Capital Market Information and Investors Decisions Making  
(A Study of Some Selected Stock Broking Companies)  

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ABSTRACT  

Keywords: Financial services, bank, stock, capital market, stock exchange, trading, securitites

Financial services are the economic backbone of any country, industry and stock market. Today’s economic is based on the stock market training, banks, influence companies, investment funds etc. The Indian stock market is one of the oldest stock market in the world which comprises of BSE and NSE as the core of capital of market. Rest of the stock market is controlled and regulated by SEBI which is basically responsible for regulating the stock trading activities in a stock market. Capital market is basically the place for raising the long terms funds. Stock market consists of primary and secondary capital market. In primary market there is an initial offer of shares at the predetermined price. it is mostly the market for issue of new securitites.in secondary market the investor trades on the shares which is available for the sale to another investors. This is a place of trading of existing securities, mutual funds and other investment opportunities. Besides this there are other market also like derivative market, commodity market etc. The SEBI tries to protect the interest of investors in stock trading. All the companies trading in the stock market come under the preview and control of saving. it authorizes the companies, financial institutions and other agencies to float their shares in the market. it also educates the investors with various information from time to time. Reforms have been brought in the rules and regulations of SEBI by appointing various committees for up gradation of rules and regulations BSE is more preferred in stock trading as compare to that off NSE. The Sensex keeps on informing the investors and other people concern with the stock market and stock trading activities. Today the consumers have the advantage of authorized stock broking companies like Angel Broking, Annagram, UTI, Share Khan to help the investors in buying and selling of shares. The authors have made an extensive study over the current scenario of stock market and the parameters needed for taken the decision by the investors.  

Financial Services  

Financial services are the economic services provided by the finance industry, which encompasses a broad range of organizations that manage money, including credit unions, banks, credit card companies, insurance companies, consumer finance companies, stock brokerages, investment funds and some government sponsored enterprises.  

Indian Stock Market  

The Indian broking industry is one of the oldest trading industries that have been around even before the establishment of BSE in 1875. BSE is the oldest stock market in India. The history of India stock trading starts with 318 persons taking membership in Native share and Stock Brokers Association, which we know by the name Bombay Stock Exchange or BSE in short. In 1965, BSE got permanent recognition from the Government of India. BSE and NSE represent themselves as synonyms of India stock market. The history of India stock market is almost the same as the history of BSE. The regulations and reforms been laid down in the equity market has resulted in rapid growth and development. Basically the growth in the equity market is largely due to the effective intermediaries. The broking houses not only act as an intermediate link for the equity market but also for the commodity market, the foreign currency exchange market
and many more. The broking houses have also made an impact on foreign investors to invest in India to certain extent. In the last decade, the Indian brokerage industry has undergone a dramatic transformation. Large and fixed commissions have been replaced by wafer thin margins, with competition driving down the brokerage fees, in some cases to a few basis points. There have also been major changes in the way the business is conducted. The scope of services have enhanced from being equity products to a wide range of financial services.

Financial Products

The survey also revealed that in the past couple of years, apart from trading, the firms have started various investment value services. The sustained growth of the economy in past couple of years has resulted in broking firms offering many diversified services related to IPO’s, mutual funds, company research etc. However, the core trading activity is still the predominant form of business, forming 90% of the firms in the sample. 67% firms are engaged in offering IPO related services. The broking industry seems to have capitalized on the growth of the mutual fund industry, which pegged at 40% in 2006. More than 50% of the sample broking houses deal in mutual fund investment services. The average growth in assets under management in last two years is almost 48% company research services. Additionally, a host of other value added services such as fundamental and technical analysis, investment banking, arbitrage etc are offered by the firms at different levels.

Capital Market

Capital market is a market for securities (debt or equity), where business enterprises (companies) and governments can raise long-term funds. Capital market may be classified as primary markets and secondary markets. In primary market new stock or bond issues are sold to investor via a mechanism known as underwriting. In secondary markets, existing securities are sold and brought among investors or traders, usually on a security exchange, over the counter or elsewhere. The capital market includes e stock market (equity securities) and Bond market (debt).

Primary and Secondary Capital Markets

A company cannot easily attract investors to invest in their securities if the investors cannot subsequently trade these securities at will. In other words, securities cannot have a good primary market unless it is ensured of an active secondary market.

Primary Market

Securities generally have two stages in their lifespan. The first stage is when the company initially issues the security directly from its treasury at a predetermined offering price. Primary market is the market for issue of new securities. It therefore essentially consist of the companies issuing securities, the public subscribing to these securities, the regulatory agencies like SEBI and the Government, and the intermediaries such as brokers, merchant bankers and banks who underwrite the issues and help in collecting subscription money from the public. It is referred to as Initial Public offer (IPO). Investment dealers frequently buy initial offering on the primary market and the securities on the secondary market.

Secondary Market

The second stage is when an investor or dealer makes the shares, bought from a company treasury, available for sale to other investors on the secondary market. Secondary market is the market for trading in existing securities, after they have been created in the primary market. It essentially consists of the public who are buyers and sellers of securities, brokers, mutual funds, and most importantly, the stock exchanges where the trading takes place, such as the BSE (Bombay Stock Exchange) or NSE (National Stock Exchange).

Indian Stock Exchange

Stock Market

A stock market or equity market is a public entity (a loose network of economic transaction, not a physical facility or discrete entity) for the trading of company stock (shares) and derivatives at an agreed price; these are securities listed on a stock exchange as well as those only traded privately.

Stock Exchange

A stock exchange provides services for stock brokers and traders to trade stocks, bonds and other securities. Stock exchanges also provide facilities for issue and redemption of securities and other financial instruments and capital events including the payment of income and dividends. Securities traded on stock exchange include shares issued by companies, unit trusts, derivatives, pooled investment products and bonds.

Equity/Share

Total equity capital of a company is divided into equal units of small denominations, each called a share. For example, in a company the total equity capital of Rs. 2,00,00,000 is divided into 20,00,000 units of Rs 10 each. Each such unit of Rs. 10 is called a share. Thus, the company then is said to have 20, 00,000 equity share of Rs 10 each. The holders of such shares are members of the company and have voting rights. There are now stock markets in virtually every developed and most developing economy, with the world’s biggest being in the United States, UK, Germany, France, India and Japan.

Market Participants

Market participants include individual retail investors, institutional investors such as mutual funds, banks, insurance companies and hedge funds, and also publically traded corporations trading in their own shares.

Trading

Participants in the stock market range from small individual stock investors to large hedge fund traders, who can be based anywhere.
Listing
Listing means admission of securities of an issuer to trading privileges on a stock exchange through a formal agreement. The prime objective of admission to dealing on the Exchange is to provide liquidity and marketability to securities.

Securities
A Security gives the holder an ownership interest in the assets of a company. For example, when a company issues security in the form of stock, they give the purchaser an interest in the company’s assets in exchange for money.

There are a number of reasons why a company issues securities: meeting a short – term cash crunch or obtaining money for an expansion are just two.

WHAT IS SEBI AND WHAT IS ITS ROLE?

In 1988 the Securities and Exchange Board of India (SEBI) was established by the Government of India through an executive resolution, and was subsequently upgraded as a fully autonomous body (a statutory Board) in the year 1992 with the passing of the Securities and Exchange Board of India Act (SEBI Act) on 30th January 1992. In place of Government Control, a statutory and autonomous regulatory board with defined responsibilities, to cover both development & regulation of the market, and independent powers have been set up. Paradoxically this is a positive outcome of the Securities Scam of 1990-91.

OBJECTIVES OF SEBI

The promulgation of the SEBI ordinance in the parliament gave status to SEBI in 1992. According to the preamble of the SEBI, the three main objectives are:

1. To protect the interests of the investors in securities
2. To promote the development of securities market
3. To regulate the securities market

FUNCTIONS OF SEBI

The main functions entrusted with SEBI are:

1. Regulating the business in stock exchange and any other securities market
2. Registering and regulating the working of stock brokers, share transfer agents, bankers to the issue, trustees of trust deed, registrars to an issue, merchant bankers, underwriters, portfolio managers, investment advisers and such other intermediaries who may be associated with securities market in any manner.
3. Registering and regulating the working of collective investment schemes including mutual funds
4. Promoting and regulating self-regulatory organizations
5. Prohibiting fraudulent and unfair trade practices in the securities market
6. Promoting investors education and training of intermediaries in securities market
7. Prohibiting insiders trading in securities
8. Regulating substantial acquisition of shares and takeover of companies

Calling for information, undertaking inspection, conducting enquiries and audits of the stock exchanges, intermediaries and self-regulatory organizations in the securities market. Since its inception SEBI has been working targeting the securities and is attending to the fulfillment of its objectives with commendable zeal and dexterity. The improvements in the securities markets like capitalization requirements, margining, establishment of clearing corporations etc. reduced the risk of credit and also reduced the market. SEBI has introduced the comprehensive regulatory measures, prescribed registration norms, the code of obligations and the code of conduct for different intermediaries like, bankers to issue, merchant bankers, brokers and sub-brokers, registrars, portfolio managers, credit rating agencies, underwriters and others. It has framed bye-laws, risk identification and risk management systems for Clearing houses of stock exchanges, surveillance system etc. which has made dealing in securities both safe and transparent to the end investor.

Another significant event is the approval of trading in stock indices (like S&P CNX Nifty & Sensex) in 2000. A market Index is a convenient and effective product because of the following reasons:

1. It acts as a barometer for market behavior;
2. It is used to benchmark portfolio performance;
3. It is used in derivative instruments like index futures and index options;
4. It can be used for passive fund management as in case of Index Funds.

Two broad approaches of SEBI is to integrate the securities market at the national level, and also to diversify the trading products, so that there is an increase in number of traders including banks, financial institutions, insurance companies, mutual funds, primary dealers etc. to transact through the Exchanges. In this context the introduction of derivatives trading through Indian Stock Exchanges permitted by SEBI in 2000 AD is a real landmark. SEBI appointed the L. C. Gupta Committee in 1998 to recommend the regulatory framework for derivatives trading and suggest bye-laws for Regulation and Control of Trading and Settlement of Derivatives Contracts. The Board of SEBI in its meeting held on May 11, 1998 accepted the recommendations of the committee and approved the phased introduction of derivatives trading in India beginning with Stock Index Futures. The Board also approved the "Suggestive Bye-laws" as recommended by the Dr LC Gupta Committee for Regulation and Control of Trading and Settlement of Derivatives Contracts. SEBI then appointed the J. R. Verma Committee to recommend Risk Containment Measures (RCM) in the Indian Stock Index Futures Market. The report was submitted in November1998. However the Securities Contracts
Derivatives in 1969 under a notification issued by the Government in 1999. The Securities Laws (Amendment) Bill, 1999 was introduced. In December 1999 the new framework was approved. Derivatives have been accorded the status of 'Securities'. The ban imposed on trading in derivatives in 1969 under a notification issued by the Central Government was revoked. Thereafter SEBI formulated the necessary regulations/bye-laws and intimated the Stock Exchanges in the year 2000. The derivative trading started in India at NSE in 2000 and BSE started trading in the year 2001.

**Bombay Stock Exchange**

Bombay Stock Exchange is the oldest stock exchange in Asia with a rich heritage, now spanning three centuries in its 133 years of existence. What is now popularly known as BSE was established as "The Native Share & Stock Brokers' Association" in 1875. BSE is the first stock exchange in the country which obtained permanent recognition (in 1956) from the Government of India under the Securities Contracts (Regulation) Act (Regulation) Act 1956. BSE’s pivotal and pre-eminent role in the development of the Indian capital market is widely recognized. It migrated from the open outcry system to an online screen-based order driven trading system in 1995. Earlier an Association of Persons (AOP), BSE is now a corporatized and demutualised entity incorporated under the provisions of the Companies Act, 1956, pursuant to the BSE (Corporatization and Demutualization) Scheme, 2005 notified by the Securities and Exchange Board of India (SEBI). With demutualization, BSE has two of world's best exchanges, Deutsche Börse and Singapore Exchange, as its strategic partners. Over the past 133 years, BSE has facilitated the growth of the Indian corporate sector by providing it with an efficient access to resources. There is perhaps no major corporate in India which has not sourced BSE’s services in raising resources from the capital market. Today, BSE is the world’s number 1 exchange in terms of the number of listed companies and the world’s 5th in transaction numbers. The market capitalization as on December 31, 2007 stood at USD 1.79 trillion. An investor can choose from more than 4,700 listed companies, which for easy reference, are classified into A, B, S, T and Z groups. The BSE Index, SENSEX, is India's first stock market index that enjoys an iconic stature, and is tracked worldwide. It is an index of 30 stocks representing 12 major sectors. The SENSEX is constructed on a 'free-float' methodology, and is sensitive to market sentiments and market realities. Apart from the SENSEX, BSE offers 21 indices, including 12 sectoral indices. BSE has entered into an index cooperation agreement with Deutsche Börse. This agreement has made SENSEX and other BSE indices available to investors in Europe and America. Moreover, Barclays Global Investors (BGI), the global leader in ETFs through its iSharesÂ brand, has created the ‘iSharesÂ BSE SENSEX India Tracker’ which tracks the SENSEX. The ETF enables investors in Hong Kong to take an exposure to the Indian equity market. The first Exchange Traded Fund (ETF) on SENSEX, called 'SPICE' is listed on BSE. It brings to the investors a trading tool that can be easily used for the purposes of investment, trading, hedging and arbitrage. SPICE allows small investors to take a long-term view of the market. BSE provides an efficient and transparent market for trading in equity, debt instruments and derivatives. It has a nation-wide reach with a presence in more than 359 cities and towns of India. BSE has always been at par with the international standards. The systems and processes are designed to safeguard market integrity and enhance transparency in operations. BSE is the first exchange in India and the second in the world to obtain an ISO 9001:2002 certifications. It is also the first exchange in the country and second in the world to receive Information Security Management System Standard BS 7799-2-2002 certification for its BSE On-line Trading System (BOLT). BSE continues to innovate. In recent times, it has become the first national level stock exchange to launch its website in Gujarati and Hindi to reach out to a larger number of investors. It has successfully launched a reporting platform for corporate bonds in India christened the ICDM or Indian Corporate Debt Market and a unique ticker-cum-screen aptly named 'BSE Broadcast' which enables information dissemination to the common man on the street. In 2006, BSE launched the Directors Database and ICERS (Indian Corporate Electronic Reporting System) to facilitate information flow and increase transparency in the Indian capital market. While the Directors Database provides a single-point access to information on the boards of directors of listed companies, the ICERS facilitates the corporate in sharing with BSE their corporate announcements. BSE also has a wide range of services to empower investors and facilitate smooth transactions: Investor Services: The Department of Investor Services redresses grievances of investors. BSE was the first exchange in the country to provide an amount of Rs.1 million towards the investor protection fund; it is an amount higher than that of any exchange in the country. BSE launched a nationwide investor awareness programme- 'Safe Investing in the Stock Market' under which 264 programmes were held in more than 200 cities. The BSE On-line Trading (BOLT): BSE On-line Trading (BOLT) facilitates on-line screen based trading in securities. BOLT is currently operating in 25,000 Trader Workstations located across over 359 cities in India. BSEWEBX.com: In February 2001, BSE introduced the world's first centralized exchange-based Internet trading system, BSEWEBX.com. This initiative enables investors anywhere in the world to trade on the BSE platform. Surveillance: BSE's On-Line Surveillance System (BOSS) monitors on a real-time basis the price movements, volume positions and members' positions and real-time
measurement of default risk, market reconstruction and generation of cross market alerts. BSE Training Institute: BTI imparts capital market training and certification, in collaboration with reputed management institutes and universities. It offers over 40 courses on various aspects of the capital market and financial sector. More than 20,000 people have attended the BTI programmes. Awards The World Council of Corporate Governance has awarded the Golden Peacock Global CSR Award for BSE’s initiatives in Corporate Social Responsibility (CSR). The Annual Reports and Accounts of BSE for the year ended March 31, 2006 and March 31, 2007 have been awarded the ICAI HRM awards for excellence in HR through technology. Drawing from talent management at work, health management at work and excellence in HR through technology, BTI has been tremendous in every field. It had introduced several novel concepts to the Indian capital market and thus making it the largest stock exchange of India by October, 1995.

The concept of NSCCL was extended by the introduction of clearing and settlement with the help of NSCCL in year 1996. The National stock Exchange has introduced its Index for the first time in year 1996. The index was known as the S&P CNX Nifty Index. In year June 1996, it has introduced the Settlement Guarantee Fund. The National Securities Depositor Fund was launched by the National Stock exchange in year 1996, November, and thus making it the first stock exchange who becomes the first depository in India. Because of the efforts and introduction of new concept in the field of trading, the National stock Exchange has received the BEST IT USAGE award by the computer Society of India in the year November, 1996. It has also received an award for the TOP IT USER in the name of “Dataquest award” in year December, 1996. The National stock exchange has also introduced another index in year December 1996 in the name of CNX Nifty Junior in year 1996. It had again received an award for the BEST IT USAGE award by the computer Society of India in the year December, 1996. In May, 1998 it had launched its first website. Further in October 1999, it had launched the NSE.IT LTD. Further in year October, 2002, it had launched the Government securities index.

The growth of the National stock Exchange has been tremendous in every field. It had introduced several programmes and has achieved various achievements and awards while working best in the field in which it is working. The efforts and hard work that is contributed by the National Stock exchange has been tremendous and thus making an important and unique stock exchange in India.

Over The Counter Exchange of India (OTCEI)

OTCEI (Over The Counter Exchange of India) was incorporated in 1990 as a Section 25 company under the Companies Act 1956 and is recognized as a stock exchange under Section 4 of the Securities Contracts Regulation Act, 1956. The Exchange was set up to aid enterprising promoters in raising finance for new projects in a cost effective manner and to provide investors with a transparent & efficient mode of trading. Modeled along the lines of the NASDAQ market of USA, OTCEI introduced many novel concepts to the Indian capital markets such as screen-based nationwide trading, sponsorship of companies, market making and scrip less trading. As a
measure of success of these efforts, the Exchange today has 115 listings and has assisted in providing capital for enterprises that have gone on to build successful brands for themselves like VIP Advanta, Sonora Tiles & Brilliant mineral water, etc. Trading at OTCEI is done over the centers spread across the country. Securities traded on the OTCEI are classified into:
1. Listed Securities - The shares and debentures of the companies listed on the OTC can be bought or sold at any OTC counter all over the country and they should not be listed anywhere else Permitted
2. Securities - Certain shares and debentures listed on other exchanges and units of mutual funds are allowed to be traded.
3. Initiated debentures - Any equity holding at least one lakh debentures of a particular scrip can offer them for trading on the OTC.

**INTRODUCTION TO ANGEL BROKING**

Angel Broking Limited is one of the leading and professionally managed stock broking firm involved in quality services and research. Incorporated in December 1997 in Mumbai, India, Angel Broking provides retail related services encompassing Ebroking, Investment Advisory, Portfolio Management Services, Wealth Management Services and Commodities Trading. It is a member of Bombay Stock Exchange and National Stock Exchange. It is also a registered depository participant with CDSL. The membership of the company with The Stock Exchange Mumbai was originally in the name of Mukesh R. Gandhi, which was eventually turned into a corporate membership in the name of Angel Broking Limited. Angel Broking Limited is managed by Mr. Dinesh Thakkar and he is well supported by Mr. Mukesh Gandhi, a fifteen years veteran in the market. The group is well supported by a professional and qualified research team and efficient operations and back office team, which comprises of highly dedicated and qualified individuals. Angel has an in-house, state of art research department. Angel believes in reaching out to the customer at the farthest end rather than by reaching out to them. The company in its endeavor to give its client the best has opened up several branches all over Mumbai, which are efficiently integrated with the Head Office. Angel Broking Limited is primarily into retail stock broking, with a customer base of retail investors, which has been increasing at a compounded growth rate of 100% every year. The company has huge network sub-brokers in Mumbai and other places outside Mumbai, registered with SEBI, who act as channel partners for the company. The company presently has total staff strength of around 150 employees who are spread accordingly across the head office and all the branches. Angel has empowered its physical presence throughout India through various strategies which it has been adopting efficiently and effectively over a period of time, like opening up of branches at various places, tie-ups with various agencies and sales agents, buy-outs of smaller regional outfits and appointment of sub-brokers and franchisees. Moreover Angel has been tapping and including high net-worth and self-employed individuals it its vast array of clients.

**SELECTED STOCK BROKING COMPANIES**

“Angel Broking” is the retail broking arm of SSKI, an organization with more than eight decades of trust & credibility in the stock market. It is India’s leading retail financial Services Company with We have over 250 share shops across 115 cities in India. While our size and strong balance sheet allow us to provide you with varied products and services at very attractive prices, our over 750 Client Relationship Managers are dedicated to serving your unique needs. Angel Broking is lead by a highly regarded management team that has invested crores of rupees into a world class Infrastructure that provides our clients with real-time service & 24/7 access to all information and products. Our flagship Angel Broking Professional Network offers real-time prices, detailed data and news, intelligent analytics, and electronic trading capabilities, right at your fingertips. This powerful technology complemented by our knowledgeable and customer focused Relationship Managers. We are creating a world of Smart Investor. Angel Broking offers a full range of financial services and products ranging from Equities to Derivatives enhance your wealth and hence, achieve your financial goals. Angel Broking’ Client Relationship Managers are available to you to help with your financial planning and investment needs. To provide the highest possible quality of service, Angel Broking provides full access to all our products and services through multi- channels.
Mission:
To be India’s First Multinational providing complete financial services solution across the Globe.

Vision
To provide best value for money to investors through innovative products, trading/investments strategies, state of the art technology and personalized service.

Motto
To have complete harmony between quality-in-process and continuous improvement to deliver exceptional service that will delight our Customers and Clients.

Business Philosophy
1. Ethical practices & transparency in all our dealings
2. Customers interest above our own
3. Always deliver what we promise
4. Effective cost management
5. Quality Assurance Policy
We are committed to providing world-class products and services which exceed the expectations of our customers, achieved by teamwork and a process of continuous improvement.

History & Milestones
Angel Broking’s tryst with excellence in customer relations began in 1987. Today, Angel has emerged as one of the most respected Stock-Broking and Wealth Management Companies in India. With its unique retail-focused stock trading business model, Angel is committed to providing ‘Real Value for Money’ to all its clients. The Angel Group is a member of the Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and the two leading Commodity Exchanges in the country: NCDEX & MCX. Angel is also registered as a Depository Participant with CDSL. Awarded with ‘Broking House with Largest Distribution Network’ and ‘Best Retail Broking House’ at Dun & Bred street Equity Broking Awards 2009• August, 2008 Crossed 500000 trading accounts.October 2011, Angel Broking bagged the Dun & Bradstreet Equity Broking Awards 2011 for 'Best Retail Broking House' and 'Fastest Growing Equity Broking House' (Large Firms) at Dun & Bradstreet Equity Broking Awards 2011. March 2011, Angel Broking was awarded with ‘Best in Contribution Investor Education & Category Enhancement of the year’ and ‘Best Commodity Research of the year’. November 2010, Angel Broking bags the coveted ‘Major Volume Driver’ Award by BSE for 2009-10 October 2009, Angel Broking bags the coveted ‘Major Volume Driver’ Award by BSE for 2008-09 May 2009, Angel Broking wins two prestigious awards for 'Broking House with Largest Distribution Network' and 'Best Retail Broking House' at Dun & Bradstreet Equity Broking Awards. November 2008, Angel Broking wins the esteemed ‘Major Volume Driver’ Award by BSE for 2007-2008 August 2008, Angel Broking crosses 5,00,000 mark in unique trading accounts November 2007, Angel Broking augments its business with introduction of Insurance Distribution in alliance with Birla Sun Life

2. March2007, Angel Broking crosses the benchmark of 2,00,000 unique trading accounts
3. December, 2006 Created 2500 business associates
4. September, 2006 Launched Mutual Fund and IPO business
5. July, 2006 launched the PMS function
6. October, 2005 ‘Major Volume Driver’ award for 2005
7. September, 2004 Launched Online Trading Platform
8. April, 2004 Initiated Commodities Broking division
9. April, 2003 first published research report
10. November, 2002 Angel’s first investor seminar
11. March, 2002 developed web-enabled back office software
13. December, 1997 Angel Broking Ltd. Incorporated

Angel’s Presence
1. Nation- wide network of 21 regional hubs.
3. 6800 + sub brokers & business associates.
4. 9 lakh + clients.
5. 

PRODUCTS & SERVICES
1. Equity Trading
2. Depository services
3. Commodity Trading
4. Mutual Funds services
5. Margin Financing
6. Corporate Advisory Group
7. Portfolio Management System

Equity Trading
For the first time Angel Broking investing commodity the power to be associated with the elite dealing rooms and freedom to execute trade on there own. That is one may trade from their branches or trade own over the net and with that expertise and assistance.

Depository Services
Angel Broking is among the few major Depository Participants holding securities worth more than Rs.6000 crore under its management .RSL provides depository services investors as a depository participant with NSDL and CDSL.

Commodity Trading
Commodities are a word originated from the French word ‘commodity’ means benefit profit. Angel commodity Limited is a member of both the exchange (MCX & NCDEX) that allows trading in all the commodities traded at both the exchange. At present, trading in commodities is restricted to futures contracts only.
**Benefits of Commodity Trading**

To investors: investors always look for alternative investments avenues where they can diversify their funds to achieve their financial goals. In financial market, commodities have rapidly emerged as a major investment tool as they help in diversifying investments and to hedge against inflation, greatest threat to any investor.

**Mutual Funds Services**

Angel Broking is also promoting mutual funds of all companies. The service spectrum spans treasury-related as well as general investment requirements. A dedicated mutual fund research desk is constantly monitoring the environment for new opportunities. Allocation across sectors and maturities are actively managed for the client base. Fund performance is constantly monitored to optimize returns for the customers taking into account the risk/reward profile of the client.

**Corporate Advisory Group**

Corporate advisory group provides various solutions to corporate banks and FIs on the management of debit, equity and investments. The service extends from advising client to earn maximum profit by investing through selected papers like MF/PMF etc.

**Portfolio Management System**

Angel offers discretionary PMS to investors in order to assist them in managing their funds amidst continuous changing market dynamics and increasing complexities of investing. Investing in equity market requires in depth knowledge and thorough analysis coupled with clear understanding of domestic and international economies. Investors need the services of an expert to manage their funds and deliver good returns in diverse market conditions. Continuous wealth creation with an emphasis on capital preservation is essential in today’s complex markets.

In order to systematically diversify the holdings of clients across varied sectors and with and intention to give them handsome returns, Angel devised the concept of the Model Portfolio: Angel came out with its first Model Portfolio in August 2002. Since then it has come out with Model Portfolios which have consistently outperformed the Sensex. In fact the latest model portfolio by Angel has selected stocks have performed very well.

**FUNDAMENTAL RESEARCH SERVICES**

The Sunday Weekly Report:

This weekly report is the ace of all reports. It offers a comprehensive market overview and likely trends in the week ahead. It also presents few top picks based on an in-depth analysis of technical and fundamental factors. It gives short term and long term outlook on these scrips, their price targets and trading strategies. Another unique feature of this report is that it provides an updated view of about 70 prominent stocks on an ongoing basis.

**The Industry Watch:**

This report provides an in-depth analysis of specific industries which are likely to outperform others in the economy. It analyzes their strengths and weaknesses and ascertains their future outlook. The final view is arrived at after thorough interaction with industry experts. Also comparative performances of various companies in the sector are evaluated and top picks are recommended

**Stock Analysis**

Angel’s stock research has performed very well over the past few years and the Angel Model Portfolio has consistently outperformed the benchmark indices. The fundamentals of select scrip’s are thoroughly analyzed and an actionable advice is provided along with investment rationale for each scrip.

**Flash News**

Key developments and significant news announcements that are likely to have an impact on markets / scrip’s are flashed live on trading terminals. Flash news keeps the market participants updated on an online basis and helps them to reshuffle on their holding

**TECHNICAL RESEARCH SERVICE**

**Nifty Tracker**

Nifty Futures is the most traded instrument with highest volumes in F & O and excellent liquidity. The team tracks the Nifty Future and generates calls based on unique trading system which is a result of their focused research over the past few years. The objective is to generate positive returns for traders who are looking for a high risk / high reward product.

**Online Chart**

An online forum to help clients, specifically day traders in judging the directions of the market and stocks which are in the limelight.

**Intraday Calls:**

For day traders, Angel provides intra-day calls with entry, exit and stop loss levels during market hours. These calls are flashed on their terminals. Their analysts continuously track the calls and provide recommendations according to the market movements.

**Position Calls**

Angel’s “Position Trading Calls” are based on thorough analysis of the price movement in select scrip’s. These calls are for a 10-15 day time span with stop loss and target levels. These calls are flashed on their terminals during market hours.
Derivative Strategies
Their analysts take view on the Nifty and select stocks based on the derivatives data and technical tools. Suitable “Derivative Strategies” are devised, which are flashed on their terminals and published in their reports.

Futures Calls
A customized product for HNIs to help them trade with leveraged position; wherein clients are advised on the stocks with entry, exit and stop loss level for short term benefits. Over and above this, financial status of the calls is monitored at all times.

INVESTMENT ADVISORY DESK
At Angel, they have a dedicated Investment Advisory Desk:
1. To help manage client’s equity portfolio and create wealth
2. To help client understand their risk profile and define investment goals realistically
3. To minimize client’s risk and maximize their returns
4. To help client decide what to buy / sell and when to buy / sell
5. To help client’s understand macro-economic trends and sectoral / company developments
6. To help client restructure their portfolio based on sound research

SWOT Analysis
A SWOT analysis focuses on the internal and external environments, examining strengths and weaknesses in the internal environment and opportunities and threats in the external Environment
1. Strength
2. Service
3. Distribution network
4. Marketing
5. Products

Weakness
1. Customer Satisfaction
2. Branding
3. Competition from Banks

Opportunities
1. Ever increasing market
2. Improving technology
3. Unfulfilled needs of Customers
4. Education level

Threats
1. New competitors
2. Technology based business

COMPETITORS DETAILS
1. STOCK HOLDING CORPORATION OF INDIA LIMITED
2. ICICI direct.com
3. SHARE KHAN
4. UTI SECURITIES
5. MARWADI GROUP
6. HDFC SECURITIES
7. KARVY STOCK BROKING LIMITED
8. KOTAK SECURITIES
9. RELIANCE MONEY
10. ANAGRAM SECURITIES

SHCIL (STOCK HOLDING CORPORATION OF INDIA LIMITED)
Stock Holding Corporation of India Limited (SHCIL) was promoted by public financial institutions and insurance majors like IDBI, UTI, ICICI, LIC, GIC and its subsidiaries, IFCI and IIBI. SHCIL was incorporated as a public limited company on July 28, 1986. SHCIL provides depository, post trading, custodial services, securities lending to institutional investors and retail investors. Other auxiliary services provided by SHCIL include derivatives clearing, PF fund accounting, SGL constituent account services, mutual funds and other capital market instruments distribution.

ICICI direct.com
ICICI Bank is India's second-largest bank with total assets of about Rs.1,67,659 crores at March 31, 2005 and profit after tax of Rs. 2,005 crores for the year ended March 31, 2005 (Rs. 1,637 crores in fiscal 2004). ICICI Bank has a network of about 560 branches and extension counters and over 1,900 ATMs. ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries and affiliates in the areas of investment banking, life and non-life insurance, venture capital and asset management. ICICI Bank set up its international banking group in fiscal 2002 to cater to the cross border needs of clients and leverage on its domestic banking strengths to offer products internationally. ICICI Bank currently has subsidiaries in the United Kingdom, Canada and Russia, branches in Singapore and Bahrain and representative offices in the United States, China, United Arab Emirates, Bangladesh and South Africa.

SHAREKHAN
Sharekhan is an equities focused organization tracing its lineage to SSKI, a veteran equities solutions company with over 8 decades of experience in the Indian stock markets. In the stock markets Sharekhan does not claim expertise in too many things. Sharekhan's expertise lies in stocks and that's what he talks about with authority. So when he says that investing in stocks should not be confused with trading in stocks or a portfolio-based strategy is better than betting on a single horse, it is something that is spoken with years of focused learning and Experience Sharekhan brings a user- friendly online trading facility, coupled with a wealth of content that will help investors stalk the right shares.

UTI SECURITIES
UTI Bank is a registered member (Depository Participant) of NSDL. India’s first depository. We can avail all of the depository-related services by just opening an account with NSDL through UTI Bank. UTI Bank provides services like dematerialization of shares, rematerialization, pledge-Hypothecation, freezing/locking Of Accounts, transfer of shares and settlements, receipt of corporate benefits, holdings & transaction statements on email, tele depository services.

**MARWADI SHARES AND FINANCE PRIVATE LIMITED**

Marwadi Shares and Finance Pvt. Ltd. Was incorporated in 1992. Marwadi Group servicing more than 75000 clients, more than 554 pin codes. The company ranked among top 50 broking houses. It has 250 franchisee / sub-brokers and authorized person’s network.

**HDFC SECURITIES**

HDFC Securities, a trusted financial service provider promoted by HDFC Bank and JP Morgan Partners and their associates, is a leading stock broking company in the country, serving a diverse customer base of institutional and retail investors. HDFCsec.com provides investors a robust platform to trade in Equities in NSE and BSE, and derivatives in NSE. Our website will support you with the highest standards of service, convenience and hassle-free trading tools. Our research team tracks the economy, industries and companies to provide you the latest information and analysis. Our content offers financial information, analysis, investment guidance, news & views, and is designed to meet the requirements of everyone from a beginner to a savvy and well-informed trader.

**KARVY STOCKBROKING LIMITED**

Karvy offers a full range of financial services and products ranging from Equities to Research to enhance your wealth and hence achieve your financial goals.

**KOTAK SECURITIES**

Kotak Securities, an affiliate of Kotak Mahindra Bank, is the stock-broking and distribution arm of the Kotak Mahindra Group. The institutional business division, which brings you AKCESS, primarily covers secondary market broking. It caters to the needs of foreign and Indian institutional investors in Indian equities (both local shares and GDRs, Global Depository Receipts). The division also has a comprehensive research cell with sectorial analysts covering all the major areas of the Indian economy. The group a net worth of over Rs.1, 550 crores and employs over 3,000 employees in its various businesses. With a presence in 59 cities in India and offices in New York, London, Dubai and Mauritius, it services a customer base of over 5, 00,000. Kotak Mahindra has partnerships with Goldman Sachs (one of the world's largest investment banks and brokerage firms), Ford Credit (one of the world's largest dedicated automobile financiers) and Old Mutual (a large insurance, banking and asset management conglomerate).

**RELIANCE MONEY**

Reliance Money is an endeavour to change the way India trades in financial markets and avails of various financial services. Reliance Money ensures maximum security with a unique security token to keep your online account safe.

**ANAGRAM SECURITIES**

Anagram Securities is the part of the Rs. 2000 crores Lalbhai Group. It was found in 1993 and is a member of the National Stock Exchange. Last year their trading crossed Rs. 17000 crores with around 5000 people making. They are dealing only in Stock Market and nothing else. Though they are doing good research work regarding companies and market which will be the beneficial to the investors. Gujarat state is one of the most important fields of their business. And they have about 30 branches throughout Gujarat

**CONCLUSION**

1. Aggression would lead to more risk taking activities while apathy could impede risk taking. Apathy dominates aggression when the investor preferences and beliefs affect trading in relation to past gains and losses. Investors are much more likely to sell big losers than small ones. Further there is no clear indication that realization preference helps explain investor trading behavior.

2. A firm must issue common stock in order to raise money to undertake valuable investment opportunity. Management is assumed to know more about the firm's value than potential investors and Investors interpret the firm's actions rationally.

3. Insider trading is related to net demand by institutional versus individual investors. because it reveal a strong inverse relation between insider trading and institutions.

4. Institutional investors are more likely to provide the liquidity necessary for insiders to trade. Insiders are more likely to buy low valuation and low lag return stocks while institutions are attracted to the opposite security characteristics.

5. The aggregate buy and sell volume of individual investors for a large cross-section of NYSE stocks. and individuals trade as if they are contrarians, and the stocks that individuals buy exhibit positive excess returns.

6. The dynamic relation between net individual investor trading and short-horizon returns for a large cross-section of NYSE stocks. because the evidence indicates that individuals tend to buy stocks following declines in the previous month and sell following price increases.

7. The relation between institutional shareholdings and the relative informational efficiency of prices, measured as deviations at a random walk and Stocks with greater institutional ownership are priced more efficiently, and it is seen that variation in liquidity does not drive this result.

8. The relation between news and market activity is not strong and the investors give more importance to their
analysis than broker’s advice while investing in primary markets.
9. Investors’ bias towards nearby companies is often seen while investing and the individual investors tend to invest in companies closer to them relative to the market portfolio and techniques.
10. The Greek investors on terms of stock market forecasting rely more on newspapers and media while professionals rely more on fundamental and technical analysis to make investment decisions. The investor examines various investment strategies in Indian stock market. Because the investors use both fundamental as well as technical analysis while investing in Indian stock market.
11. The age, gender, income and education affects investor’s preferences and attitudes towards investment decisions.
12. Institutions buy and sell on both good and bad news, individual investors only trade on good news.
13. The investors always triggered by local and neighboring country news, with news about agreement with international organization and credit rating agencies tests whether stock market investors appropriately distinguish between new and old information about firms and find that investors trade more aggressively when news is stale.
14. In U.S. macroeconomic news release announcements have more than accuracy in investment decision making

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