



Competitive Analysis of Trading in Geojit Securities with Respect to Other Competitors

Ms. Simi Xavier

Assistant Professor, Department of Commerce, SCMS, School of Technology and Management, Kalamassery

Email [id:simi@scmsgroup.org](mailto:sd:simi@scmsgroup.org), Simmas92@gmail.com

1.1 INTRODUCTION

Before the online trade as the stock business came on down, they used to merger with other to retain their stand over the market but couldn't work out. Nowadays, they are required to give a focused eye on the stock market and the website. "Stock market is by the goods and services; Stock market is with the goods and services". Stock exchange market is a world of knowing the higher and lower aspects of costs and that is all.

The structure of stock market in which brokers work is highly dynamic and volatile. Many stocks are available to be bought and sold ,each exhibiting their own pattern's and characteristics that are uncertain with so many options and considerations ,it is extremely a difficult task for a broker to investigate the aspects of stock market and consistently provide effective advice to their clients .there are different factors affecting the stock market such as Index of Industrial Price(IIP),global economic factors, GDP, economic slowdown,(recession of china),RBI interest rate fluctuations, export import factors, inflation , crude oil price changes, gold price fluctuations, currency rates etc..So it is very difficult to predict these factors and their changes happening in stock market by a stock broker.

In most industrialized countries, a substantial part of financial wealth is not managed directly by savers, but through a financial intermediary, which implies the existence of an agency contract between the investor (the principal) and a broker or portfolio manager (the agent). Therefore, delegated brokerage management is arguably one of the most important agency relationships intervening in the economy, with a possible impact on financial market and economic developments at a macro level. As the per-capita-income of the city is on the higher side, so it is quite obvious that they want to invest their money in profitable ventures. On the other hand, a number of brokerage houses make sure the hassle free investment in stocks. Asset management firms allow investors to estimate both the expected risks and returns, as measured statistically.

1.2 RELEVANCE OF THE STUDY

Now a day there is high competition between broking firms and it is a difficult task to select a good broker. Brokers play their day to day operations with the help of stock broking system. It will provide tools for interacting with exchanges and performing analysis.

This research is done to analyzes tock broker on the basis of their service, growth, products, their competitiveness and to find which firm people prefer and which factor influence them for making investment.

Stock brokers are one of the main participants in stock exchanges and they act for their clients. Not only as brokers but also as advisor they provide suggestions to clients on what stocks to buy and sell.

1.3 OBJECTIVES OF THE STUDY

Each research study has its own specific purpose. It is like to discover to Question through the application of scientific procedure. But the main aim of our research to find out the truth that is hidden and which has not been discovered as yet. Our research study has following objectives:-

1. To find out the factors affecting the competitive position
2. To analyze the most preferred broking firm.
3. To identify the services offered by the different competitors to the customers.
4. To know the awareness level of online share trading.
5. To access how Geojit is better than other players.

6. To check the satisfaction level of customers and to point out the suggestions and recommendations of customers.

1.4 RESEARCH METHODOLOGY

In the research **Non-probability research** design is used

SAMPLING AREA

The research study takes into account Ernakulam as a sampling area.

SAMPLING UNIT

In this research study general investors are the sampling units.

SIZE OF SAMPLE

In the present research sample size is 100. But the research also study the 5 stock broker companies related to security & commodity market Motilal Oswal, ICICI direct, Hedge equities, Inditrade, and Angel broking for the appropriate collection of the information.

SOURCES OF DATA COLLECTION

Research uses primary data, as well as secondary data.

Questionnaire Method is used to collect data.

2. REVIEW OF LITERATURE

Anurag Bansal (2015), in the study "Current state of Indian Equity Broking industry and way forward, Forum views" states that, the customer has been empowered by the broking industry along with the regulators and exchanges through the numerous initiatives which include the introduction to the new investment avenues, educating and making the investors aware, increasing the reach, advancement of technology and higher accountability of the various market participants. These steps will encourage the retail investors to invest in the stock market.

J Victor (2011), in his study entitled, "The Brokers Role in Investing" is of the opinion that the stock broker is an agent and is performing a service for the investor and the broker acts as an agent for the buyer and seller of the security and ensures best investment on commission basis. The broker will buy for the investor and sell for the seller each time ensuring that the best price is obtained from the client and provide valuable services and information to help him make the right investment decision.

Jennifer Lynn Hanson, (2009) in her study entitled "Internet Stock Broker advantage cheap online stock investing" found that Stock trading can be done through internet websites with the help of stock brokers. Hanson was of the conclusion that no one makes a financial investment with the goal of losing money and making a financial gain is everyone's objective and many investors who were at an disadvantage earlier have found the goal to be achievable after the use of internet for stock market trading. After the internet was invited and made available to the investor and also the common man, a smooth outline trading has been created by effective guidance of brokerage agency. Hanson is also of the opinion that the internet stock trading has eliminated the tradition method of brokerage

Dr. Jayanta Kumar Seal (2007), in his study, "Changing Dynamics of Stock Trading" explore that equity trading in India was basically a floor-based activity in the BSE. Traditionally, stock trading was done through stock brokers, personally or through telephones. As the no. of people trading in stock market increased enormously in last few years, a no. of stock brokers comes in the field, thus increasing further competition. Due to this, there come new innovations in trading. In this scenario, the existing players are left with two options—either to change their product offerings or to perish.

Ravinder Kumar & Nidhi Walia (2007) in his study "Online Stock Trading in India: an empirical investigation", found Indian investors are more conservative; they do not adopt any change easily. Till now just few investors can be recognized who are using technology for online stock trading. Traditional traders still prefer to choose broker as a stock trading mechanism because they are more loyal to their broker. Online trading empowers educated investors to make their own decisions with close watch on market sensitivity by browsing through various sites.

S. Chris Robertson (2006), his study entitle "Benefits of using a stock broker as a new investor", he reported the aspects like stock trading and investment opportunities in present scenario. A new investor is probably facing tremendous pressure in the financial world today with each and every investment opportunities that arises every day, and that potentially brings wealth and prosperity to the investor. Online stock trading creates worldwide investment opportunity and as a new investor, all these can be understood with the help of a stock broker who will help him take his decision concerning his investment and help him manage his investments. Therefore, for a new investor the stock broker can be a solution for all his problems

Mr. Ajay Kumar (1999) "Comparison of stock Brokers in India", through this research finds which brokerage house people prefer and to figure out what people prefer while investing in stock market. This study suggests that people are reluctant while investing in stock and commodity market due to lack of knowledge. Main purpose of investment is returns and liquidity, commodity market is less preferred by investors due to lack of awareness. The major findings of this study are that people are interested to invest in stock market but they lack knowledge.

Madhusoodanan and M. Thiripalraju (1998) "A study on Indian market", analyze the Indian IPO market for the short-term as well as long-term under pricing prior to 1997. This study indicates that, in general, the under pricing in the Indian IPOs in the short-run was higher than the experiences of other countries. In the longrun too, Indian offerings have given high returns compared to negative returns reported from other countries.

3.1 INTRODUCTION TO INDUSTRY

The Indian stock market has a long history going back 130 years. The Bombay Stock Exchange, the iconic trademark of our securities market, is one of the oldest stock exchanges in the world, having been set up in 1875. A pioneer in organized stock broking activity, this exchange was a brainchild of a group of enterprising brokers. Over the years, the Indian securities market has evolved gradually to become one of the Asia's most modern and efficient markets, setting international standards in technology and settlement systems. Stock markets have a stellar role to play in the economic growth of every country. Needless to mention, the Indian stock market too is inextricably entwined in the business fabric of our country.

3.1 SCOPE OF ONLINE TRADING

In a country like India where penetration of online trading business services is very low, there is a great scope for growth for any online business company now. The Government of India after realising the importance of saving the entire stock exchange industry from closing down which was running into huge losses before 90's, decided to formulate New policy. The draft of the new policy was circulated in December 1998 to all concerned for comments. The cabinet approved the online trading ventures with the MNC's. During those years because of announcement of Lok Sabha Elections in April 1999, ventures could not be implemented to existing service providers up till 2000. But that new policy of venturing in the online world of business is now totally in force. Gradually from 2000 the online business has expanded so far.

3.2 CURRENT SCENARIO OF ONLINE TRADING

Dealings outside the country have reached to such a success for the enterprises that the amount of tax has been lowering gradually and results to their profit in every quarter. As the economy is growing with a pace forward, the desire of each and every individual is showing a greater ease in terms of financial transaction, possession, delivery and every aspect. Online trading is fruitful not only for the consumers but for the suppliers as well because they won't require the possession of goods to be further sold. A product is full of questions before being sold and those all question can be availed with the answers at the website online for everyone. In the stock market, the competition is on such a level of mastery that it can be accessed by every individual via various peripherals.

3.3 MAJOR PLAYERS IN THE REGION

1. Angel broking
2. ICICI direct
3. Inditrade
4. Hedge equities
5. Mothilaloswal

Comparison with competitors

Basis	Geojit	Icici direct	Hedge	Motilal Oswal	Inditrade	Angel broking
Delivery	0.30	0.55	0.3	0.50	0.4	0.40-0.10
Intraday	0.03	0.05-0.3	0.03	0.05	0.04	0.04-0.01
Account type	2 in 1	3 in 1	2 in 1	2 in 1	2 in 1	2 in 1
Account opening fee	Free	Free	265	600	400	free
Trading AMC	-	-	84/qtr	500/yr		300
Online trading	Yes	Yes	yes	yes	yes	yes

4. INTRODUCTION TO THE COMPANY



- Account Opening Charge (AOC): Rs 650
- Annual Maintenance Charge (AMC): Rs 300
- Brokerage: 0.30% (delivery[†]). 0.03% (intra-day)
- Browsers: IE 6.0+
- Enquiry: 1-800-425-5501

4.1 HISTORY OF GEOJIT FINANCIAL SERVICES LTD.

Geojit BNP Paribas Financial Services was founded as a partnership firm by C J George and RanajitKanjilal in 1987. Later in 1993 RanajitKanjilal retired from the firm. In 1995 Kerala State Industrial Development Corporation acquired 24% stake in the company,.Geojit is a charter member of the Financial Planning Standards Board of India and is one of the largest DP brokers in the country.

It has entered into a joint venture to form BarjeelGeojit Securities LLC, Dubai in order to cater financial services in gulf countries. With a presence in almost all the major states of India, the network of over 540 offices across 300 cities and towns presently covers Andhra Pradesh, Bihar, Chattisgarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, New Delhi, Orissa, Punjab, Rajasthan, Tamil Nadu & Pondicherry, Uttar Pradesh, Uttaranchal and West Bengal.

Geojit provides quality services in equity trading through its network of over 450 branches in India, Muscat, Dubai, Sharjah, Kuwait, Bahrain, Abhu Dhabi and Ras Al Khaimah. It has various subsidiary namely Geojit Commodities engaged in commodity trading, Geojit Credits is a Non-Banking Financial Company, Geojit Technologies is into software development and services and Geojit Financial Distribution is engaged in insurance referrals and Geojit Financial Management.

Geojit listed at The Stock Exchange, Mumbai (BSE) in the year 2000. In 2003, the Company was renamed as Geojit Financial Services Ltd. (GFSL). The board of the company consists of professional directors; including a Kerala government nominee with 2/3rd of the board members being Independent Directors. With effect from July 2005, the company is also listed at The National Stock Exchange (NSE). Geojit is a charter member of the Financial Planning Standards Board of India and is one of the largest DP brokers in the country,

5. DATA ANALYSIS AND INTERPRETATION

The data after collection has analysed in accordance with the corresponding variables .The table has prepared to interpret the meaning out of the study.

5.1 Analysis on the basis of Gender

Table 5.1.Classification on the basis of gender

SL.NO	GENDER	PERCENTAGE
1	Male	76
2	Female	24
	Total	100

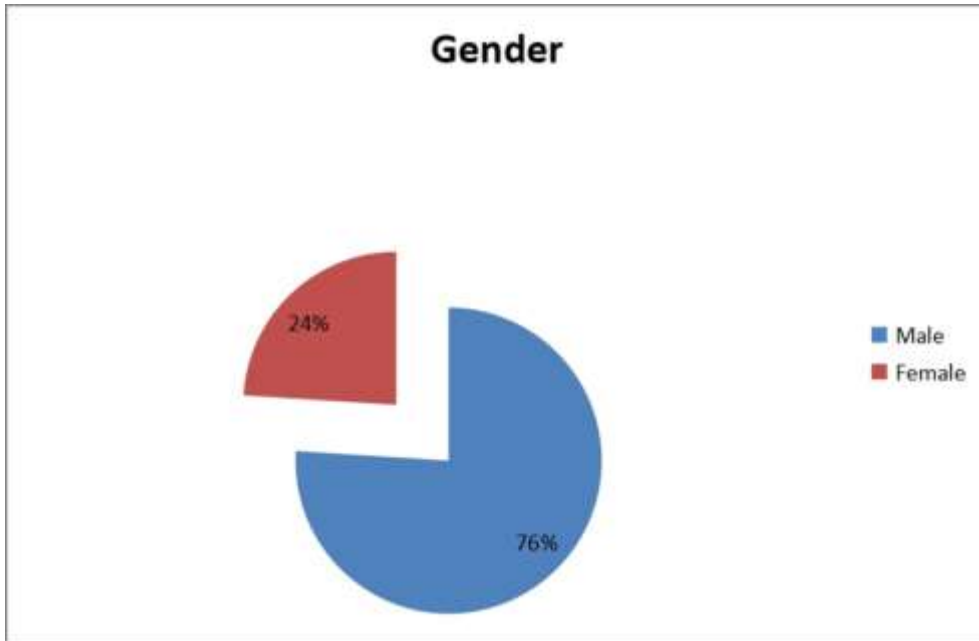


Figure 5.1classification on the basis of gender

(Source: Survey Data)

Inference:

From the total population it is very clear that 76% belongs to male category and 24% are females.

5.2Analysis on the basis of age

Table 5.2Classification based on Age of respondents

SL.NO	Age	Percentage
1	21-35	48
2	36-50	23
3	51-65	19
4	Above65	10
Total		100

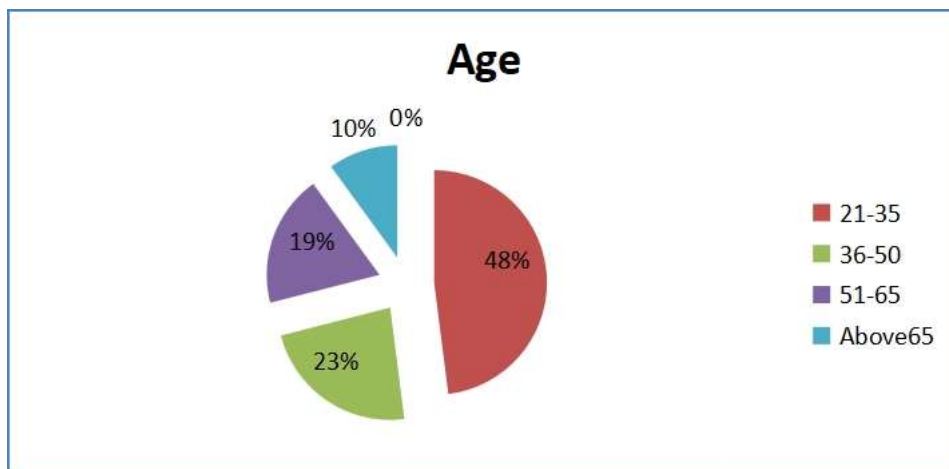


Figure 5.2 Age of the respondents

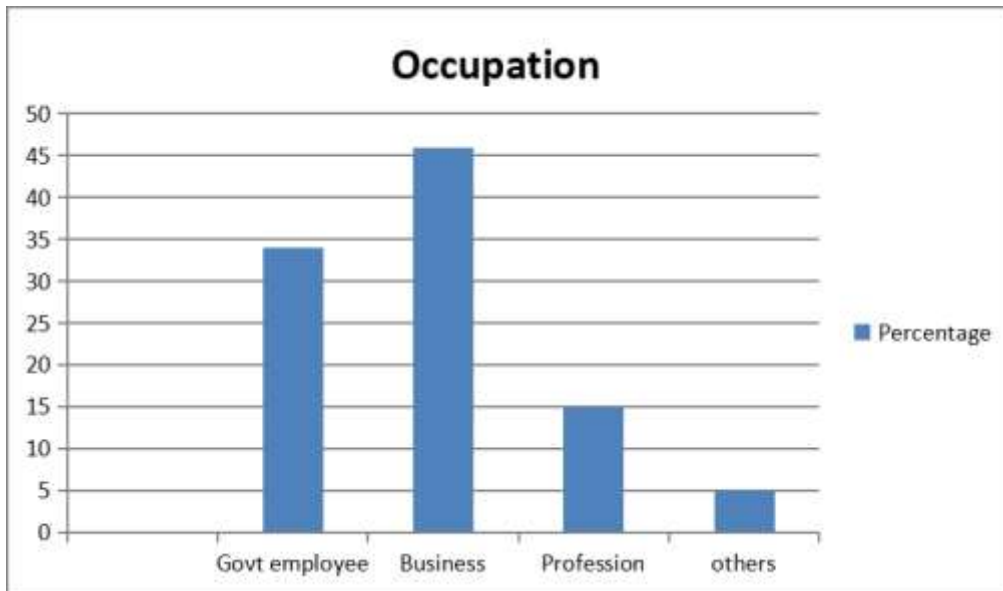
(Source: Survey Data)

Inference:

From the above we came to know that most of the respondents belong to the age category of 21-35 range that is 48% while least to belong to above 65 range.

5.3 Analysis on the basis of occupation**Table 5.3. Classification based on Occupation of respondents**

SL.NO	Occupation	Percentage
1	Govt employees	34
2	Business	46
3	Professionals	15
4	Others	5
Total		100

**Figure 5.3 Occupation of the respondents**

(Source Survey Data)

Inference: Most of the respondents belong to business class, about 46%. And government employees are 34%, profession 15% and rest of them have occupied 5% of the population.

5.4 Analysis on the basis of annual income**Table 5.4. Classification on the basis of annual income of respondents**

Sl No.	Annual Income	Percentage
1	1lakh	25
2	1 -3lakh	38
3	3-6 lakh	27
4	Above 6 lakh	10
Total		100



Figure5.4 Income of the respondents

(Source:survey data)

Inference: Respondents mainly belong to the income level between 1 to 3 lakh, that is of 38% and least belong to above 6 lakhs that is only 10%.

5.5 Analysis on the basis of Knowledge about investment options

Table5.5 Knowledge about investment options

SL.NO	Knowledge	PERCENTAGE
1	Yes	70
2	No	30
	Total	100

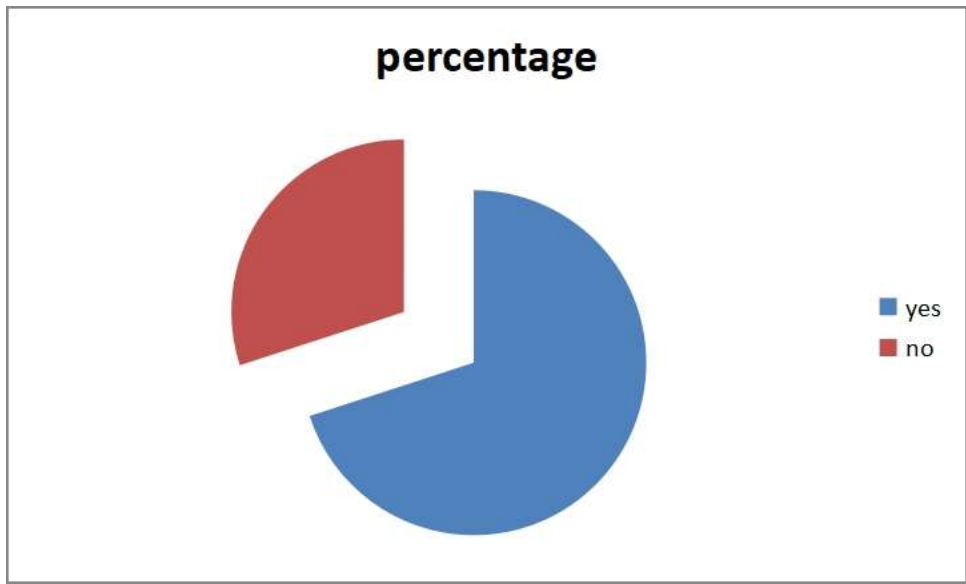


Figure5.5 knowledge of options

(Source: survey data)

Inference: Only 70% people know the exact meaning of investment. Because of remaining 30% take his or her residential property as an investment. According to the law purpose it is not create any profit for owner.

5.6 Analysis on the basis of Choice of financial instruments

Table 5.6. Choice of financial instruments

Financial instruments	Percentage
Shares	33
Debentures	5
Bonds	2
Mutual fund	30
Insurance	10
Real estate	10
Commodity markets	5
Others	5
Total	100

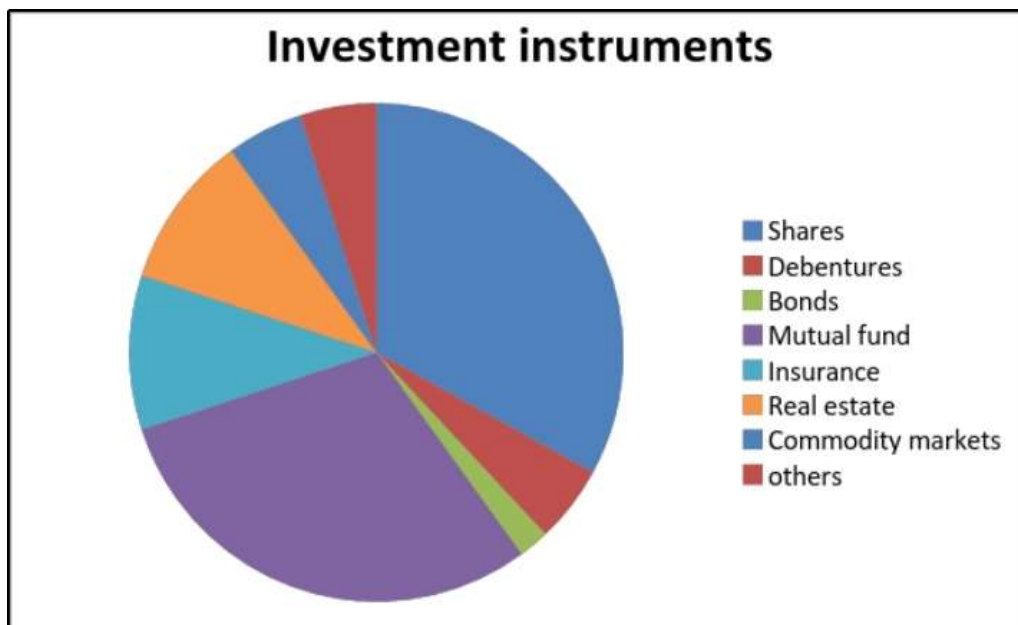


Figure 5.6 choice of financial instruments

(Source: survey data)

Inference: Today investment scenario is changed so that most area covered by the securities and commodity market. It is 33% of the total population. Here it is clear that among the different financial instruments, shares hold the first position that is 33% then mutual fund with 30% insurance and real estate with 10% while debentures, bonds, commodity etc. stay as the least preferred instruments.

5.7 Analysis on the basis of important matters considered for making investment

Table 5.7. Important matters for making investment

Matters considered	Percentage
Risk	25
Return	35
Both	40
Total	100

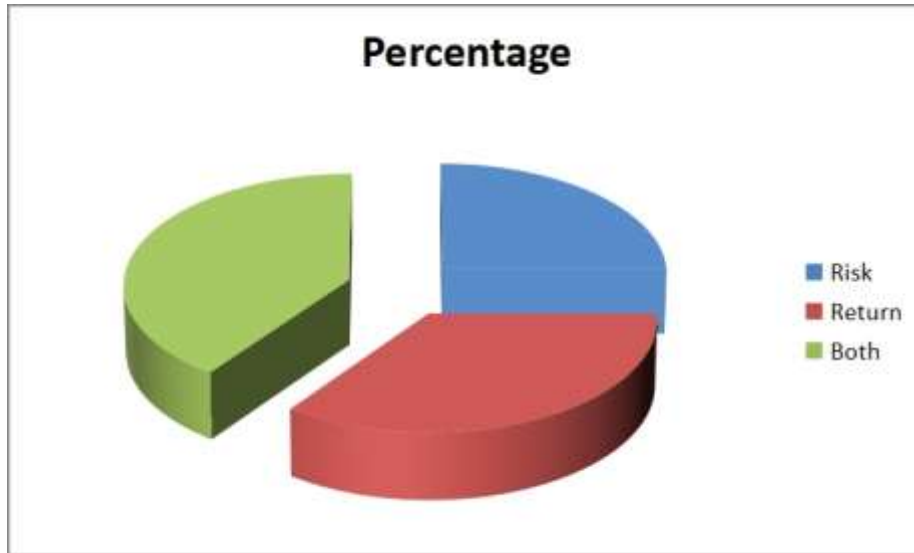


Figure5.7 matters for consideration

(Source: survey data)

Inference:40% people are considered the both factors risk as well as returns but, only 25% and 35% considered the risk or returns factor.

5.8 Analysis on the basis of Awareness of online trading

Table 5.8 Awareness of online trading

Awareness	Percentage
Yes	76
No	24
Total	100

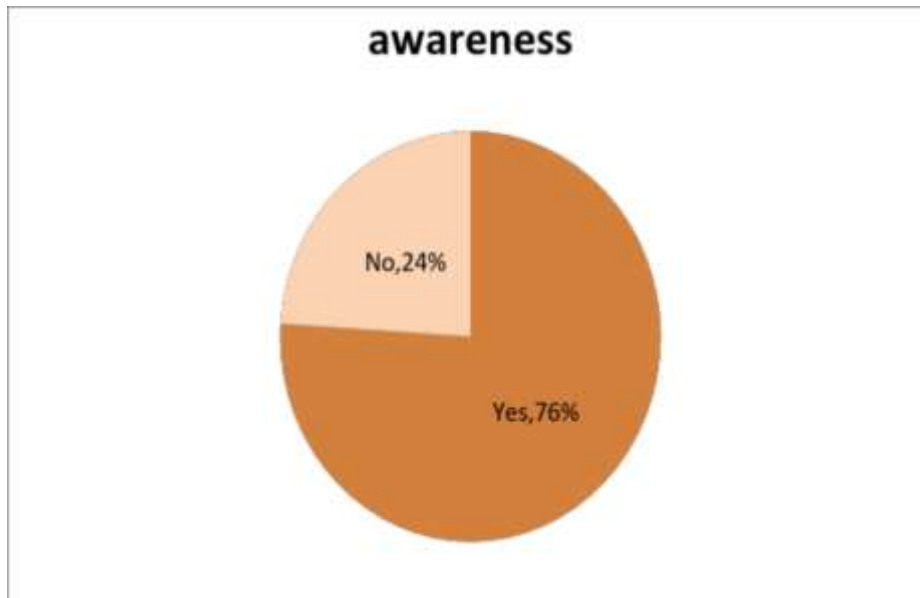


Figure5.8 Awareness of online trading

Source: survey data

Inference:76% of respondents are aware of online share trading while 24% of them don't know about it

5.9 Analysis on the basis of familiarity with geojit

Table.5.9 Familiarity with Geojit

Familiarity	Percentage
Yes	75
No	25
Total	100

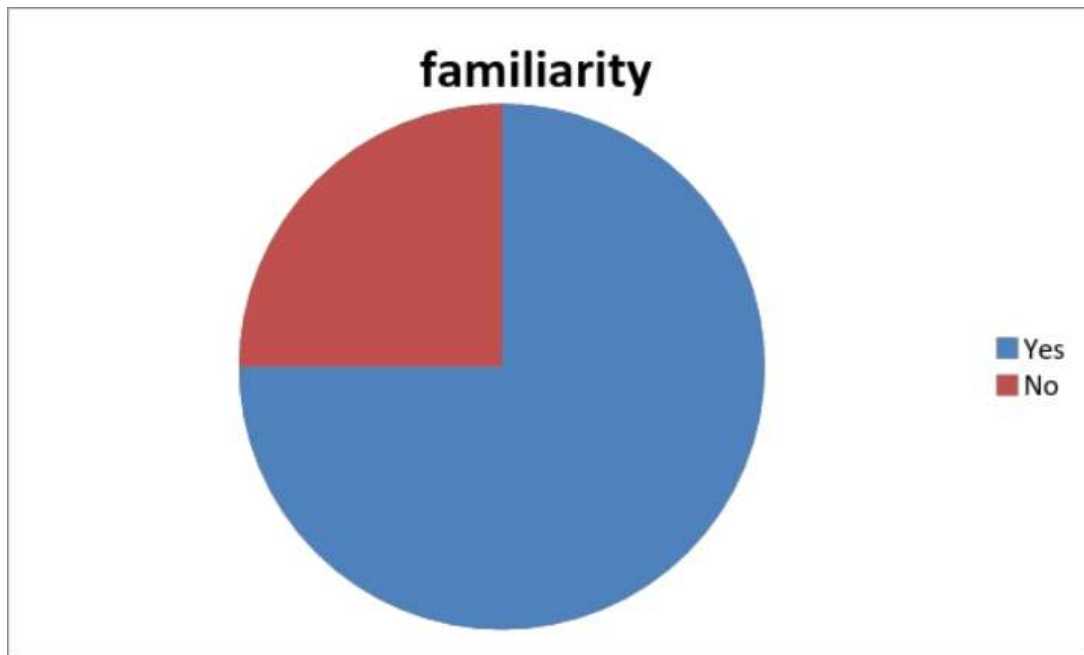


Figure5.9 Familiarity with Geojit

(Source: survey data)

Inference: Majority of people are aware about the Geojit, this shows that marketing strategy are good.

5.10 Analysis on the basis of awareness regarding the facilities of geojit

Table5.10 Awareness regarding the facilities of Geojit

Awareness of facilities	Percentage
Yes	73
No	27
Total	100

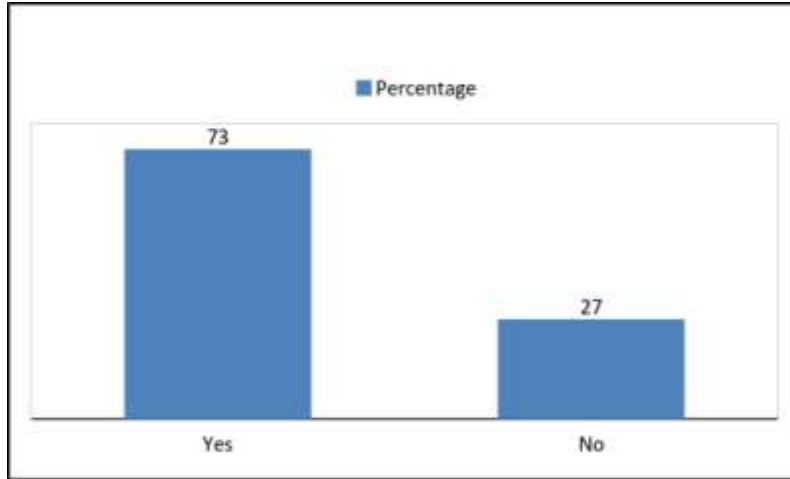


Figure 5.10 Awareness regarding the facilities of Geojit

Source: survey data

Inference: In spite of good marketing, only 73% people are aware of services offered by Geojit.

5.11 Analysis on the basis of Broking firm with which people hold their account

Table 5.11. Broking firm with which people hold their account

Company	Percentage
Angel broking	10
Inditrade	10
Mothilalosal	5
Geojit	60
Hedge	10
Icici direct	5
Total	100

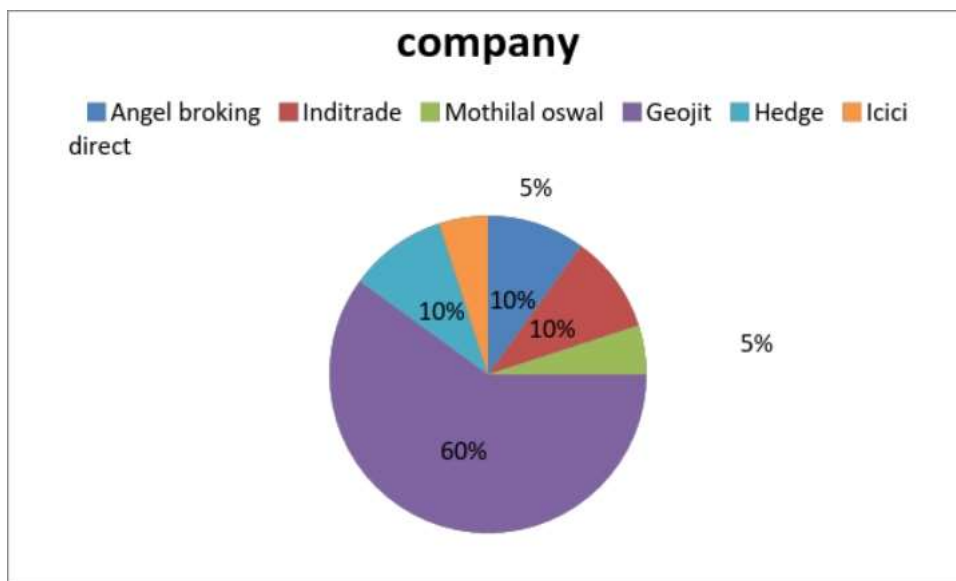


Figure 5.11 Broking firm with which people hold their account

Source: survey data

Inference: In geojit 60% respondents have de-mat and trading account because of better services and minimum annual maintenance and other charges.

FINDINGS OF THE STUDY

- Most of the respondents were male and among them 46% were businessmen and most of the people belonged to an age group category of 21-35
- Annual income of most of the respondents were between 1 lakh to 3lakh
- 70% of the respondents have knowledge about investment options prevailing in the stock market.
- Even though there are wide variety of financial instruments, shares are widely chosen by the respondents because they believe that investing in shares would give them higher returns.
- As there are various purposes for investment people consider that return, risk and liquidity to be given prior importance.
- About 26% of the people have complete knowledge about share market and rest of the people have only partial knowledge .
- 60% of the respondents have satisfactory return through the investment in stock market.
- Most of the people have awareness regarding online trading and 75% of the people are familiar with geojit and its facilities.
- Majority of the people prefer online trading due to th important features such as time saving,privacy,user friendliness and convenience.
- 75% of the people have D-mat and trading account with different broking firms.
- From the various types of respondents analysed, most of the people have account in geojit securities.
- Even though there are large number of features that differentiatesone firm from another, people consider broking, product and services are the most important among them.
- Majority of the clients of geojit have positive response towards exposure,software,and other operating expenses
- About 75% of respondents are satisfied with their present broking firm,while other 25% give suggestions for the future improvement in services also.

SUGGESTIONS

- 1.Build relationship with the customers to keep them retained.
- 2.Company should start a system of filling up of feedbacks and complaints online so that rectification of errors can be done easily.

CONCLUSION

The study concluded:-

- The various factors that affects the competitive position are broking, product and services.
- The most preferred broking firm of the respondents are geojit securities.
- Most of the people are aware about online trading. They also give suggestions

Geojit PNB Paribas has better Portfolio Management services ,products, online trading, selfie platform than Other Companies.

Investors are looking for those investment options where they get maximum returns with less costs.

Market is becoming complex & it means that the individual investor will not have the time to play stock game on his own. Brokers play the role of intermediation in securities. They take enormous risks while they execute their functions. They deal with investors, companies, stock exchanges, merchant bankers etc. They have to ensure that they comply with the code of conduct enforced by SEBI. In compliance with SEBI guidelines, brokers have to collect sufficient margin deposits from investors and also comply with capital adequacy norms.

It has been observed over years that in the functioning of stock exchanges that there is high volatility in share prices. Very often the reason for this volatility is mainly due to the external factors which are beyond the control of the stock exchanges. So at this current situation, it is very essential to know the competitive position of various broking firms.

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