

## **A Comprehensive Study on Online Trading Trends and Communication System – SMC Global Securities Ltd.**

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### **Abstract**

This study focuses on understanding the progressing countryside of online business flows in India, accompanying particular consideration to the technologies and wholes selected by superior charge levied by government on property firms. The research delves into the advancements achievable exchange business schemes, including screen-located business, and focal points the significance of communication foundation in guaranteeing continuing trading movements. A key facet of the study is the judgment of auxiliary measures and network redundancy approaches achieved to underrate basic communication debts and guarantee constant connectivity. Special importance is likely to SMC Global Securities Ltd, resolving allure adoption of connected to the internet screen-located business systems, ideas conveniences, and mechanics changes. The study also aims to specify a clear understanding of differing business fruit and terminologies to enhance financier knowledge and display transparency. Through this inclusive study, the research aims to present visions into current and future growths in India's digital business environment.

### **1.INTRODUCTION**

“Change is the law of nature”. There were times when man was a wanderer or a normal. He himself had to go place to place in search of food, water and now everything is available at your doorstep just at the click of the mouse. The growth of information technology has affected almost all sectors of life. Internet has enabled us to get every

information at our doorstep. When Internet has affected all sectors he could “stock markets” the most important player of the economy, has remained far behind? Like all other sectors Internet has set its feet in the stock markets also. Internet trading commissions are clearly posted on the websites of the various services, and are typically a fixed rate

charge, depending upon the type of security being traded and the size of trade. In theory, therefore, an Internet investor always knows what commission he is being charged on each trade. Internet investors can take as much time as they would like to take prior to placing a trade order. Similarly the online investor likely does not have to worry that his broker is making unauthorized trades. Since there is no individual broker making a commission, the only person who is authorized to trade in the account is the actual investor. Furthermore, the internet investor can never become a victim of excessive trading (where for the broker) since the investor maintains total control over the number of transactions which take place in the account. All of these positive features of internet trading may lead the unwary investor to believe that Internet trading is a way to take control of their finances and save more money in the process. Unfortunately, this is not always the case. The advantages of Internet stock trading have also its weaknesses and these weaknesses present significant drawbacks for the average investor.

First and foremost, the average investor is not an expert in the financial markets. There is a danger for allowing the

autonomy of online trading to lead you into the belief that you are an expert investor. An online investor sitting at home at a personal computer also foregoes proper investment advice and financial planning, perhaps among the most valuable services provided by traditional brokers. There are, of course, additional risks relative to performing transactions over the Internet especially on a shared computer. Those people whom investors have provided their account number and password can freely trade that account while the investor will have little, if any, recourse against the brokerage firm for the breach of security. The online trading is simply defined as “dealing securities on net”. In online trading system, from a single location anywhere, can service investors across the country. Technology has changed the landscape of the stock markets. They now don't require a trading floor & can, from a single location anywhere can service investors across the country. Before screen based trading was introduced Regional Stock Exchange were playing a very important role in the Capital Market as they were local investors. Now they are all developed screen based trading is connecting floors with other stock Exchanges. When you place an order to buy or sell stock, you might not think

about where of how your broker will execute the trade. But where and how your order is executed can impact the overall costs of the transaction, including the price you pay for the stock. Here's what you should know about trade execution.

**Definition:**

The increasingly popular activity of buying and selling securities over the internet, or to a lesser extent, through a broker's proprietary software. Buying and selling securities using the Internet or broker-provided proprietary software that works through the Internet. Online trading is distinguished from Wireless Trading, a nascent area of service where brokerage customers can trade via cell phones, pagers, and hand-held organizers. An account similar to a traditional bank account, holding cash and securities, and is administered by an investment dealer. An account held at a financial institution and administered by an investment dealer that the account holder uses to employ a trading strategy rather than a buy-and-hold investment strategy. Though trading accounts are traditionally thought to hold only stocks, a trading account can hold cash, foreign cash, securities and a number of other types of investment. Investors who use a number of trading strategies or have

number of brokerage accounts may separate their accounts in order to avoid confusion. One account may be a registered account for their retirement savings, another account may be a buy-and-hold account for their long-term stocks, another may be a margin account, and another may be a trading account used for conducting day-trading activities.

**Research Methodology:**

Research is a process in which the researcher wishes to find out the end result for a given problem and thus the solution helps in the future course of action. Redman and Mary defines research as a "systematized effort to gain new knowledge".

**RESEARCH DESIGN**

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with company in procedure. In fact, the research design is the conceptual structure with which research is conducted; it constitutes the blue print for the collection, measurement and analysis of data.

**Descriptive Research**

Investigations whose purpose is to provide precise descriptions of variables and their relationships; surveys are frequently used as designs for descriptive research.

## SOURCES OF DATA

**Primary Data:** Primary method: This method includes the data collected from the personal interaction with authorized members of SMC Global Securities Ltd.

**Secondary Data:** The Secondary data is collected through annual reports, websites and statements available with NOL. The lectures delivered by the superintendents of respective departments. The brochures and material provided by SMC Global Securities Ltd. The data collected from the magazines of the NSE, economic times, etc.

## II.LITERATURE REVIEW

This division covers the review of history of few of the main studies, research documents, miscellaneous nationwide in addition to worldwide journals, written items in miscellaneous official standard books & refer to miscellaneous websites connected to the internet on various facets of Depository order.

**Bhatt & Bhatt (2012)** in their paper named “Financial Performance

Evaluation of depositories in India ( An approximate study of NSDL & CDSL)” survey the evidence that the style of computerization particularly, Dematerialization, has authorized the Indian capital advertise to take the planet spotlight & scale to exceptional climax. Securities display in India has mature exponentially. The study of the progress of NSDL & CDSL in business-related agreements openly discloses that two together the depositories have proved a extraordinary progress in agreements of DEMAT reports, DEMAT profit & abundance, Settlement profit and size and the number of repository colleagues. Their study tells that two together the depositories have happened active financially flatly over an ending of last six commercial age.

**Chaudhary & Malik (2011)** in their paper “Depository whole in India: An estimation” states that most of the shareholders are endured accompanying NSDL accompanying stake of 55 allotment. Thus, it acts as the basic institution accompanying the adulthood of partners in bureaucracy. Further the paper study decides that the accused have no clear & fresh plan concerning the aids presented for one DPs to their customers. In order to overcome terrestrial & occasion hurdles stiff & casual ideas need expected grown. The

plurality of accused was affluent accompanying the general account makeup of repository that shows the existent expense building attended by NSDL is charitable.

**George (1996)** in welcome item “Towards a paperless conclusion order” illustrates about the part of the NSDL in transforming the paperless stock conclusion structure in the country. He has checked steps captured apiece storehouse to guarantee that the scrip less business arrangement is a boom. He has again emphasized the significance of the act of supervisory party in making the storehouse arrangement profitable.

**Jeyanthi (2007)** in welcome research work “A study on National Stock Exchange of India Limited” has emphasize that the NSE has formed a slot for itself not only in the governmental field but still in the worldwide advertise accompanying the modification of necessary fundamental changes. Therefore skilled is certainly that NSE will be an appealing goal for the internal & worldwide financiers to park their earnings in the age at hand.

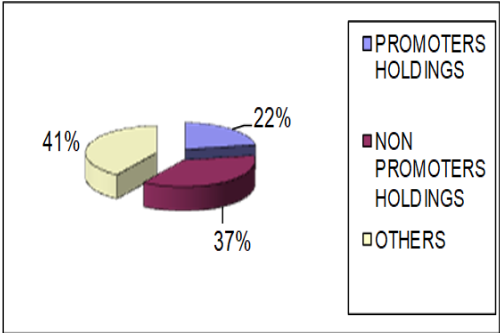
**Javaid (2003)** in welcome belief “A study of movements of stock exchanges accompanying the distinguished citation to Delhi Stock Exchange” reviewed that Indian stock exchange has arose as a

bigger beginning of finance for the allied subdivision. It is an organization progressed in the industrialized grown capitalistic savings accompanying free trade device. Stock exchange was dubbed as bland allocator of possessions par excellence.

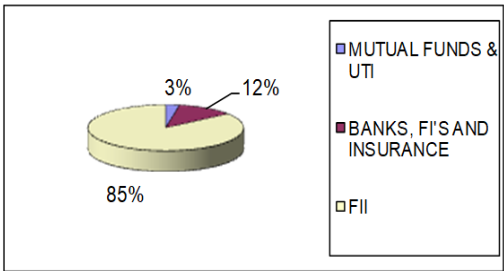
**Kaur (2013)** in her paper “Investors priority betwixt DEMAT & REMAT and knowledge concerning cache & allure miscellaneous regulations” justifies the cache arrangement in India, focussing on the reasons for financiers inclination middle from two points REMAT & DEMAT. To sum up she decides that the development rates of DEMAT report possessor is growing over age. The Indian arrangement of capital display is two level plan-Indian management admits equity bonds in some form i.e. either in tangible bonds or in photoelectric (DEMAT) form. The accused feel that the dissolution determines enough aids & it is useful to use. Majority of public are fluctuating towards dissolution as distinguished to ancient time’s experiences & study.

### **III. DATA ANALYSIS AND INTERPRETATION**

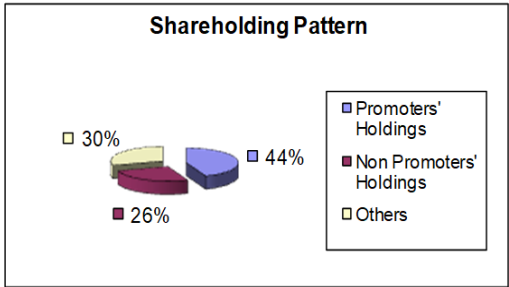
#### **1. HDFC Bank's responsibility search out be a World-Class Indian Bank**



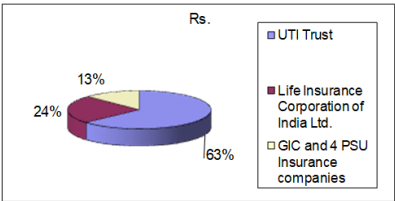
NON-PROMOTERS' HOLDINGS



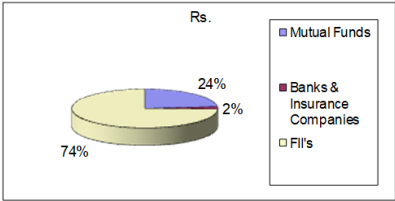
2. As on 30/9/2010 the Shareholding Pattern of AXIS Bank is divided in mainly three parts



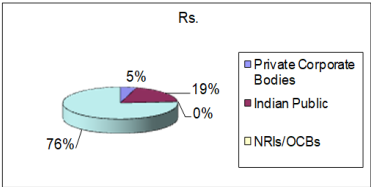
1) Promoters' Holdings:-



2) Non Promoters' Holdings:-



3) Others:-

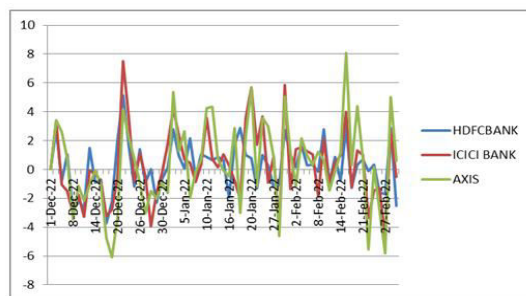


3. Daily performance of selected banks from 01stDecember 2014 TO 29th February 2016

Date	Arbindo Return	Avg	d1	Ranbaxy return	Avg	d2	d1*d2
29-Sep-24	-0.63976	0.555333	-1.1951	-1.78481	-0.19963	-1.58518	1.894449
03-Oct-24	6.092125	0.555333	5.536792	-0.64441	-0.19963	-0.44479	-2.46271
04-Oct-24	0.420168	0.555333	-0.16516	3.048385	-0.19963	3.248011	-0.439
05-Oct-24	-1.30172	0.555333	-1.85705	-1.53575	-0.19963	-1.33612	2.481242
06-Oct-24	0.612341	0.555333	0.057008	3.055485	-0.19963	3.255111	0.185567
09-Oct-24	0.983166	0.555333	0.427816	2.166166	-0.19963	2.345762	1.003547
10-Oct-24	1.900788	0.555333	1.345455	-2.72043	-0.19963	-2.5208	-3.39162
11-Oct-24	-2.45678	0.555333	-3.01211	1.910112	-0.19963	2.109738	-6.35476
12-Oct-24	-1.39925	0.555333	-1.95459	-0.88203	-0.19963	-0.6824	1.333812
13-Oct-24	7.994324	0.555333	7.438991	4.239278	-0.19963	4.438904	33.02097
16-Oct-24	0.481822	0.555333	-0.07351	-2.73891	-0.19963	-2.53929	0.186663
17-Oct-24	-1.16339	0.555333	-1.68872	1.389735	-0.19963	1.589361	-2.68399
18-Oct-24	6.790123	0.555333	6.234791	-0.24047	-0.19963	-0.04085	-0.25469
19-Oct-24	-0.74319	0.555333	-1.29852	1.217307	-0.19963	1.416933	-1.83992
23-Oct-24	4.700499	0.555333	4.165166	2.048107	-0.19963	2.247733	9.317226
24-Oct-24	1.112435	0.555333	0.557103	0.595099	-0.19963	0.794725	0.442744
25-Oct-24	0.353635	0.555333	-0.2017	-1.85593	-0.19963	-1.65631	0.334078
26-Oct-24	-1.60532	0.555333	-2.16066	-1.96194	-0.19963	-1.76232	3.807774
27-Oct-24	-0.03979	0.555333	-0.59516	0.964436	-0.19963	1.164062	-0.69277
30-Oct-24	-1.99045	0.555333	-2.54578	1.480597	0.19963	1.680223	-4.27748
31-Oct-24	-2.27457	0.555333	-2.82991	-0.98835	-0.19963	-0.78873	2.232035
01-Nov-24	3.283458	0.555333	2.728125	-0.0716	-0.19963	0.128325	0.350087

#### 4. Statement Showing Comparison Of 3 Portfolios

Date	HDFCBANK	ICICI BANK	AXIS
1-Dec-22	0	0	0
2-Dec-22	2.7563396	3.352358	3.428953
3-Dec-22	-0.7832618	-1.03466	2.604503
7-Dec-22	1.0273602	-1.50087	0.71695
8-Dec-22	-2.8580604	-3.06701	-3.47747
9-Dec-22	-2.2038567	-1.76676	-1.1461
12-Dec-22	-2.6366197	-3.28934	-2.16756
13-Dec-22	1.4697373	-0.09192	-1.08203
14-Dec-22	-0.9238139	-0.29018	-0.07813
15-Dec-22	-0.6906872	-0.8234	-1.0478
16-Dec-22	-3.7208763	-3.23504	-4.7466
19-Dec-22	-2.2393451	-2.78107	-6.08373
20-Dec-22	2.0197044	-0.57821	-3.38614
21-Dec-22	5.1303718	7.491582	4.144825
22-Dec-22	1.6993914	3.673382	2.265012
23-Dec-22	-1.1967935	-0.87894	0.721113
26-Dec-22	1.4055537	1.087634	-0.90346
27-Dec-22	-0.90151	-0.47971	-3.06766
28-Dec-22	0.0227428	-3.95951	-1.4966
29-Dec-22	-2.319236	-1.63476	-2.0478
30-Dec-22	-0.6401304	-0.18952	-0.91349
2-Jan-22	0.0937097	1.738114	-1.64584
3-Jan-22	2.7852545	4.199268	5.378712
4-Jan-22	0.9450074	2.38377	1.265596
5-Jan-22	0.6789533	0.672857	2.652833
6-Jan-22	2.1751381	0.481219	-1.96979
7-Jan-22	-0.5184205	-0.86471	-0.15231
9-Jan-22	1.0533319	0.3489	0.70406



#### INTERPRETATION

The above table displaying efficiency of, AXIS BANK, HDFC BANK, ICICI BANK, from 11th February 2022 to 11th May 2022. Here I have captured three banks from privatesector. On 11th February 2022, each bank's depiction appearance as nothing, cause, present I have taken By as value nothing at which point particularized date. When observant individual bank intelligent chart, for analysis you can see portion of excitability in intraday. Highest intraday acting proved in AXIS bank as 8.08% on 15th February 2016.

#### IV.FINDINGS

- ❖ Growth of Indian investment manufacturing depends on few careful variables like interest rates and increase, raised increase is negative affect investment stocks.
- ❖ When a stock is forceful in fundamental, in spite of we can visualize negative vacillations in the stock, it named as theory.
- ❖ The financier is capable to experience the risk and returns of the share by utilizing online business.
- ❖ It is beneficial for each and all financiers the one want long and temporary Investments.
- ❖ Estimating future EPS good influence future.
- ❖ Investor must have a theme about the calculating movements.
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- ❖ The result of study is trying right having to do with price evolutions.
- ❖ Avoid purchasing shares of a guest accompanying a venture capital of less before Rs. 1crore.
- ❖ Avoid purchasing shares of a



party accompanying number of shareholders. Investors must show interest in constant and fast increasing shares only.

- ❖ If the financier is assured of EPS ascend and wants the P/E to Increase also charge the shares and be subjects.

## V.CONCLUSION

- In the synopsis to equate the Broker's would demand sound foundation and business as per worldwide guidelines.
- The addition of networked business would influence the financiers happening in an increase in killing of the exchange. It has assisted the broker's management an extensive amount of undertakings and this maybe an adept business, transferring, conclusion scheme accompanying enough care to financiers.
- Due to creativeness of connected to the internet business skilled has happened better benefit to the financiers as they take care of auction / buy shares as and when necessary what to accompanying connected to the internet business.
- The broker's has a better sphere than distinguished to the former occasions by way of fabrication of connected to the internet business.
- The idea of trade has altered contemporary, this is a duty familiarize manufacturing therefore the continuation

would demand ruling class to specify best choice attainable help to the customers.

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