

**A Project Report
On
Capital Market**



**At
Growth arrow, Karnataka, Bengaluru
submitted to
Prestige institute of management Gwalior
For the partial fulfilment of Master of Business Administration
(2020-2022)
Submitted by
Priya Mishra
MBA(FT) Sem -II Section-A**



Prestige Institute of Management & Research Gwalior

Declaration

I hereby declare that the training report entitled, **Capital Market** submitted by me to Prestige Institute of Management, Gwalior in fulfilment of the requirement for the award of masters of Business Administration is a record of my original work carried out by me under the guidance **Asst.Prof.C.K. Dantre** I, further declare that the work reported in this report has not been submitted, and will not be submitted, either in part or in full, for the award of any other degree or diploma of this University or to any other institute or university.

Prestige institute of management Gwalior

Priya Mishra

Certificate

This is to certify that Priya Mishra student of MBA (FT) program has completed her summer training of 15-04-2021 to 15-06-2021 and prepared this report entitled **Capital market** under my guidance. her performance during the training was excellent.

Date:19-08-2021

Asst.Prof. C.K. Dantre

Acknowledgement

I am grateful to our Director **Dr. Nishant Joshi**, Summer internship coordinator Asst. **Prof. Abhay Dubey**, for their valuable suggestions in the execution of report preparation.

I express our sincere gratitude to **Asst. Prof.C.K. Dantre** for giving us the opportunity to work under his guidance on the report entitled **Capital Market**.

We are also thankful to other staff that guided and helped us very kindly at each and every step whenever we required.

We also acknowledge & convey thanks to the library staff, computer department of PIMG for their kind and valuable support.

Date :19-08-2021

Priya Mishra

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CHAPTER-01

1.1 History of the company

Growth arrow services, is an independent financial service domain, located in Bangalore, India. After several years of experience, they are looking to update and strengthen their services. Developing a strong commitment of clients and trainees in an easy manner plays an important role, to understand and learn in a better way. They develop and implement the strategies that are proven and useful to many clients. They have 1000+ clients throughout the world which stands the best testaments, Growth Arrow is an innovative platform for educating and mentoring the theory towards wealth and prosperity.

Website

<https://www.thegrowtharrow.com/>

Industries

Financial Services

Company size

50-100 employees

Headquarters

Bangalore, Karnataka

Type

Sole Proprietorship

Specialties

Investment Advisory, capital market advisory, Trading, portfolio advisory services, training, and wealth management.



Objectives of the organisation

Grow shareholder value: The top goal of your organization may be to increase the value of your organization for your shareholders, stakeholders, or owners. Value can be defined in many ways, so this would need to be clearly defined.

Grow earnings per share: This objective implies your organization is trying to increase its earnings or profits. For publicly traded companies, a common way to look at this is through “earnings per share.” This can be measured quarterly and/or annually.

Increase revenue: Revenue represents growth in your organization, so increasing revenue is a sign of company health. You can make this more specific by defining revenue from a key area in your organization.

Maintain profitability: This is a solid top-level objective that shows balance between revenue and expenses. If your organization is investing in order to grow, you may look to an objective like this to govern how much you are able to invest.

Diversify and grow revenue streams: Some organizations receive revenue from multiple sources or products and services. They set an objective to grow revenue in different areas to ensure that the organization is stable and not subject to risk associated with only one revenue stream.

Manage cost: On the other side of revenue is the costs or expenses in your business. As you grow (or shrink) you need to carefully manage cost—so this may be an important objective for you.

1.2 Organisational Structure

An organizational structure is a system that outlines how certain activities are directed in order to achieve the goals of an organization. These activities can include rules, roles, and responsibilities.

The organizational structure also determines how information flows between levels within the company. Having an organizational structure in place allows companies to remain efficient and focused.

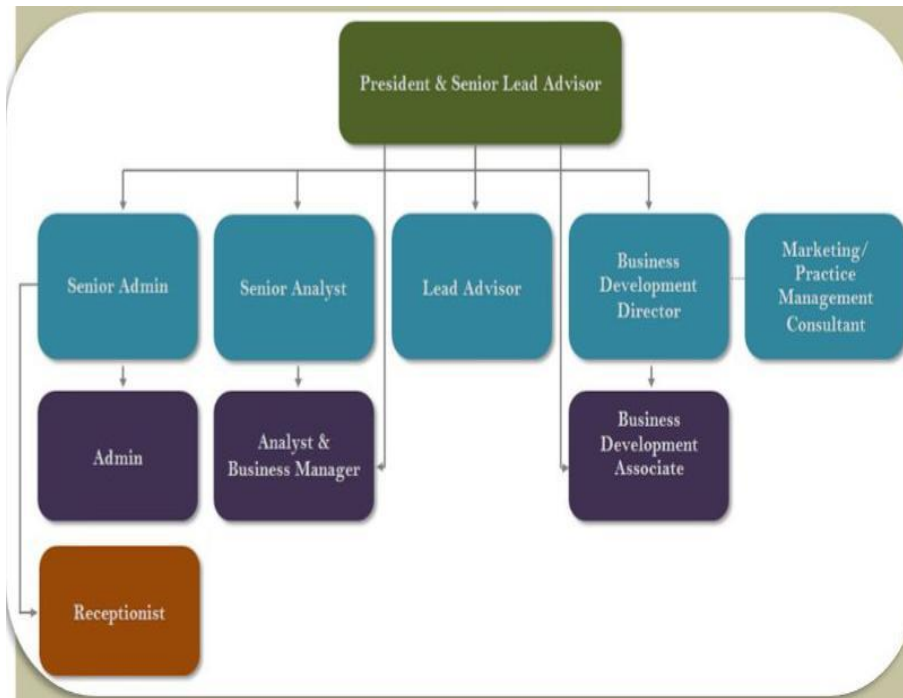
The organizational structure of Growth Arrow is Functional, which consist of several Departments.

Functioning Online: serving clients primarily through an Internet based relationship targeted towards Clients who value anytime, anywhere access and can be serviced at low incremental costs.

Functioning Offline: serving clients primarily through an office-based relationship targeted towards clients who value physical interaction.

Online & offline business consist of following departments

- Administration
- Operations & Service quality
- Technology
- Finance
- Corporate affairs
- Human resources
- Marketing
- Corporate communications



CHAPTER-02

2.1 Financial performance: Growth arrow is newly setup company so data is not available of the organisation.

2.2 Recruitment and selection process in Growth arrow

Identifying the needs

It's not enough to know that you need an employee [sales / office management / customer relationship manager]. You must also know the complete job description. However, you must know the description as the last employee who left in the position, NOT the description when that person took the job. That's because chances are good that they took on new/additional responsibilities while in the position. Now the job when they left is different than they job when they arrived.

Planning- Once you've identified exactly what you need (both in terms of hard skills and soft skills), then it's time to put a plan together to find what you need. You know what they say: "When you fail to plan, you plan to fail. Make sure that you get the "buy in" of everybody involved with the hiring process on the steps that will be taken and the communication channels that will be used.

Searching- This is a case where you need to be a "hunter" and not a "gatherer" Too many companies are gatherers, thinking that superstar candidates are going to rain down from the sky like so much manna No they are not Once again, this is why companies hire top placement agency They hunt, they do not gather. Not only that, but they're good at what they do.

Identifying viable candidates - Finding candidates is also not enough. An organization or the recruitment agency must also find qualified candidates. Anybody can find candidates They're everywhere but those high-level A-players the kind of candidates your competition would kill for? They're NOT everywhere searching for them, finding them, and identifying them will be more difficult if the first three steps in the process have not been undertaken.

Telephonic screening- Sure, you have a batch of viable candidates, most likely passive candidates, who are interested in the position. But not every single one of them is going to make it through the process. That Brings us to the first screening stage of the process, the telephone interview. Ideally, you would have a list of 10 to 15 very strong candidates, all of whom are interested in the position. The phone screening serves to whittle that list down, so that you can move to the next stage of the process.

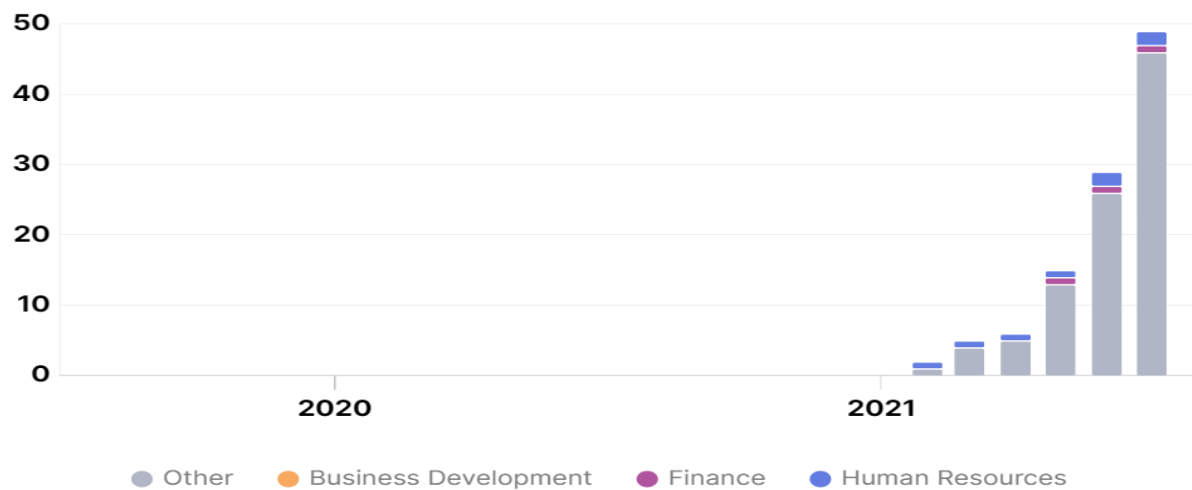
Face to face interview- There are two important aspects of this part of the recruitment process: 1. It can't stretch out too long, or candidates involved will lose interest, 2. Employers must communicate to candidates where they are in the process and what to expect in the near term or they will start looking elsewhere. This is a particular danger with top candidates, since they are more than likely interviewing with more than one organization. (Mock interview) Sure,

there are other important aspects of the interview stage, but these are the two that companies neglect the most, with predictably dire consequences.

Training and Development activities: -

All employees and volunteers receive an orientation that includes overview of the policies and procedures. All employees and volunteers sign a document that indicates that they have reviewed the policies and will act in accordance with them. Supervisors regularly issue reminders to employees and volunteers about key policies. All supervisors themselves act in accordance with the policies.

TOTAL EMPLOYEE CHART



Employee Retention



2.3 Market share: Growth arrow is newly setup company so data is not available of the organisation.

2.4 Services provided by company& market competitors

There are so many services provided by company like -Investment Advisory, capital market advisory, Trading, portfolio advisory services, training, wealth management.

Investment advisory-Investment Advisory Services means any recommendation to buy, sell, vote or take any similar action with respect to a Security.

Capital market advisory-Capital market advisory is expert insight and guidance to the solution to your investment puzzle and secure the investment you need.

Trading -An investment is an asset or item accrued with the goal of generating income or recognition. In an economic outlook, an investment is the purchase of goods that are not consumed today but are used in the future to generate wealth.

Portfolio advisory services- Portfolio Managers build and maintain investment portfolios, while investment advisors sell a specific product.¹ Investment advisors play an important role in the financial markets, but are not in a position to support the needs of a client's long-range financial objectives. That's the job of the Portfolio Manager.

Training- Our mission and goal is to create awareness amongst clients about the various investment methods, opportunities and suitable long term wealth accumulation strategies through excellent training stock trading, financial risks and rewards right investment practices, thereby, increasing the public's willingness to invest their money in stock markets

Wealth management-Wealth management or wealth management advisory provides services to a wide array of clients ranging from affluent to high-net-worth and ultra-high-net-worth individuals and families.

Market competitors: Growth arrow is newly setup company so data is not available of the organisation.

CHAPTER-03

Strengths & weaknesses of the organisation

To operate successfully in a changing market, companies should plan their objectives and strategies around their strengths and downplay their weaknesses. When we discuss strengths, we're referring to a company's competitive advantages and distinctive competencies—that is, what the company does really well.

Strengths: -

Core Values: -

- i. Empathy: We are all humans and we understand that everyone we work with face challenges and uncertainties. Our empathetic attitude is what allows us to be more understanding while dealing with the team members and also all our stakeholders.
- ii. Equality: We consider all our team members equal. We all aim to be just and fair with our actions. Everyone has an equal right to question and each one is accountable to themselves and each other in the organization.
- iii. Integrity: We take ownership and responsibility of our decisions and hold each other accountable to the highest standard of performance. Our team consistently acts in an honest and ethical manner.
- iv. Collaboration: We invest in ourselves and one other not just to grow as an organization but also as individuals. We continuously collaborate within the organization and are always open for collaborations outside.

Weakness: -

- I. Lack of resources to innovate and keep students excited for learning.
- II. Trainers are still using conventional methods of teaching-learning.
- III. Lack of training and support to teachers.

CHAPTER-4

4.1 Introduction of the concept

Capital markets are venues where savings and investments are channelled between the suppliers who have capital and those who are in need of capital. The entities that have capital include retail and institutional investors while those who seek capital are businesses, governments, and people.

Capital markets are composed of primary and secondary markets. The most common capital markets are the stock market and the bond market. Capital markets seek to improve transactional efficiencies. These markets bring those who hold capital and those seeking capital together and provide a place where entities can exchange securities.

Description: Capital markets help channelise surplus funds from savers to institutions which then invest them into productive use. Generally, this market trades mostly in long-term securities.

Capital market consists of primary markets and secondary markets. Primary markets deal with trade of new issues of stocks and other securities, whereas secondary market deals with the exchange of existing or previously-issued securities. Another important division in the capital market is made on the basis of the nature of security traded, i.e., stock market and bond market.

Functions of Capital Market

Change of savings to finance long term investments

Minimizing information cost and transaction

Motivate proprietor of productive assets

Provide insurance upon price and market risk, through secondary trading

Expedite trading of securities

Speedy evaluation of financial measures like debentures and shares

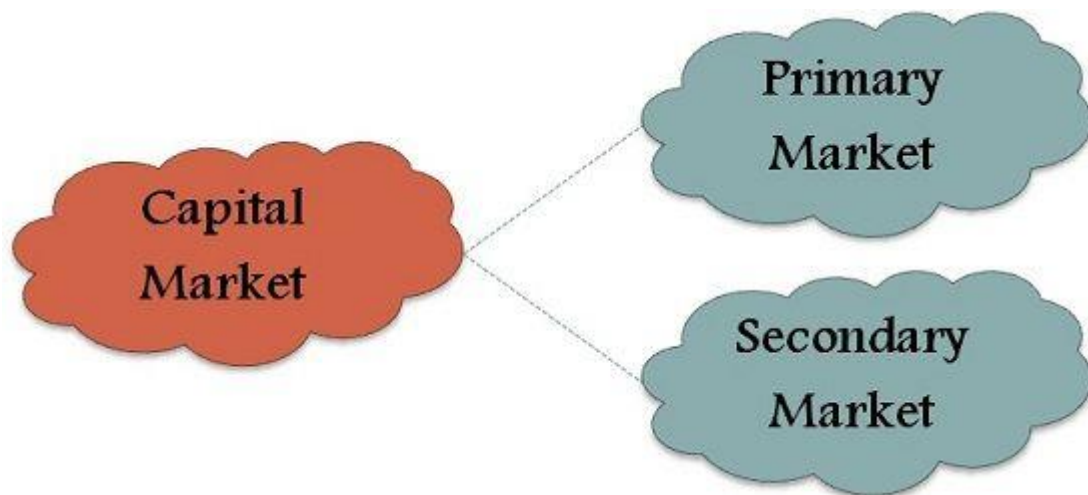
Settlement of transaction on a particular given time or schedule

Types of Capital Market

The capital market is divided into two parts:

Primary Market- Also known as New Issue Market, it is the first-time market trading of new securities and later available for institutions and individuals. It supports both private and public offerings. An organisation provides securities to the public to accumulate funds and satisfy its long-term goals. In the primary market, the securities are issued by either Initial Public Offer (IPO) or Further Public Offer (FPO). IPO is a process through which an organisation 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.



PURPOSE OF CAPITAL MARKET

It makes trading of securities easier for investors and companies.

It assists the transaction settlement in time.

It helps minimize transaction costs and information costs.

It mobilizes the savings of parties from cash and other forms to financial markets.

It offers insurance against market risk.

Capital markets refer to the places where savings and investments are moved between suppliers of capital and those who are in need of capital. Capital markets consist of the primary market, where new securities are issued and sold, and the secondary market, where already-issued securities are traded between investors.

Capital markets are the exchange system that moves capital from people looking to invest for a return to the users of capital who require the capital to finance various projects or business operations. They are the most important way the economy grows and functions effectively.

Primary market

In the primary market, new stocks and bonds are sold to the public for the first time.

In a primary market, investors are able to purchase securities directly from the issuer.

Types of primary market issues include an initial public offering (IPO), a private placement, a rights issue, and a preferred allotment.

Stock exchanges instead represent secondary markets, where investors buy and sell from one another. After they've been issued on the primary market, securities are traded between investors on what is called the secondary market—essentially, the familiar stock exchanges.

The primary market is also known as the new issues market. The secondary market is what we commonly think of as the stock market or stock exchange.

What Are the Types of Primary Markets?

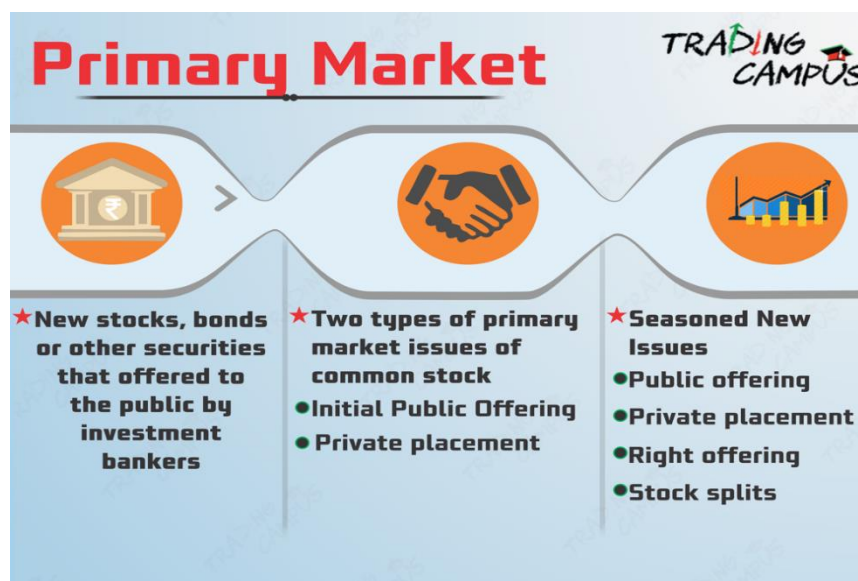
There's a primary market for just about every sort of financial asset out there. The biggest ones are the primary stock market, the primary bond market, and the primary mortgage market.

The most common type of primary market issues include:

Initial public offering (IPO): when a company issues shares of stock to the public for the first time

Rights issue/offering: an offer to the company's current stockholders to buy additional new shares at a discount.

Private placement: an issue of company stock shares to an individual person, corporate entity, or a small group of investors—usually institutional or accredited ones—as opposed to being issued in the public marketplace.



Advantages of Primary Market

Companies can raise capital at relatively low cost, and the securities so issued in the primary market provide high liquidity as the same can be sold in the secondary market almost immediately.

The primary market is an important source for mobilisation of savings in an economy. Funds are mobilised from commoners for investing in other channels. It leads to monetary resources being put into investment options.

Chances of price manipulation in the primary market are considerably less when compared to the secondary market. Such manipulation usually occurs by deflating or inflating a security price, thereby deliberately interfering with fair and free operations of the market.

The primary market acts as a potential avenue for diversification to cutdown on risk. It enables an investor to allocate his/her investment across different categories involving multiple financial instruments and industries.

Disadvantages of Primary Market

There may be limited information for an investor to access before investment in an IPO since unlisted companies do not fall under the purview of regulatory and disclosure requirements of the Securities and Exchange Board of India.

Each stock is exposed to varying degrees of risk, but there is no historical trading data in a primary market for analysing IPO shares because the company is offering its shares to the public for the first time through an initial public offering.

In some cases, it may not be favourable for small investors. If a share is oversubscribed, small investors may not receive share allocation.

Secondary market

A **secondary market** is a platform wherein the shares of companies are traded among investors. It means that investor can freely buy and sell shares without the intervention of the issuing company. In these transactions among investors, the issuing company does not participate in income generation, and share valuation is rather based on its performance in the market. Income in this market is thus generated via the sale of the shares from one investor to another.

Some of the entities that are functional in a secondary market include –

- 1.Retail investors.
- 2.Advisory service providers and brokers comprising commission brokers and security dealers, among others.
- 3.Financial intermediaries including non-banking financial companies, insurance companies, banks and mutual funds.



Advantages of Secondary Market

Investors can ease their liquidity problems in a secondary market conveniently. Like, an investor in need of liquid cash can sell the shares held quite easily as a large number of buyers are present in the secondary market.

The secondary market indicates a benchmark for fair valuation of a particular company.

Price adjustments of securities in a secondary market takes place within a short span in tune with the availability of new information about the company.

Investor's funds remain relatively safe due to heavy regulations governing a **secondary stock market**. The regulations are stringent as the market is a source of liquidity and capital formation for both investors and companies.

Mobilisation of savings becomes easier as investors' money is held in the form of securities.

Disadvantages of Secondary Market

Prices of securities in a secondary market are subject to high volatility, and such price fluctuation may lead to sudden and unpredictable loss to investors.

Before buying or selling in a secondary market, investors have to duly complete the procedures involved, which are usually a time-consuming process.

Investors' profit margin may experience a dent due to brokerage commissions levied on each transaction of buying or selling of securities.

Investments in a **secondary capital market** are subject to high risk due to the influence of multiple external factors, and the existing valuation may alter within a span of a few minutes.

4.2 Suggestion and Implication

Growth arrow should Invest in an employee experience platform.

They should Show employees how their job advances the company's vision.

They Give their employees more responsibility, not just more tasks to do.

Growth arrow should Send tangible appreciation that shows you care.

They should Allow employees to move laterally within the organization.

Following is some of the Implication: -

For the students- The students can use the study for academic purpose.

For the organization- The organization can use the study for checking the effect of variables useful to them.

CHAPTER-5

Conclusion

Capital markets provided a platform to investors for trading the financial securities such as bonds, stocks etc. The traders can be both individuals and institutions. Capital market is an important part of financial market, as a corresponding concept to the money market. Capital market is more focus on long term financing activities, it always refers to the market that consists of more than one-year financial activities, such as shares, bonds etc. Capital market provides an efficiency market mechanism to let the capital transfer to investor (i.e., enterprise or government, at the same time they are also the share issuer) from the saver (the securities holders). In the western developed countries, the transactions of capital markets are almost covering all the financial markets. From the macro point the capital market can be classified as saving market, stock market, long term credit market, insurance market, financing lease market, bond market, and other financial derivative market etc., the stock market and bond market is the core of the capital market. Capital market is a market structure; it is not an actual market, and it means all the people and institutions that trading in this market and their relationship.

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Annexure

Weekly report

Name of student: Priya Mishra

Course and section: MBA (FT) Section-A

Batch:2020-2022

Specialisation-Finance

Name of summer training organisation-Growth arrow Bengaluru, Karnataka

Weekly report for (Duration of week): During summer internship Saturday and Sunday was off.

WEEK	FROM	TO	DESCRIPTION OF WORK
1.	15-04-2021	21-04-2021	Got an opportunity to join growth arrow organisation in the first week, I learnt investing and basic of stock market I got to know about the practical usage of above technical analysis while doing real trading.
2.	22-04-2021	28-04-2021	In second week, I learnt about the candlesticks pattern and its different types. Candlesticks are useful while trading as they show four points (high, low, open, close) throughout the period of time.
3.	29-04-2021	05-05-2021	In third week, I learnt about RSI (Relative Strength Index) & Stochastic . Because the RSI's main goal is to identify crossovers and overbought and oversold conditions. So, If Stochastic oscillator measures the momentum of price, then Stoch's measures the momentum of the RSI.
4.	06-05-2021	12-05-2021	In fourth week, our internship was paused because of covid-19 many employees and including my trainer faced the corona pandemic.
5.	13-05-2021	19-05-2021	In fifth week, I learnt moving average and Bollinger bands in stock market. A moving average is a technical indicator that market analysts and investors may use to determine the direction of a trend. The Bollinger bands trading strategy is used to know the value of price levels. It tells that where the price value will high or low.

6.	20-05-2021	26-05-2021	In sixth week, I learnt what is Fibbo levels and how to pick stock for intraday and 15 min trading strategy? Fibonacci retracement levels are plotted horizontally on a chart to indicate possible support and resistance levels. Each level is shown as a percentage. The Fibonacci retracement main levels are 23.6%, 38.2%, 61.8%. The 15-minute intraday charts display the opening, closing, high, and low price of a stock at every 15-minute interval.
7.	27-05-2021	02-06-2021	In seventh week, I learnt about F & O Concept where Futures and Options (F&O) are two types of derivatives available for the trading in India stock markets.
8.	03-06-2021	09-06-2021	In eighth week, I learnt the basic of FX trading The foreign exchange (also known as FX or forex) market is a global marketplace for exchanging national currencies against one another. for example, the US Dollar against the Euro.
9.	10-06-2021	15-06-2021	In last week, I learnt the fundamentals of FX and how they useful? The traders look at the economic conditions that can affect the valuation of a nation's currency. These factors, also known as the fundamentals of forex trade , play have the authority of controlling the currency movement. Like in the stock exchange, the technical analysis is the same in the forex trading market.

Daily report

Name of the Student: Priya Mishra

Course and Semester: MBA(FT) II A

Batch: 2020-2022

Specialization: Finance

Name of Summer Training Organization: Growth arrow Bengaluru, Karnataka

Weekly report for (Duration of day): During summer internship Saturday and Sunday was off.

Day	Dates	Description of Work
1.	15-04-2021	Induction program
2.	16-04-2021	Investment
3.	19-04-2021	Basics of stock market
4.	20-04-2021	Technical analysis of stock market
5.	21-04-2021	BSE&NSE
6.	22-04-2021	Demat account
7.	23-04-2021	Query related of demat account
8.	26-04-2021	Candlestick's pattern
9.	27-04-2021	Types of candlesticks
10.	28-04-2021	Open, High, Low, Close
11.	29-04-2021	RSI (Relative Strength Index) &Stochastic
12.	30-04-2021	Doubt session
13.	03-05-2021	Bollinger bands
14.	04-05-2021	Types of Bollinger bands
15.	05-05-2021	Bullish in stock market
16.	06-05-2021	Leave due to covid-19
17.	07-05-2021	Leave due to covid-19
18.	10-05-2021	Leave due to covid-19
19.	11-05-2021	Leave due to covid-19
20.	12-05-2021	Leave due to covid-19
21.	13-05-2021	Holiday
22.	14-05-2021	Holiday
23.	17-05-2021	Bearish in stock market
24.	18-05-2021	Capital market
25.	19-05-2021	Types of capital market
26.	20-05-2021	Query related of capital market
27.	21-05-2021	Fibbo levels
28.	24-05-2021	Intraday trading
29.	25-05-2021	Query session
30.	26-05-2021	15minutes intraday trading
31.	27-05-2021	Derivatives
32.	28-05-2021	Types of derivatives
33.	31-05-2021	Future & Option of stock market

34.	01-06-2021	SEBI
35.	02-06-2021	FX trading
36.	03-06-2021	Types of FX trading
37.	04-06-2021	Fundamentals of FX
38.	07-06-2021	SENSEX & Nifty
39.	08-06-2021	Doubt session
40.	09-06-2021	Doubt session
41.	10-06-2021	Doubt session
42.	11-06-2021	Doubt session
43.	14-06-2021	Doubt session
44.	15-06-2021	Doubt session

Students Performance Evaluation by Industry Guide

Name of Student:

Duration for Summer Training:

Department:

Course:

Batch:

You are requested to give your valuable feedback on following parameters on a scale of 1 to 5 where 1 indicates the strongly disagree for the statement and 5 indicates for maximum agreement for the student's performance who has undergone training in your valuable guidance.

Regularity and Punctuality during training

1 2 3 4 5

Openness for Learning and Acceptability of task allotted

1 2 3 4 5

Able to work in team

1 2 3 4 5

Behaviour in the Organization

1 2 3 4 5

Quality in work allotted

1 2 3 4 5

Any other observation

.....
.....
.....
.....

Date:

Place:

Name and Signature of Industry Guide

Students Performance Evaluation by Faculty Guide:

Name of the Student:

Course:

Specialization:

Section:

Batch:

Date and Day when student reported first time:

Kindly give feedback for the following points

1. Whether the student have reported before he/she proceeded for summer training.
 - a. YES
 - b. NO

2. Whether the Student get the approval for Topic of Summer Training
 - a. YES
 - b. NO

3. Kindly mark the performance of the student for following Parameters on a scale of 1 to 5
 - a. Regularity and Punctuality during training including reporting and submission of Weekly work report

1 2 3 4 5

 - b. Openness for Learning and Acceptability of task allotted

1 2 3 4 5

 - c. Able to work in team

1 2 3 4 5

 - d. Behaviour

1 2 3 4 5

e. Quality in work allotted

1 2 3 4 5

Overall Remark on Student performance

.....
.....
.....
.....

Date:

Place: