

A STUDY ON LISTING OF SECURITIES- CD-EQUITY

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ABSTRACT

The IPO market helps firms raise funds and investors invest. access new investment opportunities. Various dimensions of IPOs, including the characteristics of the issuing companies, the pricing strategies adopted, the performance of IPO stocks in the secondary market, and the overall market sentiment surrounding these offerings. By examining these factors, the study aims to provide insights into the dynamics of IPOs and their impact on both the issuing companies and the broader financial ecosystem.

CD Equity Ltd, as a prominent player in the securities industry, plays a significant role in facilitating these transactions. Through its platform, numerous companies have recently gone public, offering their shares to investors for the first time.

I. INTRODUCTION

Listing securities on a stock exchange is crucial for enterprises seeking money and financial market exposure. Among the myriad of entities engaging in this practice, CD-Equity Ltd emerges as a prominent player, navigating the intricate landscape of securities listing with strategic acumen and industry expertise. This research paper delves into the dynamics and implications of securities listing, with a specific focus on the operations and strategies

II. NEED FOR THE STUDY

The study of listing securities is imperative for several reasons. Firstly, it elucidates the process by which companies offer their shares to the public, facilitating access to capital for growth and expansion. Understanding listing requirements ensures compliance with regulatory standards, fostering investor confidence and market stability.

III. OBJECTIVES OF THE STUDY

1. To Analyze the regulatory framework governing the listing of securities to understand its implications on financial markets and investor protection.
2. To Investigate the role of stock exchanges in facilitating the listing process and ensuring compliance with listing requirements.
3. To Evaluate the impact of listing requirements on the accessibility of capital markets to different types of issuers and investors.

IV. 1.4 HYPOTHESIS

Null Hypothesis (H0):

There is no significant impact of listing securities on the Investor preference of companies.

Alternative Hypothesis (H1):

There is a significant impact of listing securities on the Investor preference of companies.

V. SCOPE OF THE STUDY

The scope of this research paper on "Listing of Securities" encompasses a comprehensive examination of the processes, regulations, and implications surrounding the stock exchange listing. It delves into the fundamental concepts of securities listing, including the criteria and requirements set forth by regulatory bodies for companies seeking to list their securities.

METHODOLOGY

Research design specifies research methods. Design type used here

TITLE OF STUDY

The research is about "listing security" for your firm.

Exploratory research

Researchers use secondary data to find ideas.

DATA COLLECTION METHOD

Research data collection resources:

The primary source of data

Internet marketing from NSE and BSE websites

More information is needed to examine this issue.

VI. LIMITATIONS OF THE STUDY

1. Listed firms must comply with stock market and SEBI regulations.
2. Listed firms must give essential information to stock exchanges.
3. Annual general meeting and report.

VII. REVIEW OF LITERATURE

Pradiptarathi Panda (2023) Indian securities markets have changed significantly. The paper describes the market regulator's efforts to expand and deepen securities markets by encouraging financial instrument innovations, improving market efficiency through appropriate and timely regulatory interventions, expanding issuers' base and investors' participation for inclusive growth, and ensuring regulatory compliance for fair market forces. The report helps investors, intermediaries, and regulators outside India understand current changes and possibilities to make the Indian securities market their preferred investment destination. The special issue's "Investor interest and innovative instruments" results end the investigation.

WILLIAM JAECKEL (2021) This research seeks to determine whether company-specific characteristics before an IPO affect share price one year later. This is done by examining Stockholm Stock Exchange listings from 2014-2019. Multiple linear regression was employed using adjusted share price as the response variable and 7 corporate data points as independent factors.

Mohammed Arshad Khan (2021) Governments and corporations issue debt and equity. In the main market, unlisted firms may issue shares via IPO. This is a chance for organisations to develop, diversify, and flourish with improved business possibilities. An investor owning IPO shares might consider it a short-term speculative opportunity or a long-term potential to generate substantial dividends and capital gain.

Steven J. Davis (2021) Daily data from mid-February to late May 2020 shows stock prices and workplace mobility moving clockwise. Before mobility dropped, global stock values plunged 30% from 17 February to 12 March. Stocks sank 10% more in 11 days while mobility plunged 40%. Stocks regained half their losses from 23 March to 9 April, although mobility dropped. From 9 April to late May, equities and mobility grew somewhat.

Josefin Meyer (2018) Why do most sovereign states publish their foreign bonds on stock exchanges? We test several assumptions about why sovereigns list and where. Specifically, we test the "bonding hypothesis," which holds that exchanges authenticate and check. In today's data, there is no correlation

between a sovereign bond's exchange and yield. We believe sovereign-bond listings are mostly regulatory arbitrage.

Craig Doidge (2016) The U.S. has fewer mentioned firms than other countries. The U.S. listing gap is linked to a decrease in the overall benefits of listing for U.S. corporations. Since the listing peak in 1996, solid colour groupings and industries are less likely to be included, the new show charge is low, and the delist rate is high. Higher delisting rates explain for 46% of the listing difference, whereas lower new show rates account for 54%. Acquisitions of publicly traded companies at extremely high prices drive delisting.

Olga Dodd (2016) We experimentally examine informational efficacy and info asymmetry of cross-listed equities in their home market near a US cross listing. We compute intraday industry microstructure processes of info asymmetry and cost effectiveness and find that a U.S. cross listing significantly improves a firm's information world and stock price effectiveness in the home market. This benefit is greater for cross listings after Sarbanes Oxley. We found that rigorous disclosure from a U.S. cross listing helps, supporting the reputational and legal bonding theories.

VIII. DATA ANALYSIS & INTERPRETATION

	Frequency	Percent
1.) Age group		
25 - 35 years	38	38
35 - 45 years	37	37
45 - 65 years	1	1
below 25 years	24	24
Total	100	100

INTERPRETATION: -From the above analysis 38% investors age group between 25 - 35 years, 37% investors age group between 35-45 years, 1% investors age group between 45-65 years, 24% investors age group below 25 years.

2.) Gender	Frequency	Percent
Female	50	50

Male	50	50
Total	100	100

INTERPRETATION: -From the above analysis 50% investors are females,50% investors are males.

10.Which factor has mostly influenced your perception to subscribe an IPO. [Financial Performance]	Frequen cy	Perce nt
Agree	29	29
Neutral	13	13
Strongly Agree	55	55
Strongly Disagreed	3	3
Total	100	100

INTERPRETATION: -From the above analysis 29% investors are responded Agree with Financial Performance factor has mostly influenced perception to subscribe an IPO,13% investors are responded neutral with Financial Performance factor has mostly influenced perception to subscribe an IPO,55% investors are responded Strongly Agree with Financial Performance factor has mostly influenced perception to subscribe an IPO, 3% investors are responded Strongly Disagreed with Financial Performance factor has mostly influenced perception to subscribe an IPO.

15.Which factor has mostly influenced your perception to subscribe an IPO. [Credit rating]	Frequenc y	Percen t
Agree	36	36
neutral	20	20
Strongly Agree	41	41
Strongly Disagreed	3	3
Total	100	100

INTERPRETATION: -From the above analysis 36% investors are responded Agree with Credit rating factor has mostly influenced perception to subscribe an IPO, 20% investors are responded neutral with Credit rating factor has mostly influenced perception to subscribe an IPO, 41% investors are responded Strongly Agree with Credit rating factor has mostly influenced perception to subscribe an IPO, 3% investors are responded Strongly Disagreed with Credit rating factor has mostly influenced perception to subscribe an IPO.

HYPOTHESIS TESTING

Sl. No.	5-Scale Likert Scale Full Description	Listing Security (%)	Investor Preference (%)
1	Strongly Disagree	13	22
2	Disagree	27	33
3	Neutral	41	29
4	Agree	35	47
5	Strongly Agree	50	54
Average		33.2	37

INTERPRETATION

Null Hypothesis (H₀):

The above analysis, test of hypothesis, (H₀) that there is no significant difference between the listing security percentages and investor preference percentages. The average of Listing Security at 33.2% and Investor Preference at 37%, so there is a difference of 3.8%.

Hence the Null Hypothesis is rejected.

Alternative Hypothesis (H₁):

The above analysis shows there is a significant difference between the listing security percentages and investor preference percentages. The average of Listing Security at 33.2% and Investor Preference at 37%, so there is a difference of 3.8%.

Hence the Alternative Hypothesis is accepted.

IX. FINDINGS

1. 1% investors have no Occupation, 22% investors Occupation is business, 10% investors Occupation is housewife, 29% investors Occupation is professionals, 38% Investors Occupation is student.
2. 39% investors are responded mainly lacking in the company didn't prefer to invest in Promoters Background, 4% investors are responded mainly lacking in the company didn't prefer to invest in Rate of Subscription, 34% investors are responded mainly lacking in the company didn't prefer to invest in Sector Performance.
3. 42% investors are responded Agree with Offer for sale factor has mostly influenced perception to subscribe an IPO, 31% investors are responded neutral with Offer for sale factor has mostly influenced perception to subscribe an IPO, 24% investors are responded Strongly Agree with Offer for sale factor has mostly influenced perception to subscribe an IPO.

X. SUGGESTIONS

1. Companies must provide guidance to their investors and instil trust in them when it comes to IPOs.
2. Credit rating agencies should be followed by investors.
3. All Stock Broking Limited must understand the challenges that their investors experience when it comes to participating in initial public offerings (IPOs).
4. As fresh IPOs become available, all firms must have investor meetings.
5. All investment management companies ask their clients to get more investment in IPO process.
6. In business growth and management point of view IPO investor will get good return in medium long term and long term investment.
7. Invests should read prospectus, before pursuing it. Investor need to understand along with a proposed set of uses for the money that is raised through the IPO.

XI. CONCLUSIONS

IPOs, or freshly listed firm stocks, may be exhilarating yet tough for investors. These investments have high profits but also high hazards that must be considered.

Early entry into a promising firm is irresistible. For every success story, there are several underperforming or failed IPOs.

IPO investments need thorough study. Investors should examine the company's finances, model, competition, and growth potential. Understanding why the firm went public and assessing its management team are also crucial.

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