

A STUDY OF THE BROKING, DP SERVICES, FUND INVESTMENT AND E-STAMPING SERVICES

(At - Stock Holding Corporation of India Gandhinagar)

PROF. PRAGATI RICHA PANDEY

Tulsiramji Gaikward- Patil College of Engineering and Technology, Nagpur

E-Mail: pragatirichapandey7@gmail.com

ABSTRACT:

India has domestic investors. The Indian markets are old and other markets cannot match. The purpose of project is associated with an organization where the share-trading and fund investment done and so got the opportunity to do in Gandhinagar.

INTRODUCTION:

OBJECTIVES:

- To understand & analyze services offered at SHCIL
- To understand & analyze related operations of the services
- To get familiar with rules, norms and regulation of SEBI
- To establish parameters for comparison between related services
- Relevant information for selection of services offered at various broking companies

IMPORTANCE:

- To get an opportunity of real life experiences of the business.
- To study different features of financial management of the organization.
- To apply various concepts and research methodology for project analysis.
- Theoretical knowledge in practical manner.
- To interact with the managers of the company.

METHODOLOGY:

• PRIMARY DATA:

Direct personal interaction and general discussion with the employees of SHCIL at Gandhinagar and executives of other organizations too provided similar services. A questionnaire was prepared with an objective to gather information regarding customer's satisfaction and expectation. The questionnaire feedback was taken from twenty customers of SHCI.

• SECONDARY DATA

The data which do not originate from the investigator, but are obtained from someone else's internal records

or sources of published data are known as secondary data.

The data was collected to know the basic information about the capital market, depository participants its origin and evolution etc, which was collected from online books, NSE India's website, Economic times, magazines, etc.

SCOPE:

- To intent the services rendered in institution providing financial services
- To study the operation of each service
- Knowing customer satisfaction through questionnaires
- To interpret the data in order to determine the areas of improvement and provide relevant suggestions

LIMITATION:

- The study is restricted only to those services which are offered at SHCIL, Gandhinagar.
- The research is based largely on the primary data in the form of the conversations and feedback collected from the executives and the manager of SHCIL.
- The sample size of 20 respondents is fair enough to know the customers investment decision patterns and also to investigate the performance of the organization on the basis of the level of satisfaction of the customers
- The result of the survey is based on the assumption that:
 - i. The customers are inclined to participate and are serious about the questionnaire.
 - ii. The responses made by them are given according to the customers' knowledge and are not misleading.
- The findings are applicable to Gandhinagar City and may not have much relevance to other parts of the country.
- Duration of study is again the limitation for intensive study.

INTRODUCTION:



SHCIL was incorporated as a Public Limited Company in 1986.





MISSION:

To be a world-class “technology driven” and “client focused” marker leader in financial and technical services.

PRODUCT AND SERVICES:

Products

| | |
|--|--|
| ADD SHARES | EQUIBUY |
|  Use the dematerialised shares in your account as a collateral to get you a loan. |  Purchase shares now without co-ordinating with brokers or worrying about your settlement obligation at the exchange. |

| | |
|--|---|
| FUND INVEST | GOI BONDS |
|  Invest in a wide range of Mutual Funds schemes. |  Subscribe to Relief Bonds issued by the GOI and hold them in the electronic mode with SHCIL, RBI authorised intermediary. |
| INSURANCE | STOCK direct |
|  Corporate Agent of Life Insurance Corporation for Life Insurance products and New India Assurance for Non-Life Insurance products. |  Helps you combine your buy and sell of shares, your settlement and fund transfer all at one go. |

SERVICES:

SHCIL began its business by offering custodial business and has expanded its services covering broking and e-stamping services. Following are the services provided by

SHCIL:

- CUSTODIAL Services
- DP Services
- Derivative Services
- Stock Derivatives
- Commodity Derivative

DP SERVICES:

INTRODUCTION:

DEPOSITORIES:

Depository Participant services at SHCIL
 Depository Participant services at SHCIL address investors individual investment needs.

Following activities involved under DP services will be dealt in detail:

- Account opening
- Account maintenance
- Dematerlisation / Rematerialisation
- Trade
- Pledge
- Corporate benefits

FUND INVESTMENT AND E-STAMPING:

INTRODUCTION:

Fund Invest is a basket of financial products, ranging from fixed income securities like Fixed deposits, Infrastructure bonds and Capital Gain Bonds to variable income securities like Initial Public Offers (IPOs) of Equities and Mutual Funds.

PRODUCTS COVERED UNDER FUND INVEST:

Following various products are provided by SHCIL

- i. Mutual funds
- ii. Insurance products
- iii. Exim bank FDs
- iv. Government bonds

MUTUAL FUNDS:

A mutual fund is a vehicle that invests in various assets on behalf of its unit holders.

TYPES OF MUTUAL FUNDS:

- i. Open ended schemes
Close ended schemes
- ii. Fixed maturity plan
- iii. Equity linked saving schemes, etc.

MUTUAL FUNDS DEALT BY SHCIL:

- ABN Mutual Fund
- Bank of Baroda Mutual Fund
- Benchmark Mutual Fund, etc.

DATA COLLECTION AND ANALYSIS:

DATA COLLECTION METHOD:

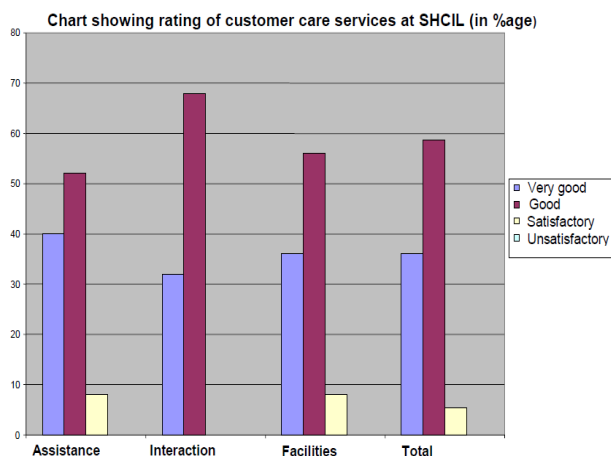
- i. Survey method
- ii. Observation method

To know customers’ opinion survey method is used. It required preparation of questionnaire.

QUESTIONNAIRE:

| General | | | |
|---------|---|------------------------|--|
| Q 1. | How did you come to know about SHCIL? | | |
| | 1) News Paper | 2) Friends / Relatives | |
| | 3) Hoarding | 4) Internet | |
| Q 2. | How would you rate the assistance provided while filling forms? | | |
| | 1) Very Good | 2) Good | |
| | 3) Satisfactory | 4) Bad | |
| Q 3. | How do employees interact with you? | | |
| | 1) Soft | 2) Pleasant | |
| | 3) Moderate | 4) Harsh | |
| Q 4. | How do you get information about new and existing schemes at SHCIL? | | |
| | 1) Verbal Communication | 2) Brochure | |
| | 3) Mails | 4) Others | |
| Q 5. | How would you rate the facilities available (like water, sitting arrangement, etc.) at SHCIL? | | |
| | 1) Very Good | 2) Good | |
| | 3) Satisfactory | 4) Unsatisfactory | |

DATA CHART:



SERVICES:

The next factor should be rated was the services provided at SHCIL. SHCIL provides broking service, third party services for investment of funds and e-stamping.

FORMULA DEFINITION:

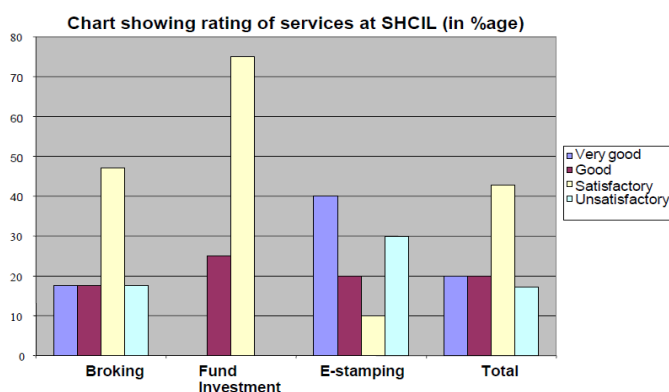
The formula for calculating the percentage are defined above.

DATA TABLE:

Table showing rating of services at SHCIL (in %age)

| | Broking | fund investment | e-stamping | total |
|----------------|---------|-----------------|------------|-------|
| Very good | 17.64 | 0 | 40 | 20 |
| Good | 17.64 | 25 | 20 | 20 |
| Satisfactory | 47.058 | 75 | 10 | 42.86 |
| Unsatisfactory | 17.64 | 0 | 30 | 17.14 |

CHART:



FINDINGS AND SUGGESTIONS:

FINDINGS:

- i. 66.67% i.e. 2/3rd of the customer's visiting SHCIL come to ascertain about it only through

their friends or relatives. Other sources of advertisement jointly constitute 33.33%.

- ii. About 40% of the total customers feel that the assistance provided by SHCIL employees is very good while 52% feel it to be good.
- iii. 32% customer's feel that their interaction with the employees is very good and 68% feel it to be good.
- iv. If we view the above data ii & iii as whole in the context of customer care services we will find that total of 94.87% of all customers rate the services as good or very good. This indicates that the customers at SHCIL are elated with the customer care services.
- v. 34.28% of customers feel that the broking service at SHCIL is good while 47.05% of the customers feel that the services are satisfactory.
- vi. 75% of the customers feel that the fund investment services at SHCIL are satisfactory.
- vii. For the e-stamping services, 40% of the total customers using it feels that the service is really good while 30% feel it to be unsatisfactory.
- viii. If amalgamating all the services under v, vi & vii we find that 20% of the customers feel that the services at SHCIL are good and the same percentage feel it to be good. While 42.86% feel that the services are just satisfactory.

SUGGESTIONS:

- i. SHCIL should strengthen its advertising strategy. There should be the usage of audio/visual media and print media to reach prospective customers in urban as well as remote areas adjoining Gandhinagar.
- ii. It should continue to give same assistance, guidance and interaction with its customers.
- iii. SHCIL should arrange a separate help desk for its customers to make it convenient for them to get brochures, forms and information.
- iv. SHCIL should improve the quality of broking services by rendering proactive suggestions/tips for trading in equity according to the market changes. It should provide market update and trend projections of the scrip individually to all the customers through mail.
- v. As most of the respondents feel that the charges of brokerage are slightly higher as compared to the charges of other players, SHCIL should make its charges more competitive so as to pull customers from the market.

- vi. The slip charges under DP operations should also be made competitive.
- vii. Aggressive advertising strategies should be implemented for e-stamping facility since it has been newly launched by SHCIL.

REFERENCES:

Following sources were used for reference:

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- 3) www.shcil.com
- 4) www.shcilservices.com
- 5) www.sharekhan.com
- 6) www.moneycontol.com
- 7) Business India magazine
- 8) Business Today magazine
- 9) Economic Times