



BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES

SUMMER INTERNSHIP REPORT 2020

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FACULTY GUIDE

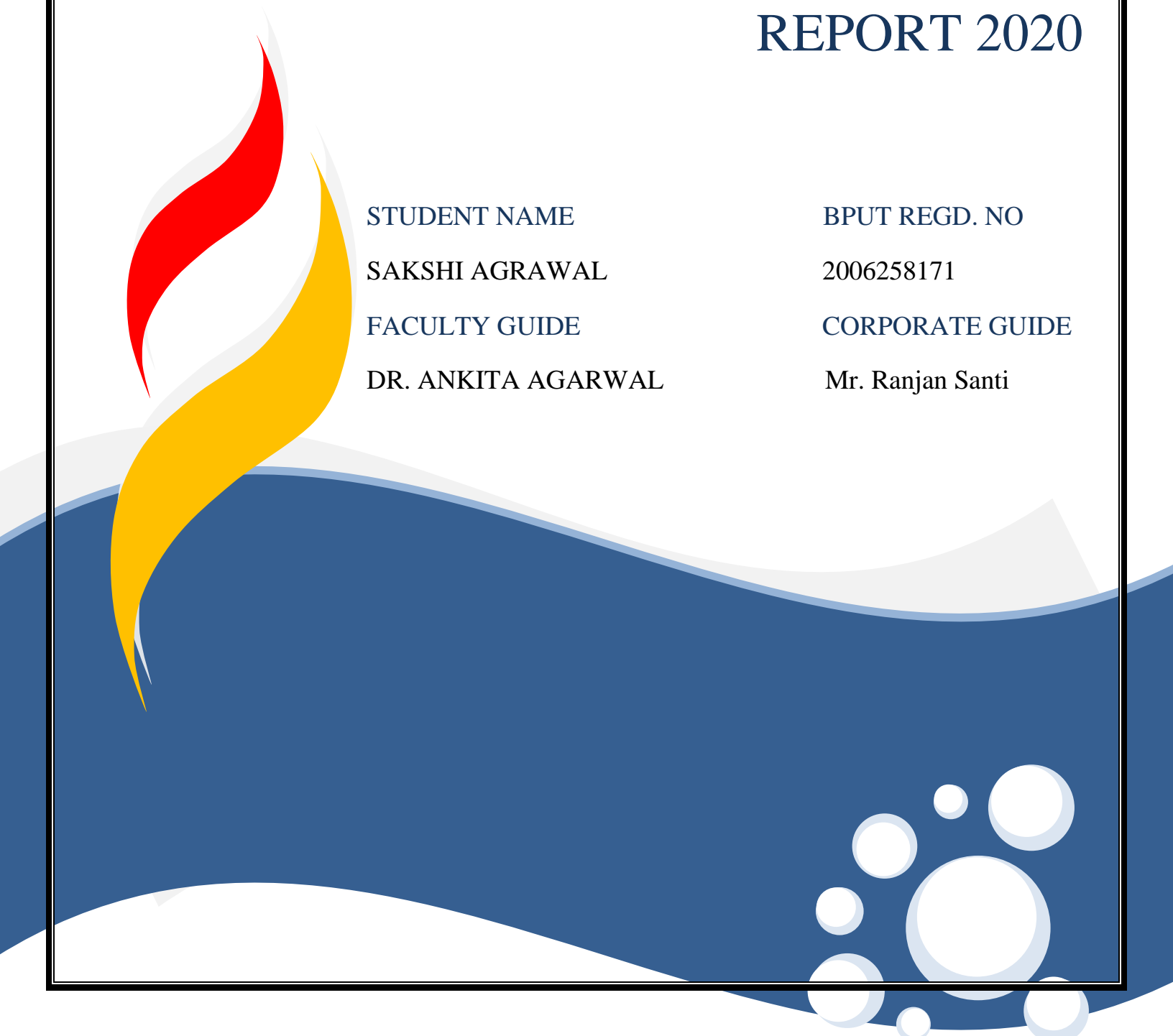
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Mr. Ranjan Santi



**COMPARATIVE STUDY OF LKP SHARES WITH OTHER
BROKING FIRM**



A Final SIP Report Submitted

TO

BIJU PATNAIK UNIVERSITY OF TECHNOLOGY, ODISHA

(In Partial Fulfilment of The Requirement of The Degree of MBA 2020-2022)

Submitted By:

SAKSHI AGRAWAL

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UNDER THE ESTEEMED GUIDANCE OF

Asst Prof. Dr. Ankita Agarwal

(Marketing), Biitm.



Estd. 1999

Biju Patnaik Institute
of Information Technology & Management Studies

(Recognized by AICTE, New Delhi & Affiliated to BPUT, Rourkela, Odisha)

TO WHOM SO EVER IT MAY CONCERN

This is to certify that the Project Work titled “COMPARATIVE STUDY OF LKP SHARE WITH OTHER BROKING FIRM” is a bonafide work of MS SAKSHI AGRAWAL Enroll/Regd. No.: 2006258171 carried out in partial fulfillment for the award of degree of MASTER IN BUSINESS ADMINISTRATION FOR THE SESSION (2020-2022) of Biju Patnaik University of Technology, Odisha under my guidance. This project work is original and not submitted earlier for the award of any degree / diploma or associate ship of any other University / Institution. The thesis:

- Embodies the work of the candidate herself
- Has duly been completed
- Fulfils the requirements of the rules and regulations relating to the summer internship of Institute.
- Is up to the standard both in respect to contents and language for being referred to the examiner.

Place:

Mr. Ranjan Santi

(Signature of the external guide)

Date:

DECLARATION

I, Ms. **SAKSHI AGRAWAL** hereby declare that the Project Work titled **“COMPARATIVE STUDY OF LKP SHARES WITH OTHER BROKING FIRM”** is the original work done by me and submitted to **Biju Patnaik University of Technology**, Odisha, in partial fulfillment of requirement for the award of Master of Business Administration is a record of original work done by me under the supervision of **Prof. ANKITA AGARWAL**

Sakshi Agrawal

Regd. No. 20062581716

ACKNOWLEDGEMENT

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At last, but not least my gratitude goes to all of my friends who directly or indirectly helped me to complete this project report.

Any omission in this brief acknowledgement does not mean lack of my gratitude.

Sakshi Agrawal

Date:

Regd No: 2006258171

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CHAPTER-01

INTRODUCTION

A stock market is a public market for the trading of company stock and derivatives at an agreed price; these are securities listed on a stock exchange as well as those only traded privately.

A stock exchange (formerly a securities exchange) is a corporation or mutual organization which provides “trading” facilities for stock brokers and traders, to trade stocks and other securities. Stock exchanges also provide facilities for the issue and redemption of securities as well as other financial instruments and capital events including the payment of income and dividends. The securities traded on a stock exchange include: shares issued by companies, unit trusts, derivatives, pooled investment and bonds.

Every modern economy is based on a sound financial system. Finance refers to monetary resources. Financing refers to activity of providing monetary resources to the needy people and institution. The term financial system refers to a system that is concerned with the mobilization of the savings of the public and providing of necessary funds to the needy persons and institutions for enabling the production of goods or for provision of services. It is a system that allows the exchange of funds between lenders, investors, and borrowers.

Financial systems operate at national, global, and firm specific levels. It includes public, private and government spaces and financial instruments which can relate to countless assets and liabilities. Financial system provides the mechanism for channelization or circulation of money which facilitates all sort of economic activities and development. The health of the economy is directly dependent on its financial system. It deals with money which is the lifeblood of business or economy.

The financial system consists of the central bank, as the apex financial institution, other regulatory authorities, financial institution, financial market, instrument, a payment and settlement system, a legal framework and regulations.

Financial market is a platform where buyers and sellers are involved in sale and purchase of financial products like shares, mutual funds, bonds and so on. The Financial Market, which is the market for credit and capital, can be divided into the Money Market and the Capital Market.

Money Market

The money market is an organized exchange market where participants can lend and borrow short-term, high-quality debt securities with average maturities of one year or less. It enables governments, banks, and other large institutions to sell short-term securities to fund their short-term cash flow needs. Money markets also allow individual investors to invest small amounts of money in a low-risk setting. Some of the instruments traded in the money market include Treasury bills, certificates of deposit, commercial paper.

Capital Market

Capital market is a market where buyers and sellers engage in trade of financial securities like bonds, stocks, etc. The buying/selling is undertaken by participants such as individuals and institutions. Capital markets help channelize surplus funds from savers to institutions which then invest them into productive use. Generally, this market trades mostly in long-term securities.

Primary Market

Primary market is the market for new shares or securities. A primary market is one in which a company issues new securities in exchange for cash from an investor (buyer). It deals with trade of new issues of stocks and other securities sold to the investors. In the primary market, the securities are issued by Initial Public Offer (IPO). IPO is a process through which an organization can make a public offer to the investors for the first time to make an investment. This trade is between the investors and the original issuer in the primary market.

Secondary Market

It is called secondary because the securities they have are old and already have been issued in the primary market for trade. This trade is between the investors and the original issuer in the primary market. The trade is between the buyer and seller and the stock exchange facility.

OBJECTIVE

- To understand the share market and various product offered
- To understand the business and competitive environment in which LKP Securities is working

The broad objective of the project is to make clients and let them know about the different services offered by LKP Securities. Also, to convince them about how LKP Securities services outscore their rivals and how in future they will be benefitted from the services offered by LKP Securities.

METHODOLOGY

Methodology is a system of broad principles or rules from which specific methods or procedures may be derived to interpret or solve different problems within the scope of a particular discipline.

A methodology for a project is a combination of step-by-step methods and techniques for successful planning and delivery of projects. It is a scientifically proven disciplined approach to project planning, development and implementation. It controls the entire project management process to assure the success for current technologies and business goals.

We can collect data for project in two ways: -

- a) Primary source
- b) Secondary source

The data were collected through secondary research. It is the data which has already been collected by someone or an organization for some other purpose or research study. It is less expensive and involves less time and labor than the collection of primary data. The data for our study was collected from different websites to gather information about the stock brokers. It is descriptive in nature and focuses on the stock broker fees, brokerage charges and transaction charges charged by different stock brokers. The data for my study has been collected from various sources.

The secondary source didn't provide any personal views of the customers on the existing activation charges, brokerage rate, services but were a great help in completing the report activation charges, brokerage rate, services but were a great help in completing the report and getting the details.

CHAPTER-02

COMPANY PROFILE

Lkp securities is a multi-dimensional group in the field of equity market, debt market, corporate finance, investment banking, and wealth management and commodities. With a legacy dating back to 1948, LKP Securities Limited is a pioneer in the financial services business & has carved a niche for itself as a one-stop solution for all financial & investment provider. LKP Securities Limited has been a listed entity on BSE since December 2016. It is a non-banking finance company registered under RBI listed public limited company.

It is listed on the BSE; the company has 13 branches including its headquarter in Mumbai. The company has presence PAN India across 200+ cities with 1, 50,000+ direct active clients.

The Group extensively focuses on research and innovation as core area to shape growth and improving client satisfaction. The group has built robust infrastructure to meet the growing requirement of clients and to offer time bound delivery of quality services. Company maintain high degree of professionalism and ethical standards in all our business activities. On the Fixed Income side, we are actively engaged in Primary Debt Placements and secondary market of Government Securities, corporate bonds, Treasury Bills. We have dedicated Debt Market dealing room with about 100 hotlines connected with treasuries Banks and Institutions.

A solid focus on short term and long-term research ensures that market participants are able to trade with a clear and scientific view. Technology actually forms the touchstone for internet trading, DMA and risk management and gives a cutting edge.

LKP Securities Limited and its associates enjoy the following registrations & memberships:

- Category I Merchant Bankers with SEBI
- Membership of BSE & NSE (Capital & Debt Market)
- AMFI registered all India Mutual Fund Distributors
- Member of Commodity Exchanges MCX, NCDX and DGCX (Dubai)
- Member of NSE for Interest Rate Futures
- Member of MCX SX and NSE Currency

NATURE OF BUSINESS CARRIED

Equities:

LKP offers a wide spectrum of services that includes Equity Broking in Cash and Derivatives, Internet based trading, Demit services & Research services. When people deal with LKP people are dealing with a professional broker who has centralized risk management system in place at Mumbai. LKP follows a hub & spoke model of Branch management where in all the branches & franchise interact with the hub/regional office & in turn the regional/hub office talks to Head office. This company a great level of flexibility in managing the risk level of the clients, which in turn benefit the client. LKP, is the first brokerage house to offer Direct Market Access (DMA) to Institutional Clients on FT Platform. They offer research based broking services on the equity as well as derivative segments to their institutional clients.

Fixed Income Securities:

LKP understands Debt & Money Market in all its dimensions. Recognized as major dealer of Fixed Income Securities, they execute deals for Banks, Institutions, FIIs, MFs, Insurance companies, Primary Dealers, large Corporate, and PSUs & PF Trust.

- They are leading Merchant Banker for Primary Placement of short term & long-term debts and leading intermediary on Secondary Wholesale Debt Markets
- They deal in wide spectrum of debt instruments such as fixed and floating rate Debentures, Bonds, CDs, CPs, PTCs, Gsec, T-Bills & Oil / Fertilizer / Food Bonds

Retail Distribution:

- 1) Primary Market Division
- 2) Mutual Funds & Insurance Advisory

Commodities:

A sister concern of the renowned and trusted LKP Group, Alpha Commodities offers a complete bouquet of client- friendly services in the burgeoning Commodity Futures

market. dealing, investing or hedging in Commodity Futures which includes Bullions, Metals, Energy and Agro Commodities.

Currency:

With the launch of currency derivatives, LKP offers its clients yet another segment for trading. Jointly regulated by SEBI and RBI provides traders with another lucrative trading avenue. Currency derivative can be described as a future contract between two parties, to buy or sell the underlying at a future date, in this case the underlying being a currency.

Management

Name	Designation
Akshata Vengurlekar	Co. Secretary & Comp. Officer
Anjali Suresh	Independent Director
Ganesh Malhotra	Independent Director
Girish Majrekar	Chief Financial Officer
Mahendra V Doshi	Non-Executive Director
Pratik M Doshi	Chairman & Managing Director
S S Gulati	Non-Executive Director
Sajid Mohamed	Independent Director

VISION, MISSION AND QUALITY POLICY

Vision: "To become a globally renowned organization that provides state of the art trading solutions and infrastructure and to grow with latest technology and services, by delivering the best solutions by best-in-class people."

Mission: "To achieve our objectives in an environment of fairness, honesty, and courtesy towards our clients, employees, vendors and society at large."

Quality Policy: To achieve and retain leadership, LKP shall aim for complete customer satisfaction, by combining its human and technological resources, to provide superior quality financial services. In the process, LKP will strive to exceed Customer's expectations.

As per the Quality Policy, LKP will:

- Build in-house processes that will ensure transparent and harmonious relationships with its clients and investors to provide high quality of services.
- Establish a partner relationship with its investor service agents and vendors that will help in keeping up its commitments to the customers.
- Provide high quality of work life for all its employees and equip them with adequate knowledge & skills so as to respond to customer's needs.
- Continue to uphold the values of honesty & integrity and strive to establish unparalleled standards in business ethics.
- Use state-of-the art information technology in developing new and innovative financial products and services to meet the changing needs of investors.

PRODUCTS

EQUITY TRADING:

Utilize equity trading platform and trade in equity market effortlessly.

COMMODITY TRADING:

Utilize the commodity platform and invest money in commodities.

CURRENCY TRADING:

Utilize the currency platform and buy/sell and exchange currencies internationally.

FUTURES AND OPTIONS:

Utilize futures and options derivative platforms and buy/sell shares at a specified price and future date.

MUTUAL FUND AND SIP:

Avail the benefits of mutual funds and SIP hassle-free investment modes and create capital effortlessly.

INSURANCE:

It is offering insurance that offers you coverage against financial losses and damages.

LOANS:

It is offering you an opportunity to avail a loan against securities to fulfill financial needs.

E-TRADE:

LKP Securities provides a simple, seamless E-Trade platform so that you can trade online from any platform and anytime.

SERVICES**DEMAT SERVICES:**

Invest your money in Indian stock market and utilize demat services of LKP to hold securities electronically.

TRADING SERVICES:

Yes, LKP Securities is offering trading services to invest money in all assets classes.

INTRADAY SERVICES:

Through LKP Securities intraday services you can buy/sell shares within a same day.

IPO SERVICES:

Yes, LKP Securities offers you IPO services which allows you to invest money in the first stocks when it goes public.

STOCK RECOMMENDATION:

Stock recommendation product of LKP is unique product that gives you expert views on stocks so that you can trade in a right direction.

PMS:

It offers you PMS services that only manage your portfolio but also keep your trading in a profitable track.

ISSUE MANAGEMENT:

In order to resolve your issues related to financial services LKP Securities offers you issue management services which troubleshoot all your queries in no less time.

Depository services:

In order to hold all financial securities in an electronic form you can use depository services of LKP Securities

- The trading exposure up to 5X

Profit & loss – LKP Securities Ltd.

Rs (in crore)

	Mar'21	Mar'20	Mar'19
Sales Turnover	83.74	73.04	94.77
Excise Duty	.00	.00	.00
NET SALES	83.74	73.04	94.77
Other Income	0.6516	0.5470	0.3635
TOTAL INCOME	84.39	73.59	95.13
Manufacturing Expenses	34.31	22.45	33.23
Material Consumed	.00	.00	.00
Personal Expenses	30.84	31.10	38.22
Selling Expenses	.99	.79	.99
Administrative Expenses	9.90	11.24	13.45
Expenses Capitalized	.00	.00	.00

Provisions Made	.00	.00	.00
TOTAL EXPENDITURE	76.03	65.58	85.89
Operating Profit	7.71	7.46	8.88
EBITDA	8.36	8.01	9.25
Depreciation	1.64	1.16	.88
Other Write-offs	.00	.00	.00
EBIT	6.72	6.85	8.37
Interest	1.19	4.66	7.58
EBT	5.54	2.20	.78
Taxes	1.62	.63	-1.11
Profit and Loss for the Year	3.92	1.57	1.90

Balance Sheet- Lkp Securities Ltd.**Rs (in crore)**

Particulars	Mar'21	Mar'20	Mar'19
Liabilities	12 Months	12 Months	12 Months
Share Capital	14.79	14.79	14.79
Reserves & Surplus	28.93	24.77	23.30
Net Worth	43.71	39.56	38.08
Secured Loan	13.07	17.76	28.06
Unsecured Loan	.00	.00	.00

TOTAL LIABILITIES	56.78	57.32	66.14
Gross Block	18.17	9.49	8.27
(-) Acc. Depreciation	3.01	3.31	2.42
Net Block	15.16	6.18	5.84
Capital Work in Progress	.00	.15	.08
Investments	3.77	6.85	6.20
Inventories	.00	.00	.00
Sundry Debtors	18.26	23.26	51.00
Cash and Bank	96.81	48.50	51.91
Loans and Advances	60.69	59.33	28.30
Total Current Assets	175.76	131.09	131.22
Current Liabilities	135.93	84.42	75.17
Provisions	1.98	2.52	2.02
Total Current Liabilities	137.91	86.94	77.19
NET CURRENT ASSETS	37.85	44.14	54.02
Misc. Expenses	.00	.00	.00
TOTAL ASSETS	56.78	57.32	66.14

INDUSTRY PROFILE

Evolution

Indian Stock Markets are one of the oldest in Asia. Its history dates back to nearly 200 years ago. The earliest records of security dealings in India are meager and obscure. The East India Company was the dominant institution in those days and business in its loan securities used to be transacted towards the close of the eighteenth century. By 1830's business on corporate stocks and shares in Bank and Cotton presses took place in Bombay. Though the trading list was broader in 1839, there were only half a dozen brokers recognized by banks and merchants during 1840 and 1850. The 1850's witnessed a rapid development of commercial enterprise and brokerage business attracted many men into the field and by 1860 the number of brokers increased into 60. In 1860-61 the American Civil War broke out and cotton supply from United States of Europe was stopped; thus, the 'Share Mania' in India begun. The number of brokers increased to about 200 to 250. However, at the end of the American Civil War, in 1865, a disastrous slump began. At the end of the American Civil War, the brokers who thrived out of Civil War in 1874, found a place in a street (now appropriately called as Dalal Street) where they would conveniently assemble and transact business. In 1887, they formally established in Bombay, the "Native Share and Stock Brokers' Association" (which is alternatively known as "The Stock Exchange"). In 1895, the Stock Exchange acquired a premise in the same street and it was inaugurated in 1899. Thus, the Stock Exchange at Bombay was consolidated.

Indian Stock Exchanges –

An Umbrella Growth: The Second World War broke out in 1939. It gave a sharp boom which was followed by a slump. But, in 1943, the situation changed radically, when India was fully mobilized as a supply base. On account of the restrictive controls on cotton, bullion, seeds and other commodities, those dealing in them found in the stock market as the only outlet for their activities. They were anxious to join the trade and their number was swelled by numerous others. Many new associations were constituted for the purpose and Stock Exchanges in all parts of the country were floated. 11 The Uttar Pradesh Stock Exchange Limited (1940), Nagpur Stock Exchange Limited (1940) and Hyderabad Stock Exchange Limited (1944) were incorporated. In Delhi two stock exchanges - Delhi Stock and Share Brokers' Association Limited and the Delhi Stocks and Shares Exchange Limited - were floated and later in June 1947, amalgamated into the Delhi Stock Exchange Association Limited.

Post-independence Scenario:

Most of the exchanges suffered almost a total eclipse during depression. Lahore Exchange was closed during partition of the country and later migrated to Delhi and merged with Delhi Stock Exchange. Bangalore Stock Exchange Limited was registered in 1957 and recognized in 1963. Most of the other exchanges languished till 1957 when they applied to the Central Government for recognition under the Securities Contracts (Regulation) Act, 1956. Only Bombay, Calcutta, Madras, Ahmadabad, Delhi, Hyderabad and Indore, the well-established exchanges, were recognized under the Act. Some of the members of the other Associations were required to be admitted by the recognized stock exchanges on a concessional basis, but acting on the principle of unitary control, all these pseudo stock 20 exchanges were refused recognition by the Government of India and they there upon ceased to function. Thus, during early sixties there were eight recognized stock exchanges in India (mentioned above). The number virtually remained unchanged, for nearly two decades. During eighties, however, many stock exchanges were established: Cochin Stock Exchange (1980), Uttar Pradesh Stock Exchange Association Limited (at Kanpur, 1982), and Pune Stock Exchange Limited (1982), Ludhiana Stock Exchange Association Limited (1983), Gauhati Stock Exchange Limited (1984), Kanara Stock Exchange Limited (at Mangalore, 1985), Magadh Stock Exchange Association (at Patna, 1986), Jaipur Stock Exchange Limited (1989), Bhubaneswar Stock Exchange Association Limited (1989), Saurashtra Kutch Stock Exchange Limited (at Rajkot, 1989), Vadodara Stock Exchange Limited (at Baroda, 1990) and recently established exchanges - Coimbatore and Meerut. Thus, at present, there are totally 23 recognized stock exchanges in India.

Industry segment in which Company operates

Broking and Wealth Management which includes: Equities, Debt, Currency, and Distribution under LKP Wealth Advisory Pvt. Ltd.
(100% own subsidiary of LKP Securities.)

Competitive conditions existing in the industry

Over the past several years, price wars and lower commission rates in the discount brokerage business in general have strengthened our competitors. such changes in the industry will continue to strengthen existing competitors and attract additional competitors such as banks, insurance companies, providers of online financial and information services, and others.

Some competitors in the discount brokerage business offer services which we do not, including financial advice and investment management. In addition, some competitors have continued to offer lower flat rate execution fees that are difficult for any conventional discount firm to meet. Industry-wide changes in trading practices are expected to cause continuing pressure on fees earned by discount brokers for the sale of order flow. Many

of the flat fee brokers impose charges for services such as mailing, transfers and handling exchanges

McKinney's 7S FRAME WORK MODEL

The McKinsey 7S framework is developed in the early 1980s by Tom Peters and Robert Waterman, two consultants working at the McKinsey & Company consulting firm, the basic premise of the model is that there are seven internal aspects of an organization that need to be aligned if it is to be successful. The 7S model can be used in a wide variety of situations where an alignment perspective is useful. These factors affect an organization's ability to implement new strategies.

SYSTEMS:

Here the company follows the system of "Team Leadership" here the management gives the authority for the team leader and carry on the work under their guidance and several team leaders are linked to one manager or the superior person. Other than these the other systems of the company are Managing / sharing customer information, unified reporting of digital marketing effectiveness, Campaign planning approach- integration.

STRUCTURE:

It prescribes the formal relationship that should exist among various position and activities. It is the duty of the top management to design the organization structure of an organization. It is one of the critical tasks. The designing of the super structure involves issues like division of organization tasks and allocation of responsibilities between various departments.

STYLE:

Style stands for the patterns of actions taken by the top management over a period of time. In LKP Securities, the decisions are taken by the top management concerning matters related to the organization. The decisions relating to department matters are taken by the departmental heads. LKP follows a participative leadership style which allows the ideas, suggestions etc. for the betterment of the company. The team members are cooperative rather than being competitive.

STAFF:

Each incumbent should have a specific academic qualification to match the position he is going to hold and also necessary skills to execute the assignment. The departments in the organization consist of Senior Manager, Officers, Clerks and sub-staff. Specialized

trainings to the Senior Management level/ Top level executives are conducted based on the requirement. 40

SKILLS:

Skill is an ability or proficiency in performing particular task. Training policies and programs are suitably designed, modified and updated on a continuous basis to upgrade the knowledge levels and skills of its Executives, Officers, and Workmen on par with the best in the industry. While several new programs are introduced in tune with the corporate goals, the existing programs are made more interactive and learner friendly.

STRATEGY:

A company of LKP Securities stature cannot afford to work without objectives. An overall group objective is already set and all the employees are driven towards LKP Securities believes that no individual is big as the organizational itself. Competition is the key to survival and for giving diversification for the given product as such competition is always good. LKP Securities updates itself to the surrounding competitions and bring out changes are services and related products to be in competitors.

SHARED VALUES:

Values refer to the institutional standards of behavior that strengthen commitment to the objectives, and guide strategy formulation and purposive action. The core values are shaped around the belief that enterprises exist to serve society. In terms of this belief, profit is a means rather than an end in itself a compensation to owners of capital linked to the effectiveness of contribution to society and the essential ingredient to sustain such enlarged societal contribution.

SWOT ANALYSIS

STRENGTHS:

Company provides a superior customer service

- LKP's having an innovative range of financial products
- LKP is known for transparent functioning
- Emphasis on building stronger bond with customers by a company
- Company with well diversified portfolio.

WEAKNESS:

- LKP's having a limited sales executive
- Low advertisements from the company

OPPORTUNITY:

- Growing consumer awareness about equity related product
- Positive outlook of people towards financial products
- Growing rural market is the best opportunity for the company.

THREATS:

- Uncertainty of the market volatility and fluctuations in the stock prices
- Threat from new entrants into the field of stock broking
- Stringent economic measures by Government and RBI

CHAPTER-03

COMPETITOR ANALYSIS

LKP SECURITIES

- A/C opening charge- 799
- Software installation charge- NIL
- Maintenance's charge- NIL
- Exposure- 5 times the transaction limit to sell stock from DP account.
- Name of the bank with the help of which customer get the facility of net banking- HDFC& Axis Bank.
- Services provided- Equity, MF, Commodities, Derivatives, IPO, and PMS.
- DP charge- First year Nil,

Rs. 200 SECOND YEAR ON WARDS,

- Prepaid Scheme- not available.
- Types of trading accounts provided- De-Mat a/c.
- Minimum initial Margin Amount- cash-50000
- A/C opening charge- 731/-
- Name of the software used- Odin.
- Software installation charge- NIL
- Maintenance's charge- 300/-
- Exposure- 4 times, and if the person can't return money within 5 days, then extra 15 days he will get and 16% charge will be taken for that.
- Name of the bank with the help of which customer get the facility of net banking- AXIS bank, ICICI bank, HDFC bank, and SBI.
- Services provided- E broking, PMS, Investment advisory, Wealth Management Services, Commodity Trading.
- DP sells charge- 12/-
- Brokerage- intraday-.03% & Delivery- .3%
- Transaction Report- Through courier (Free of Cost)

- Prepaid Scheme- Not available.
- Types of trading accounts provided- De-Mat a/c, Trading a/c, Margin a/c.
- Network- 120 branches across 120 cities and 31 regional offices.
- Margin money- 5000/-

ICICI SECURITIES

- A/C opening charge-750/-
- Name of the software used- Trader Terminal.
- Software installation charge- Nil.
- No. of scripts provided by the software- Unlimited.
- Maintenance charge- Nil.
- Exposure- 8 times (intraday) 3 times (delivery).
- Name of the bank with the help of which customer get the facility of net banking- HDFC Bank, Axis Bank, ICICI Bank.
- Services provided- Equity, IPO, MF, PMS, Commodities, Insurance, Wealth Management Services, Mortgages.
- DP sells charge- 15 per instruction + service tax.
- Brokerage- 0.05% intraday 0.50% deliveries.
- Transaction Report- SMS, mail, daily courier,
- Prepaid Scheme- Not available.
- Types of trading accounts provided- De-Mat a/c, Trading a/c, Margin a/c.

INDIABULLS

- Network- 1341 branches and 800000 customers.
- Margin money-Minimum 2555/-
- Secrecy- Telephone logger with recorder.
- Prepaid Scheme- Not available.
- Types of trading accounts provided- De-Mat a/c, trading a/c, saving a/c.

- Network- 2124 branches across the countries and 19 foreign branches.
- Margin money- Rs.975/-
- Secrecy- Password provided to the customers and it can be changed by the customer only.
- A/C opening charge- 900/-
- Name of the software used- PIB (Power India Bulls)
- Software installation charge- 750/-
- No. of scripts provided by the software- unlimited
- Maintenance charge- nil

KOTAK SECURITIES

- Exposure- 20 time's intraday and 8 time's delivery.
- Name of the bank with the help of which customer get the facility of net banking- HDFC, IDBI, ICICI and Axis Bank.
- Services provided- Equity, Housing Loan, Personal Loan, and Insurance.
- DP sell charge- 10/-
- Brokerage- Intraday-.03% & Delivery-.50%
- Transaction Report- Through mail & courier (Free of cost)
- Prepaid Scheme- not available.
- Types of trading accounts provided- Cash a/c, Intra a/c, and Margin a/c.
- Network- 718 branches and 4500000 customers across the country.
- Margin money- NIL
- Secrecy- use logger phone so that the broker cannot go beyond their word.

MOTILAL OSWAL

- A/C opening charge- 415/-
- Name of the software used- Java

- Software installation charge- 500/-
- Maintenance charge- 300/-
- Exposure- 4 times (For Intraday)
- Name of the bank with the help of which customer get the facility of net banking- HDFC, ICICI, AXIS Bank, City Bank, Standard Chartered Bank.
- Services provided- Equities, Derivatives, ebroking, PMS, IPO, Commodities, Depository Services.
- DP sells charge- included in the a/c opening.
- Brokerage- intraday-0.03% & Delivery-0.30%
- Transaction Report- Through Courier (Free of Cost)
- Prepaid Scheme- not available.
- Types of trading accounts provided- De-Mat a/c, Trading a/c, Bank a/c.
- Network- 5,30,234 customers in over 377 cities and 1200 business locations
- Margin money- it is not restricted.
- Secrecy- 128-bit SSL technology to ensure the highest security on online transactions.

RELIANCE MONEY

- A/C opening charge- 750/-
- Name of the software used- Java
- Software installation charge-NIL
- Maintenance charge-Rs.50/-p. a
- Exposure- 5 times (For Intraday)
- Name of the bank with the help of which customer get the facility of net banking- ICICI bank, AXIS bank, HDFC bank, and IDBI.
- Services provided- Equity Trading, Derivatives, Forex, Commodity, IPO, MF & Insurance.
- DP sell charge- 12/-

- Brokerage- intraday-0.05%-0.07%& Delivery-0.25%-0.40%
- Transaction Report- By mail (Free of Cost)
- Prepaid Scheme- not available.
- Types of trading accounts provided- De-Mat a/c, Trading a/c, Commodity a/c.
- Network- 10000 outlet in 5000 different cities and 22 lakh customers.
- Margin money- it is not restricted.
- Secrecy- Extra Security Features with “Security Token” which is the most secure and tested technology in the computer world. Customer’s account is safeguarded with a unique security number that changes every 32 seconds.

SHAREKHAN

- A/C opening charge- 750/-
- Name of the software used- Java son.
- Software installation charge- nil
- Maintenance charge- unlimited
- Exposure- 4 times for intraday and delivery both.
- Name of the bank with the help of which customer get the facility of net banking- AXIS bank, HDFC bank, UBI, IDBI, City Bank.
- Services provided- Equity, IPO, MF, Derivatives, and Commodities.
- DP sell charge- NIL
- Brokerage- intraday-0.05%-.07% & Delivery-.25%-.40%
- Transaction Report- Through mail (Free of Cost)
- Prepaid Scheme- yes
- Types of trading accounts provided- Classic a/c (for sudden user)
Spend Trade a/c (for frequent user)
- Network- 510 centers across 170 cities 2, 18,000 customers.
- Margin money- Rs.5000/-

- Secrecy- Security Socket Layer (SSL), a security that the information transmitted between customer and agent, given by Versign, universally accepted World Wide Web. The security

Comparative Analysis of charges and facilities provided by different companies

Company	Account Opening	Margin Money	Brokerage IntraDelivery (%)	AMC	Exposure (for intra)	branches
Kotak securities	750	5000	.06-0.59	360	4 times	890
ICICI direct	500	975	0.075-0.05	450	5 times	2124
Motilal oswal	415	Not restricted	0.03-0.30	300	4 times	430
LKP SHARES	799	5000	Nil	200	5 times	120
India bulls	900	Nil	0.03-0.30	Nil	20 times	718
Reliance money	750	Not Restricted	0.05-0.25	50	5 times	10000
Share khan	750	5000	0.03-0.30	500	4 times	250

CHAPTER-04

CUSTOMER ANALYSIS

About the Customers:

Customers of Sanguine Capital can be anyone. Which means anyone can invest in equities but basically salaried employees and business organization are major customers of mutual fund.

Almost 3.7% of people have already invested equity market and rest 96.3% are unaware about the benefits and also about the return provided by equities in India.

As anyone can invest in equities with some knowledge of equity market for different categories of customers such as institutional Investors, business organization, agricultural investors and or any other individuals.

The minimum amount needed to invest in share market

There is no minimum or maximum amount to invest in Indian stock markets. It depends on which stock or ETFs (exchange-traded funds) you want to invest in. For instance, the price of a share of company A could cost you Rs 100 while a share of company B could cost Rs 1,000.

Depending on your financial bandwidth, you as an investor can start your investment in the stock market.

The Indian stock market is predominantly represented by two stock exchanges, that facilitate the platform for trading (buying and selling) of shares. These are:

- I. National Stock Exchange (NSE), which has over 2000 companies listed on it. The index used here is Nifty. It represents 50 companies.
- II. Bombay Stock Exchange (BSE), which has around 5000 companies listed on it. The index used here is Sensex. It represents 30 companies. The company stocks that are traded on these exchanges range from as low as Re 1 to as high as Rs 70,000.

Also, note that the broker involved in carrying out the transaction will charge you brokerage charges. They will also charge certain taxes mandated by the Government of India. Thus,

Quantity of share = Capital / (Share price + brokerage fees + taxes)

For example:

A share of Company A is Rs 20. And you have Rs 1,000 (capita) that you want to invest. Then, you may not be able to purchase 50 shares of company A as you thought. This is because, with Rs 1,000 you will be required pay taxes and brokerage fees (if any) and margins (if any). So, taking into the additional charges, you may be able to purchase 47 or 48 shares of Company A.

What is the minimum age to invest in the Indian stock markets?

As such there is as such no age restriction for investing in the stock markets of India.

It's just that you should be more than 18 years old to create a Demat account and a trading account. To open your Demat and trading account a PAN card is a must. And you can only apply for a PAN card if you are 18 years or older.

Investing in the stock market for minors/under 18 years of age

Even if your age is less than 18 years, it is still possible to open Demat and trading accounts. You can do so by submitting the documents of your guardian.

You can open a Demat and trading account at a brokerage in the name of a minor by the natural guardians (like parents) or the court-appointed guardian.

After verifying all the necessary documents, the depository participant will allow you to trade in Indian stock markets.

Can a student invest in stock markets in India?

Yes. If the student is more than 18 years old, then he will be treated as a regular investor. If he is a minor, then the rules for minors will apply.

Can I invest in the stock market in India Without a Stockbroker?

Any person who wishes to invest in Indian stocks, cannot go directly to the stock markets to buy or sell shares. Buying and selling of stocks have to be done through stockbrokers. It can be online (like Grow) or offline.

A stockbroker is an individual or a financial institute, licensed and authorized by SEBI to trade in stock markets. They also have direct access to the share market. They can act as your agent in share transactions of companies.

A stockbroker can also offer additional services like advice on stocks, debentures, government bonds, and listed property trusts, and non-listed investment options. For the services provided, stockbrokers charge a brokerage fee.

Also, a stockbroker can plan, implement, and monitor your investment portfolio, conduct research, and help you optimize your returns in stock markets.

CHAPTER-05

FINDINGS

- Brokerage of Kotak. Icici direct, Motilal oswal, India Bulls, Reliance money, share khan is higher than LKP securities. They are charging high brokerage as compared to LKP Securities.
- Margin money of Kotak Securities, LKP Securities, Share khan are higher than other firms like ICICI Direct.
- Exposure is less than other firms. LKP Securities offers five times exposure on margin whereas India bulls offer twenty times exposure on margin money.
- ICICI direct provide their customer's three types of account (de-mat a/c, trading a/c, bank a/c) but LKP Securities provide only De-mat a/c.
- Most of the customers are trading offline.
- Most of the customers approach towards the broking firm is through the relationship manager.
- Most of the people are not much aware of share market and its benefit.

CHAPTER-06

SUGGESTION

- Things have changed for the better with LKP group going on-line coupled with endeavor to stream line the whole trading system, things have changed dramatically over the last 3 to 4 years. New and advanced technologies have breached geographical and cultural barriers, and have brought the countrywide market to doorstep.
- In the present scenario to compete with the Broker's would require sound infrastructure and trading as per international standards.
- The introduction of on-line trading would influence the investors resulting in an increase in the business of the exchange. It has helped the brokers handling a vast number of transactions and this can be an efficient trading, delivering, settlement system with adequate protection to investors.
- Due to invention of online trading, there has been greater benefit to the investors as they could sell / buy shares as and when required and that to with online trading.
- The brokers have a greater scope than compared to the earlier times because of invention of online trading.
- The concept of business has changed today, this is a service-oriented industry hence the survival would require them to provide the best possible service to the clients.
- I recommend the exchange authorities to take steps to educate Investors about their rights and duties. I suggest to the exchange authorities to increase the investors' confidences. Necessary steps should be taken by the exchange to deal with the situations arising due to break down in online trading.
- I recommend the exchange authorities to be vigilant to curb wide fluctuations of prices.
- The speculative pressures are responsible for the wide changes in the price, not attracting the genuine investors to the greater extent towards the market.
- Genuine investors are not at all interested in the speculative gain as their investment is based on the future profits, therefore the authorities of the exchange should be more vigilant to curb the speculation.

CONCLUSION

On the basis of the study, it is found that LKP Securities Ltd. is better service provider than other stockbrokers because of their timely research and personalized advice on what stocks to buy and sell. LKP Securities Ltd. provides the facility of relationship manager for encouraging and protecting the interest of the investors. It also provides the information through internet and mobile alerts. Further it also provides its research on the future prospect of IPOs.

Further it was observed that most of the people are not interested in share market. Most of the people are not aware about share market, they believe investing their money in bank, buying gold and property will give them better returns. Many of the people who knew about share market didn't want to take the risk of investing the money in it.

LKP Securities and other broking firms should organize seminars and other similar activities to enhance the knowledge of prospective and existing customers so they feel more comfortable and risk free while investing in the stock market.

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