



A Research on Countrywide Stock Exchange Over and Bombay Accumulation Exchange

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Abstract: *Stock market in-stability refers to the continuous change in the stock prices. This paper examines the relationship between the un-stability clustering, level of un-stability for the Indian Stock Markets. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) of the financial year 2020-21 to 2021-22. The GARCH model is applied to check for the un-stability clustering, it is found that there is presence of clustering for the stock exchange indices, as well as for the sector indices. Thus, it is found that through both the Stock Exchanges follow the same trend of un-stability, BSE indices are more volatile than NSE index, and any investor investing through BSE listing is exposed to more Risk. In the study of comparison is being made at every step among the Bombay Stock Exchange and the National Stock Exchange.*

Keywords: National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Finance

I. INTRODUCTION

NSE (National Stock Exchange) and BSE (Bombay Stock Exchange) are the two most popular stock exchanges in India out of the 20+ exchanges. While the BSE was started in the year 1875, and is one of the oldest stock exchanges market in Asia, the NSE is much younger and was established in the year 1992. These two stock exchanges account for most of the share transactions in the country. The edge is efficiency. Historically, an open outcry floor trading exchange, in 1995 the BSE switched to electronic trading.



1.1 NSE

- The National Stock Exchange of India Limited (NSE) is India's largest financial market and the fourth largest market by trading volume.



- The National Stock Exchange of India Limited is the first exchange in India to provide modern, fully automated electronic trading.



1.2 BSE

- Established in 1875 as the Native Share and Stock Brokers' Association, the Bombay Stock Exchange is Asia's first exchange and the largest securities market in India.
- The BSE is known for its smart and efficient trading system that provides fast and efficient trade execution.

II. REVIEW OF LITERATURE

Anju Bala (2013) evaluated that stock market is one of the most vibrant sectors in the financial system, marketing an important contribution to economic development. Stock market is a place where buyers and sellers of securities can enter into transaction to purchase and sell shares, bonds, debentures etc. In other words, stock market is a platform for trading various securities and derivatives. Further, it performs an important role of enabling corporate and entrepreneurs.

III. RESEARCH METHODOLOGY

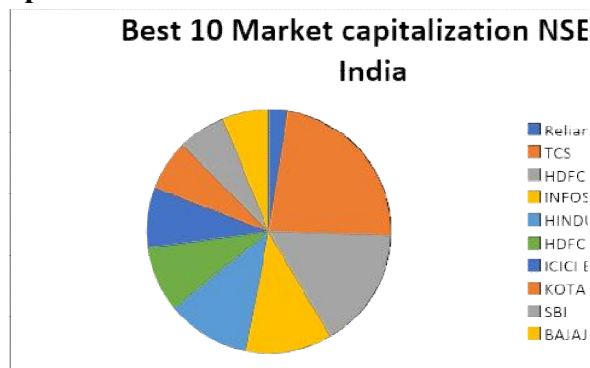
Research design for the descriptive study is of exploratory type and the forms is given to discover the possible measure by detailed analysis this report also based on research because it provide the detailed knowledge about the BSE and NSE and its listing.



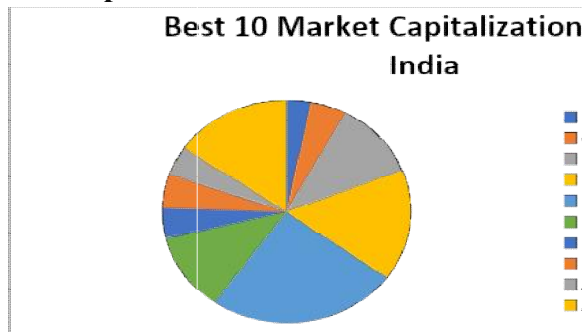
IV. STOCK MARKET

A stock market, equity market and share market is the aggregation of buyers and sellers of stocks, which represent owners claims on businesses; these may include securities listed on a public stock exchange, as well as stock that is only trade privately, such as shares of private companies which are sold to investors through equity crowd funding platforms. Investment in the stock market are most often done by stockbrokerages and electronic trading platforms. Investment is usually made with an investment decision in mind.

4.1 Data of NSE as Companies are Listed



4.2 Data of BSE as Companies are Listed





4.3 Objectives of the Study

1. The objective of NSE is to be a world-class exchange and use it as an instrument of change for the industry as a whole.
2. To provide a trading platform for equities of small and medium enterprises.

4.4 Need of the Study

Stock markets cover all industries across all sectors of the economy. As we all know about today's market position because the technology has been so advanced. Stock markets have been regulated where people can buy and sell shares of different companies. Stock markets today are emerging as a very popular and a better financial market instrument for a large number of investors.

4.5 Limitations of the Study

1. Study the markets and get about the principles of market profit and losses.
2. History of NSE and BSE has been explained in this.

V. FINDINGS & CONCLUSION

5.1 Data Analysis

National Stock Exchange (NSE) Data

NSE EMERGE NSE EMERGE is NSE's new initiative for Small and medium-sized enterprises & Start-up companies in India. These companies can get listed on NSE without an Initial public offering.

Bombay Stock Exchange (BSE) Data

BSE Limited, formerly known as the Bombay Stock Exchange is an Indian government owned stock exchange located on Dalal Street in Mumbai. Established in 1875, it is Asia oldest stock market. The BSE is the world's 7th largest stock exchange with an overall market capitalization of more than US\$2.8 trillion on as of February 2021. While Bombay Stock Exchange Limited is now synonymous with Dalal Street, it was not always so. In the 1850s, five stock brokers gathered together under Banyan tree in front of Mumbai Town Hall, where Circle is now situated.

After a decade later, the Brokers moved their location to another leafy spot, this time under banyan trees at the junction of Meadows Street and what was then called Esplanade Road, now MG Road. With a rapid increase in the number of brokers, they had to change places repeatedly. At last, in 1874, the brokers found a permanent location, the one that they could call their own. The brokers group became an official organization known as "The Native Share & Stock Brokers Association" in 1875. The Bombay Stock Exchange has been instrumental in developing India's capital markets by provide an efficient platform for the Indian corporate sector to raise investment capital. In the 1850 stock brokers would conduct business under tree in front of the Mumbai town hall. After a few decades of various meeting locations, Dalal Street was formed in 1874 as the location for the Native Share and Stock Brokers' Association.



5.2 Year Effect of Stock Markets

Year Effect of NSE

The Indian government's stimulus spending plan and jitters that it 40 would widen the fiscal deficit also contributed to the decline, which was led by bank stocks. The National Stock Exchange's 50-share Nifty index dipped 1.56% to close below the psychological 10,000-point mark at 9,964.40 points.

Year Effect of NSE Year

2015	7946
2016	8786
2017	10531
2018	10863
2019	12168
2020	13982

Year Effect of BSE Year

In November, market scaled fresh peaks one after another on the optimism around trade talks between the two largest economies. In the latest development, both the countries have agreed on the terms of a trade deal that reduces some US tariffs on Chinese goods while boosting Chinese purchases of American farm, energy and manufactured goods. Pre COVID-19, market capital on each major exchange in India was about \$2.16 trillion. The 2019 stock market was limited to 8-10 stocks within the large capitals.

The market conditions were generally favourable as they witnessed record highs in mid-January. Ever since COVID-19 strike, markets under fear as uncertain prevails. It has sent markets around the world crashing to levels not witnessed since the Global Financial Crisis of 2008. Following the strong co-relation with the trends and indices of the global market as BSE Sensex and Nifty 50 fell by 38 per cent. The total market cap lost a staggering 27.30% from the starting of the year. The stock market has made the sentiments this pandemic unleashed upon investors, foreign and domestic alike. Certain sector such as hospitality, tourism and entertainment have been impacted adversely and stocks of such companies have plummeted by more than 40%. While the world has witnessed many financial crises in the past, the last one being the global recession of 2008, the current COVID-19 crisis is different from the past. In response to current turmoil, RBI and the Government of India has come up with a slew of reforms such as reductions of repo rate, regulatory relaxation by extending moratorium and several measures to boost liquidity in the system howsoever the pandemic has impacted the premise of the corporate sector.

Year Effect of BSE Year

2015	27499
2016	26118
2017	26626
2018	34057



2019	36054
2020	41306

VI. CONCLUSION

The market has become automated, transparent and self-driven. It has integrated with global markets, with Indian companies seeking listing on foreign capital markets exchange, off shore investments coming to India and foreign funds floating their schemes and thus bringing expertise in to our markets.

India has achieved the distinction of possessing the largest population of investors next to the U.K., perhaps ours is the country to have the largest number of listed companies with around several equity fund management avenues and National Fund managers most of them automated. India now has world class regulatory system in place. Thus, at the dawn of the new millennium, the equity funds market has increased the wealth of Indian companies and investors.

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