

Abstract of Doctoral Dissertation

A Study on Impact of Company Specific News on Investor's Decision in India¹

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1 Introduction

FOR OVERALL DEVELOPMENT, a country needs sound education system, better economic condition; political stability, favourable financial environment etc. The capital market contributes in overall development of the country by collecting and channelizing the funds into productive usage. Capital markets refer to markets that trade financial instruments having maturities longer than one year¹. Corporate collect funds in form of equity or debt and invest in productive channels and earn return on investment and in the process develop infrastructure and generate employment. The rotation of funds induces the growth of the capital market. The Indian capital market has been growing tremendously owing to the reforms of the industrial policy, liberalization policy for the public sector and financial sector, new economic policies of deregulation and restructuring. In 2017, Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) stood at 11th rank and 12th rank with market capitalizations of US\$ 1.682 and US\$ 1.642 Trillion respectively (see Figure 1). According to the Annual report of BSE 2015-16, the BSE was the world's fastest exchange with a speed of 6 microseconds. It is also the largest exchange in the world in terms of number of listed companies. As of March 2016, BSE is the 2nd largest exchange in the world for currency options, 3rd largest in the world for currency futures, 11th largest by number of trades and 12th largest exchange in the world by market capitalization². The NSE ranked 3rd in total number of trades in Equity Shares following New York Stock Exchange (NYSE) and Shanghai Stock Exchange. The NSE stood at 2nd

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