

An Evaluation of the Impact of Stock Brokers on Trends in Equity Cash Segment of Bombay Stock Exchange, India

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Abstract

Indian Capital markets remain one of the most vibrant one which has not only helped corporates raising funds for the business growth, but also helped create wealth for investors. Stock market is the platform where the long term investors increase their wealth by capital appreciation and short term investors who have discipline approach in investing and traders can get profit. As the stock market grew, the responsibility of the stock brokers also increased, who had an important role to play in getting more traders and also to deliver the shares on time so as to gain the trust of the investor and also the stock market. The stock market also witnessed many companies getting listed in the stock market thereby increasing the capital of the stock market and during this decade the stock brokers also had an important role to play in providing services to the new and the first time investors. Hence, the study attempt to study the impact of stock broker's on the investment transaction.

JEL Code : G1; G11

Keywords : Equity, Investment, Stock, Broker, BSE, India

I. Introduction

THE STOCK BROKERS and other various interme diary agencies play a vital role in the capital market by assisting investors to make profit or create wealth in this market. Even though the relationship between the Stock broker and the investor has been beneficial to both of them, it has always been very rocky. The stock broker charges fees from the investor for the services offered, as he is pivotal in making the investor take the right choice in selecting the shares as he has good knowledge on how the companies functioning, performing especially financial performance through fundamental analysis and also the share market. The Indian broking industry has witnessed many positive changes over the last two decades, especially lot of impact on last one decade. There are two major

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