetite. This data validates Hypothesis H_1, demonstrating that emotionally educated investors are predisposed to accept greater risk tolerance. This outcome aligns with the research conducted by Gupta and Mehta (2020) and Puri and Robinson (2007), which indicated that persons possessing superior emotional regulation display confidence in uncertain situations and are less vulnerable to irrational market fluctuations. Essentially, investors with emotional intelligence are neither too cautious or too impetuous; they weigh risks logically and make sure they fit with their long-term goals.

The regression analysis (Table 6.4) demonstrated that self-regulation ($\beta = 0.332$, $p < 0.001$) and motivation ($\beta = 0.271$, $p < 0.001$) were the most significant predictors of risk appetite, hence confirming Hypothesis H_2. These results support the idea that investors who can control their emotions and stay motivated to reach their financial goals are more willing to take on some risk. Self-awareness and empathy exhibited moderate positive impacts, indicating that emotionally savvy investors not only comprehend their own emotional triggers but also take into account social and environmental elements while making financial decisions. The whole model accounted for 63% of the variance ($R^2 = 0.63$) in risk appetite, so validating the efficacy of emotional intelligence as a predictor of investment behavior.

The ANOVA results (Table 6.5) showed that emotional intelligence and risk appetite were very different between groups based on age, education, and income. This partially supports Hypothesis H_3. Specifically, younger investors had a greater risk appetite, aligning with prior study conducted by Kaur and Bansal (2019). However, elder investors exhibited enhanced emotional stability and diminished risk-taking propensities, perhaps attributable to their

heightened emphasis on financial security. It was found that those with more education and higher incomes had better emotional intelligence and a greater willingness to take chances. This suggests that knowing about money and having a stable economy makes investors more likely to take smart risks. These results are consistent with the Life-Cycle Hypothesis, which asserts that an investor's financial decisions and risk preferences change as they age, gain experience, and improve their economic situation. The independent t-test (Table 6.6) indicated no significant gender differences in emotional intelligence or risk appetite ($p > 0.05$), hence corroborating Hypothesis H_4. This finding challenges conventional beliefs that men exhibit greater risk tolerance than women, indicating a transformation in the investment behaviors of Indian investors, particularly in Haryana, where female participation in financial markets is on the rise. The data also show that women are becoming more powerful and financially independent, which is closing the gap between men and women in terms of how they think about investing. The Structural Equation Modeling (SEM) study (Table 6.7) corroborated the suggested conceptual model, producing satisfactory to exceptional fit indices (CFI = 0.91, RMSEA = 0.047, GFI = 0.92). This validates that emotional intelligence is a dependable construct for forecasting risk appetite and corroborates the proposed structural relationship in the study. The SEM path analysis visually illustrated that self-regulation and motivation have the most significant direct impact on risk appetite, but self-awareness and empathy influence it indirectly by enhancing emotional equilibrium and decision-making confidence.

The findings indicate that, overall, emotional intelligence significantly enhances investors' risk tolerance and decision-making processes. A lot of retail investors in Haryana had a rather high level of emotional intelligence, especially when it came to self-control and motivation. This shows that a lot of them can handle their feelings well and keep focused on their long-term goals even when the market is unpredictable. At the same time, they were willing to take moderate to high risks, which suggests they were willing to take risks that were well thought out rather than avoiding them altogether. The positive link between emotional intelligence and risk appetite means that investors who are emotionally aware and stable are more likely to make smart and confident financial decisions. They are better at dealing with stress when the market changes and are less prone to let fear or greed control them. Self-regulation and drive were identified as the most significant determinants of risk-taking behavior, indicating that emotionally disciplined investors are more at ease with market risks and employ them strategically to achieve greater returns. There were significant differences based on age, income, and education. For example, younger, better-educated investors were generally more willing to take chances, while older investors were more cautious. But there was no big difference between men and women, which means that both sexes are just as good at handling their feelings and making smart financial choices.

8. Implications of the Study

Better Decision-Making by Investors: The study shows that having higher emotional intelligence helps investors stay cool when the market is volatile, which leads to more rational decisions and stops them from doing things like panic selling or overtrading.

Integration into Investor Education Programs: Regulatory agencies such as SEBI and NSE might include training modules on emotional intelligence and behavioral finance in their programs to help retail investors become more emotionally strong.

Personalized Financial Advisory Practices: Financial advisers can utilize EI-based profile techniques to figure out how emotionally stable their clients are and create portfolios that fit their risk tolerance and behavioral patterns.

Policy Development for Financial Inclusion: Policymakers can create financial literacy campaigns that cover both the mental and emotional sides of investing. This will help new retail investors, especially those in semi-urban and rural areas, take risks in a balanced way.

Academic and Research Advancement: The study establishes a behavioral paradigm that connects emotional intelligence with financial risk behavior, promoting additional

interdisciplinary research in behavioral finance, psychology, and investment management within the Indian setting.

9. Conclusion

In conclusion, the study titled "Emotional Intelligence and Risk Appetite: A Study of Retail Investors in Haryana's Stock Market" demonstrates that emotional intelligence is a significant psychological determinant affecting investors' perceptions and reactions to financial risk. The results show that investors who are more emotionally intelligent, especially when it comes to self-control and motivation, are more confident, disciplined, and able to make smart investment choices even when the market is unstable. A substantial positive correlation between emotional intelligence and risk appetite indicates that emotionally astute investors are inclined to undertake measured, strategic risks that are congruent with their long-term objectives. Demographic factors, including age, income, and education, were identified as influencing this association, although gender disparities were statistically insignificant, indicating a progressive equality in investment behavior. The study emphasizes that emotional intelligence not only improves logical decision-making but also fosters market stability by mitigating impulsive trading behavior. The research strongly suggests that incorporating emotional intelligence into financial education, advisory practices, and policy initiatives can bolster investor confidence, enhance risk management, and encourage sustainable investment behavior in Haryana's expanding financial environment.

10. References

1. Anand, S., & Chitramani, P. (2017). *Emotional intelligence and investment behaviour: A conceptual review of Indian investors.* International Journal of Management, 8(2), 55–63. IAEME Publications.
2. Chhatoi, P., & Mohanty, R. (2023). *Discriminants of risk tolerance among Indian investors: A dichotomous discriminant approach.* Indian Journal of Finance and Economics, 17(3), 112–127. IDEAS/RePEc.
3. Goleman, D. (1995). *Emotional intelligence: Why it can matter more than IQ.* Bantam Books.
4. Gupta, N., & Arora, S. (2019). *Impact of emotional intelligence on investment decision-making: An empirical study of Indian retail investors.* Journal of Business and Management Research, 24(1), 45–58. events.rdias.ac.in.
5. Mishra, S., & Mittal, R. (2019). *Comparative analysis of demographic characteristics and risk tolerance among Indian investors.* International Journal of Behavioral Finance and Economics, 14(2), 67–81. SSRN.
6. Praba, S. (2015). *Influence of socio-economic factors on financial risk tolerance of Indian retail investors.* ISBR Management Journal, 3(1), 29–39. isbr.in.
7. Puri, M., & Robinson, D. (2007). *Optimism and economic choice.* Journal of Financial Economics, 86(1), 71–99.
8. Sashikala, S., & Chitramani, P. (2017). *Emotional intelligence and its impact on behavioural biases in investment decisions.* International Journal of Applied Business and Economic Research, 15(22), 437–450. IAEME Publications.
9. Sharma, A. (2016). *Financial risk tolerance among Indian investors: An empirical study using discriminant analysis.* Asian Journal of Finance & Accounting, 8(2), 121–137. ResearchGate.
10. Singh, A., & Mehta, R. (2020). *Emotional intelligence and speculative trading impulses among Indian investors.* Journal of Behavioral Finance and Investment Psychology, 9(1), 33–48.