Portfolio Management Systems in Share khan Pvt ltd,

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***Abstract*— the field of investment traditionally divided into security analysis and portfolio management. The heart of security analysis is valuation of financial assets. Value in turn is the function of risk and return. These two concepts are in the study of investment .Investment can be defined the commitment of funds to one or more assets that will be held over for some future time period.**

Keywords: **stocks, fixed income, debt, cash, structured products and other individual securities etc.**

I. INTRODUCTION

Portfolio Management Services (PMS) is an investment portfolio in stocks, fixed income, debt, cash, structured products and other individual securities, managed by a professional money manager that can potentially be tailored to meet specific investment objectives.

When you invest in PMS, you own individual securities unlike a mutual fund investor, who owns units of the entire fund. You have the freedom and flexibility to tailor your portfolio to address personal preferences and financial goals. Although portfolio managers may oversee hundreds of portfolio, your account may be unique.

Investment Management Solution in PMS can be provided in the following ways:

i. Discretionary
ii. Non Discretionary
iii. Advisory

Discretionary: Under these services, the choice as well as the timings of the investment decisions rest solely with the Portfolio Manager.

Non Discretionary: Under these services, the portfolio manager only suggests the investment ideas. The choice as well as the timings of the investment decisions rest solely with the Investor.

MYTHS ABOUT PMS

There are two most common myths found about Portfolio Management Services (PMS) which we found among most of the Investors. They are as follows.

Myth No. 1: "PMS and Mutual Fund are Similar as the investment option": As in the Finance Basket both the PMS and Mutual Fund are used for minimizing risk and maximize the profit of the Investors. The objectives are similar as in both the product but they are different from each other in certain aspects. They are as follows.

Management Side: In PMS, it's ongoing personalized access to professional money management services. Whereas, in Mutual fund gives personalize access to money.

Customization: In PMS, Portfolio can be tailored to address each investor's specific needs. Whereas in Mutual Fund Portfolio structured to meet the fund's stated investment objectives.

Ownership: In PMS, Investors directly own the individual securities in their portfolio, allowing for tax management flexibility, whereas in Mutual Fund Shareholders own shares of the fund and cannot influence buy and sell decisions or control their exposure to incurring tax liabilities.

Liquidity: In PMS, managers may hold cash; they are not required to hold cash to meet redemptions, whereas, Mutual funds generally hold some cash to meet redemptions.

Minimums: PMS generally gives higher minimum investments than mutual funds. Generally, minimum ranges from: Rs. 1 Crore + for Equity Options Rs. 5 Crore + for Fixed Income Options Rs. 20 Lacs + for Structured Products, whereas in Mutual Fund Provide ongoing, personalized access to professional money management services.

Flexibility: PMS is generally more flexible than mutual funds. The Portfolio Manager may move to 100% cash if it required. The Portfolio Manager may take his own time in building up the portfolio. The Portfolio Manager can also manage a portfolio with disproportionate allocation to select compelling opportunities whereas, in Mutual Fund comparatively less flexible.

Myth No. 2: "PMS is more Risk free than other Financial Instrument": In Financial Market Risk factor is common in all the financial products, but yes it is true that Risk Factor vary from each other due to its nature. All investments involve a certain amount of risk, including the possible erosion of the principal amount invested, which varies depending on the security selected. For example, investments in small and mid-sized companies tend to involve more risk than investments in larger companies.

INTRODUCTION TO STOCK EXCHANGE

The emergence of stock market can be traced back to 1830. In Bombay, business passed in the shares of banks like the commercial bank, the chartered mercantile bank, the chartered bank, the oriental bank and the old bank of Bombay and shares of cotton presses. In Calcutta, Englishman reported the quotations of 4%, 5%, and 6% loans of East India Company as well as the shares of the bank of Bengal in 1836. This list was a further broadened in 1839 when the Calcutta newspaper printed the quotations of banks like union bank and Agra bank. It also quoted the prices of business ventures like the Bengal bonded warehouse, the Docking Company and the storm tug company.

OBJECTIVE OF THE STUDY

Each research study has its own specific purpose. It is like to discover to Question through the application of scientific procedure. But the main aim of our research to find out the truth that is hidden and which has not been discovered as yet. Our research study has two objectives:-

OBJECTIVES

- To know the concept of Portfolio Management.
- To know about the schemes offered by the different insurance companies, new IPO's, Mutual Funds.
- To know in depth about Insurance, Mutual Funds, Stock, Bonds etc.
- To know about the awareness towards stock brokers and share market.
- To study about the competitive position of Share khan Ltd in Competitive Market.
- To study about the effectiveness & efficiency of Share khan Ltd in relation to its competitors
- To study about whether people are satisfied with Share khan Services & Management System or not.
- To study about the difficulties faced by persons while Trading in Share khan.
- To study about the need of improvement in existing Trading system.

SCOPE OF THE STUDY

The study of the Portfolio Management Services is helpful in the following areas:

- In today's complex financial environment, investors have unique needs which are derived from their risk appetite and financial goals.
- Every investor seeks to maximize his returns on investments without capital erosion. Portfolio Management Services (PMS) recognize this, and manage the investments professionally to achieve specific investment objectives, and not to forget, relieving the investors from the day to day hassles which investment require.
- It is offers professional management of equity investment of the investor with an aim to deliver consistent return with an eye on risk.
- Identify the key Stock in each portfolio.
- To look out for new prospective customers who are willing to invest in PMS.
- To find out the Share khan, PMS services effectiveness in the current situation.

METHODOLOGY OF THE STUDY

Facts expressed in a quantitative form can be termed as “data”. Data may be classified either a “Primary data” or “Secondary data”

1. PRIMARY DATA:

Primary data is the data that is generated by the researcher for the specific purpose of research situation at hand. It is the first hand information that a researcher gets from various sources analogous case situations and research experiments.

For this project the primary data will be collected from the personnel and clients of Share khan Ltd through questionnaire.

2. SECONDARY DATA:

Secondary data are already published data collected for some purposes other than the one confronting the researcher at a given point of time. The secondary data can be gathered from various sources like books, journals, research agencies etc,

Secondary data for the proposed project will be collected from various magazines like Capital Market, Money and Business Standard etc., and news papers like Business Line, Economic Time etc.,

LIMITATION OF THE STUDY

- As only Hyderabad was dealt in the survey so it does not represent the view of the total Indian market.
- The sample size was restricted with hundred respondents.
- There was lack of time on the part of respondents.
- The survey was carried through questionnaire and the questions were based on perception.
- There may be biasness in information by market participant.
- Complete data was not available due to company privacy and secrecy.
- Some people were not willing to disclose the investment profile.

THEORITICAL FRAME WORK

PORTFOLIO MANGEMNT SERVICES:

Portfolio means a collection of investments held by an institution or a private individual. Holding a portfolio is often part of an investment and risk-limiting strategy called diversification. By owning several assets, certain types of risk (in particular specific risk) can be reduced. There are also portfolios which are aimed at taking high risks – these are called concentrated portfolios.
Investment Management is the professional management of various securities (shares, bonds etc) and other assets (e.g. real estate), to meet specified investment goals for the benefit of the investors. Investors may be institutions (insurance companies, pension funds, corporations etc.)

The provision of 'Investment Management Services' includes elements of financial analysis, asset selection, stock selection, plan implementation and ongoing monitoring of investments. Outside of the financial industry, the term "investment management" is often applied to investments other than financial instruments.

NEED OF PORTFOLIO MANGEMNT SERVICES:

As in the current scenario the effectiveness of PMS is required. As the PMS gives investors periodically review their asset allocation across different assets as the portfolio can get skewed over a period of time. This can be largely due to appreciation / depreciation in the value of the investments.
As the financial goals are diverse, the investment choices also need to be different to meet those needs. No single investment is likely to meet all the needs, so one should keep some money in bank deposits and / liquid funds to meet any urgent need for cash

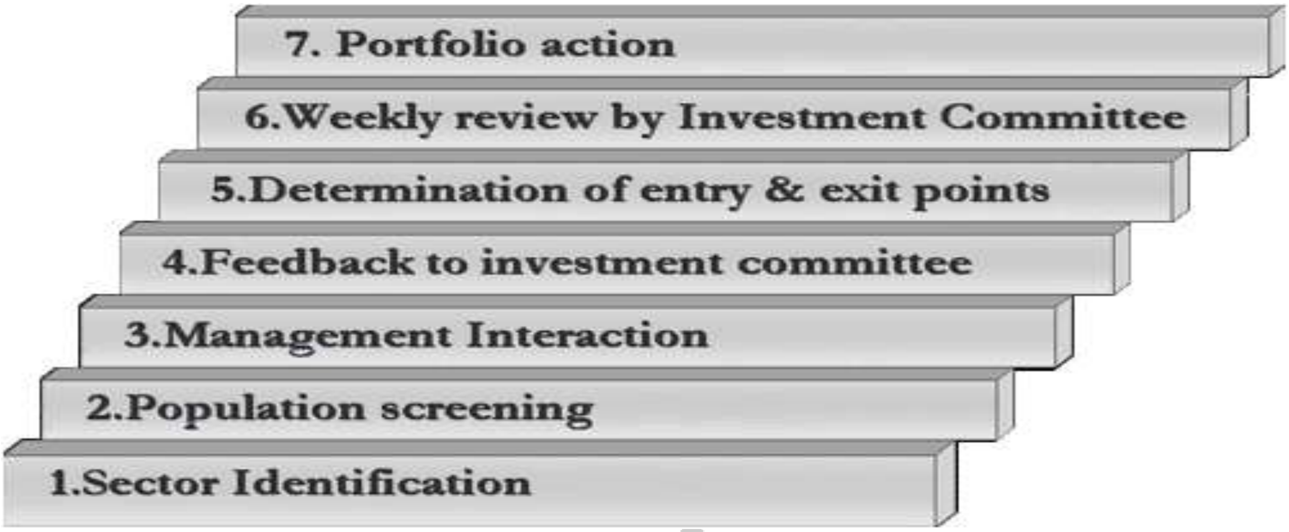
and keep the balance in other investment products/ schemes that would maximize the return and minimize the risk. Investment allocation can also change depending on one's risk-return profile.

OBJECTIVE OF PORTFOLIO MANGEMNT SERVICES:

There is the following objective which is full filled by Portfolio Management Services.

1. **Safety of Fund:** The investment should be preserved, not be lost, and should remain in the returnable position in cash or kind.
2. **Marketability:** The investment made in securities should be marketable that means, the securities must be listed and traded in stock exchange so as to avoid difficulty in their encashment.
3. **Liquidity:** The portfolio must consist of such securities, which could be en-cashed without any difficulty or involvement of time to meet urgent need for funds. Marketability ensures liquidity to the portfolio.
4. **Reasonable return:** The investment should earn a reasonable return to upkeep the declining value of money and be compatible with opportunity cost of the money in terms of current income in the form of interest or dividend.
5. **Appreciation in Capital:** The money invested in portfolio should grow and result into capital gains.
6. **Tax planning:** Efficient portfolio management is concerned with composite tax planning covering income tax, capital gain tax, wealth tax and gift tax.
7. **Minimize risk:** Risk avoidance and minimization of risk are important objective of portfolio management. Portfolio managers achieve these objectives by effective investment planning and periodical review of market, situation and economic environment affecting the financial market.

STEPS TO STOCK SELECTION PROCESS



TYPES OF ASSETS

The structure of a portfolio will depend ultimately on the investor's objectives and on the asset selection decision reached. The portfolio structure takes into account a range of factors, including the investor's time horizon, attitude to risk, liquidity requirements, tax position and availability of investments. The main asset classes are cash, bonds and other fixed income securities, equities, derivatives, property and overseas assets.

Cash and Cash Instruments: Cash can be invested over any desired period, to generate interest income, in a range of highly liquid or easily redeemable instruments, from simple bank deposits, negotiable certificates of deposits, commercial paper (short term corporate debt) and Treasury bills (short term government debt) to money market funds, which actively manage cash resources across a range of domestic and foreign markets.

Equities: Equity consists of shares in a company representing the capital originally provided by shareholders. An ordinary shareholder owns a proportional share of the company and an ordinary share carries the residual risk and rewards after all liabilities and costs have been paid. Ordinary shares carry the right to receive income in the form of dividends (once declared out of distributable profits) and any residual claim on the company's assets once its liabilities have been paid in full.

Derivatives: Derivative instruments are financial assets that are derived from existing primary assets as opposed to being issued by a company or government entity. The two most popular derivatives are futures and options. The extent to which a fund may incorporate derivatives products in the fund will be specified in the fund rules and, depending on the type of fund established for the client and depending on the client, may not be allowable at all.

A **Futures Contract** is an agreement in the form of a standardized contract between two counterparties to exchange an asset at a fixed price and date in the future. The underlying asset of the futures contract can be a commodity or a financial security. Each contract specifies the type and amount of the asset to be exchanged, and where it is to be delivered (usually one of a few approved locations for that particular asset). Futures contracts can be set up for the delivery of cocoa, steel, oil or coffee. Likewise, financial futures contracts can specify the delivery of foreign currency or a range of government bonds.

An **Option Contract** is an agreement that gives the owner the right, but not obligation, to buy or sell (depending on the type of option) a certain asset for a specified period of time. A call option gives the holder the right to buy the asset. A put option gives the holder the right to sell the asset. European options can be exercised only on the options' expiry date. US options can be exercised at any time before the contract's maturity date. Option contracts on stocks or stock indices are particularly popular.

Property: Property investment can be made either directly by buying properties, or indirectly by buying shares in listed property companies. Only major institutional investors with long-term time horizons and no liquidity pressures tend to make direct property investments. These institutions purchase freehold and leasehold properties as part of a property portfolio held for the long term, perhaps twenty or more years.

RISK AND RISK AVERSION:

Portfolio theory also assumes that investors are basically risk adverse, meaning that, given a choice between two assets with equal rates of return they will select the asset with lower level of risk. For example, they purchased various type of insurance including life insurance, Health insurance and car insurance. The Combination of risk preference and risk aversion can be explained by an attitude toward risk that depends on the amount of money involved.

DEFINITION OF RISK:

Although there is a difference in the specific definitions of risk and uncertainty, for our purpose and in most financial literature the two terms are used interchangeably. In fact, one_way to define risk is the uncertainty of future outcomes. An alternative definition might be the probability of an adverse outcome.

COMPOSITE RISKS INVOLVE THE DIFFERENT RISK AS EXPLAINED BELOW:

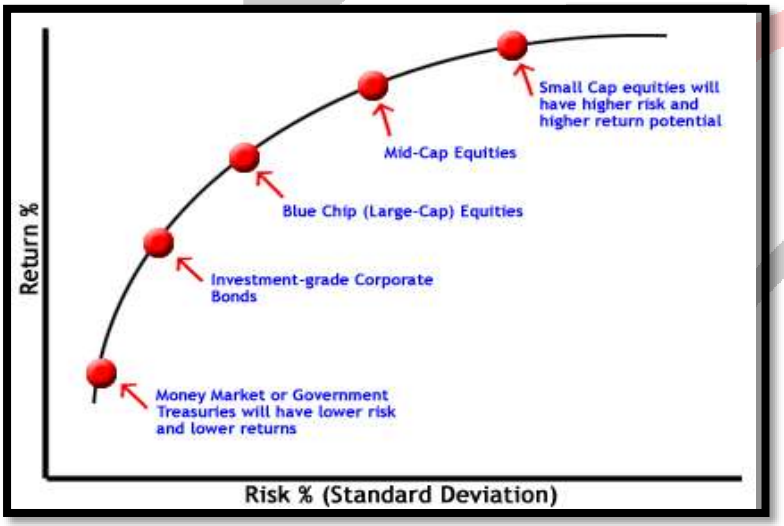
Interest rate risk: It occurs due to variability cause in return by changes in level of interest rate. In long runs all interest rate move up or downwards. These changes affect the value of security. RBI, in India, is the monitoring authority which effectalises the change in interest rate. Any upward revision in interest rate affects fixed income security, which carry old lower rate of interest and thus declining market value. Thus it establishes an inverse relationship in the prize of security.

TYPES	*RISK EXTENT*
Cash equivalent	Less vulnerable to interest rate risk
Long term Bond	More vulnerable to interest rate risk.

Purchasing Power Risk: It is known as inflation risk also. This risk emanates from the very fact that inflation affects the purchasing power adversely. Purchasing power risk is more in inflationary times in bonds and fixed income securities. It is desirable to invest in such securities during deflationary period or a period of decelerating inflation. Purchasing power risk is less in flexible income securities like equity shares or common stuffs where rise in dividend income offset increase in the rate of inflation and provide advantage of capital gains.

Business Risk: Business risk emanates from sale and purchase of securities affected by business cycles, technological change etc. Business cycle affects all the type of securities viz. there is cheerful movement in boom due to bullish trend in stock prizes where as bearish trend in depression brings downfall in the prizes of all types of securities. Flexible income securities are nearly affected than fix rate securities during depression due to decline n the market prize.

Financial Risk: Financial risk emanates from the changes in the capital structure of the company. It is also known as leveraged risk and expressed in term of debt equity ratio. Excess of debts against equity in the capital structure indicates the company to be highly geared or highly levered. Although leveraged company's earnings per share **(EPS)** are more but dependence on borrowing exposes it to the risk of winding up. For, its inability to the honor its commitments towards the creditors are most important.
Here it is imperative to express the relationship between risk and return, which is depicted graphically below



MAXIMIZE RETURNS, MINIMIZE RISKS

RISK VERSUS RETURN

Risk versus return is the reason why investors invest in portfolios. The ideal goal in portfolio management is to create an optimal portfolio derived from the best risk–return opportunities available given a particular set of risk constraints. To be able to make decisions, it must be possible to quantify the degree of risk in a particular opportunity. The most common method is to use the standard deviation of the expected returns. This method measures spreads, and it is the possible returns of these spreads that provide the measure of risk. The presence of risk means that more than one outcome is possible. An investment is expected to produce different returns depending on the set of circumstances that prevail.

INDIFFERNCE CURVE

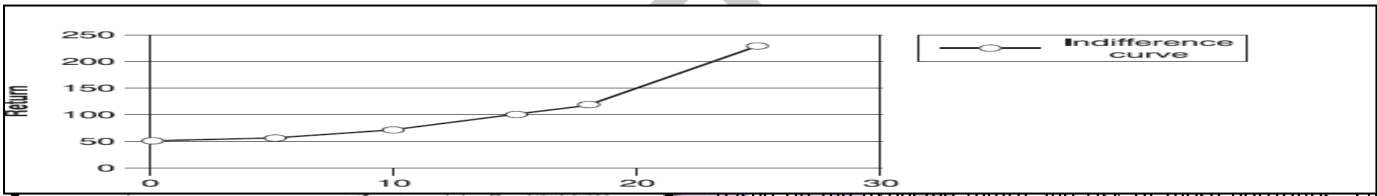
Suppose the following situation exists

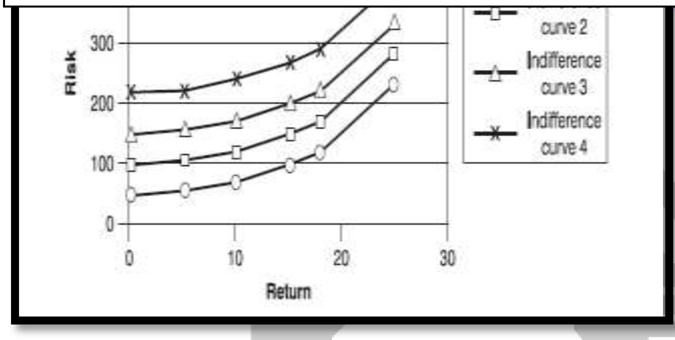
Plan	Expected Return	Risk(Standard Deviation)
Investment A	**10%**	**5%**
Investment B	**20%**	**10%**

The question to ask here is, does the extra 10% return compensate for the extra risk? There is no right answer, as the decision would depend on the particular investor's attitude to risk. A particular investor's indifference curve can be ascertained by plotting what rate of return the investor would require for each level of risk to be indifferent amongst all of the investments.

For example, there may be an investor who can obtain a return of 50% with zero risk and a return of 55 %with a risk or standard deviation of 5% who will be indifferent between the two investments. If further investments were considered, each with a higher degree of risk, the investor would require still higher returns to make all of the investments equally attractive. The investor being discussed could present the following as the indifference curve shown in Figure.

Indifference Curve	
Expected Return	**Risk**
50%	**0%**
55%	**5%**
70%	**10%**
100%	**15%**
120%	**18%**
230%	**25%**





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based on the expected return and risk of those portfolios. Thus if a fund manager had to determine which investment a particular investor would prefer, i.e. Investment A equaling a return of 10% for a risk of 5% or Investment B equaling a return of 20% for a risk of 10%, the manager would create indifference curves for that particular investor and look at the utility scores. Higher utility scores are assigned to portfolios or investments with more attractive risk–return profiles. Although several scoring systems are legitimate, one function that is commonly employed assigns a portfolio or investment with expected return or value EV and variance of returns σ^2 the following utility value:

U = EV –.005Aσ^2 where: **U** = utility value

A = an index of the investor's aversion, (the factor of .005 is a scaling convention that allows expression of the expected return and standard deviation in the equation as a percentage rather than a decimal).
Utility is enhanced by high expected returns and diminished by high risk. Investors choosing amongst competing investment portfolios will select the one providing the highest utility value. Thus, in the example above, the investor will select the investment (portfolio) with the higher utility value of 18.

Expected Return(EV)	Standard deviation(σ)	Utility=EV-.005Aσ^2
10%	**5%**	**10 –.005 □4 □□25 = 9.5**
20%	**10%**	**20 –.005 □□4 □100 = 18**

(Assume A= 4 in this case)

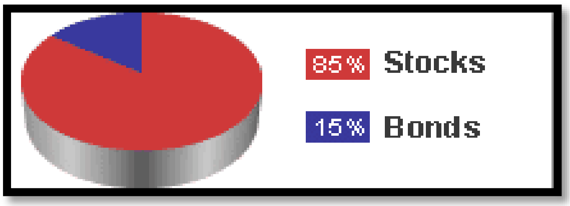
PORTFOLIO DIVERSIFICATION

There are several different factors that cause risk or lead to variability in returns on an individual investment. Factors that may influence risk in any given investment vehicle include uncertainty of income, interest rates, inflation, exchange rates, tax rates, the state of the economy, default risk and liquidity risk (the risk of not being able to sell on the investment). In addition, an investor will assess the risk of a given investment (portfolio) within the context of other types of investments that may already be owned, i.e. stakes in pension funds, life insurance policies with savings components, and property.

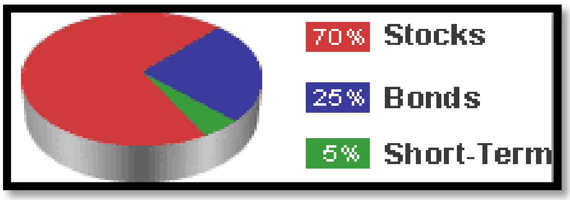
TYPES OF PORTFOLIOS:

The different types of Portfolio which is carried by any Fund Manager to maximize profit and minimize losses are different as per their objectives .They is as follows.

Aggressive Portfolio:
Objective: Growth. This strategy might be appropriate for investors who seek High growth and who can tolerate wide fluctuations in market values, over the short term.



Growth Portfolio:
Objective: Growth. This strategy might be appropriate for investors who have a preference for growth and who can withstand significant fluctuations in market value.



Balanced Portfolio:
Objective: Capital appreciation and income. This strategy might be appropriate for investors who want the potential for capital appreciation and some growth, and who can withstand moderate fluctuations in market values

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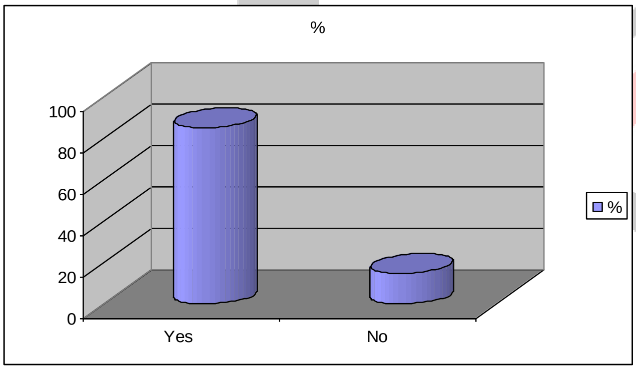
DATA ANALYSIS AND INTERPRETATION

1. Do you know about the Investment Option available?

Particulars	%
Yes	85
No	15

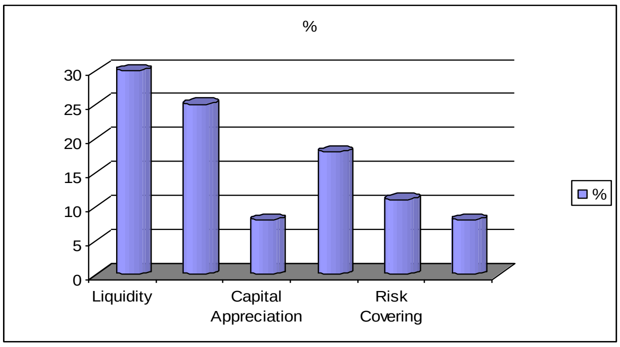


Interpretation

As the above table shows the knowledge of Investor out of 100 respondent carried throughout the Hyderabad Area is only 85%. The remaining 15% take his/her residential property as an investment. According to law purpose this is not an investment because of it is not create any profit for the owner. The main problem is that in this time from year 2010- 11, the recession and the Inflation make the investor think before investing a even a Rs. 100. So, it also creates the problem for the Investor to not take interest in Investment option.

2. What is the basic purpose of your Investments?

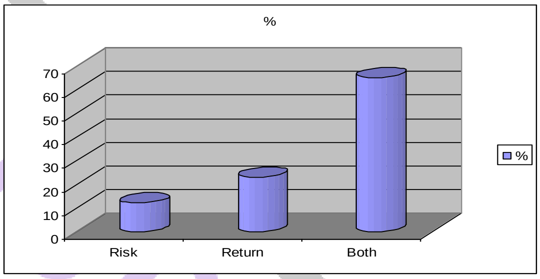
Particulars	%
Liquidity	30
Return	25
Capital Appreciation	8
Tax Benefits	18
Risk Covering	11
Others	8



Interpretation As with the above analysis, it is found 75% people are interested in liquidity, returns and tax benefits. And remaining 25% are interested in capital appreciations, risk covering, and others. In the entire respondent it is common that this time everyone is looking for minimizing the risk and maximizing their profit with the short time of period. As explaining them About the Portfolio Management Services of Share khan, they were quite interested in Protect Services.

3. What is the most important factor you consider at the time of Investment?

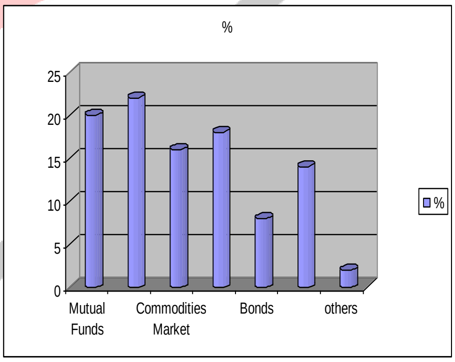
Particulars	%
Risk	12
Return	23
Both	65



Interpretation: As the above analysis gives the clear idea that most of the Investors considered the market factor as around 12% for Risk and 23% Return, but most important common things in all are that they are even ready for taking both Risk and Return in around 65% investor. Moreover, the Market is fluctuating now days, so as it also getting improvement. So, Investor are looking for Investment in long term and Short-term.

4. From which option you will get the best returns?

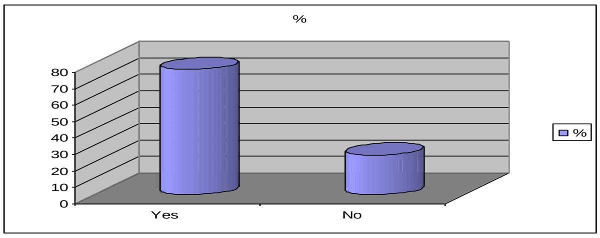
Particulars	%
Mutual Funds	20
Shares	22
Commodities Market	16
Fixed Deposits	18
Bonds	8
Property	14
Others	2



INTERPRETATION: Most of the respondents say they will get more returns in Share Market. Since Share Market is said to be the best place to invest to get more returns. The risk in the investment is also high. Similarly, the Investor are more Interested in Investing their money in Mutual Fund Schemes as that is also very important financial product due to its nature of minimizing risk and maximizing the profit. As the commodities market is doing well from last few months so Investor also prefer to invest their money in Commodities Market basically in GOLD nowadays. Moreover, even who don't want to take Risk they are looking for investing in Fixed Deposit for long period of time.

5. "Investing in PMS is far safer than Investing in Mutual Fund". Do you agree?

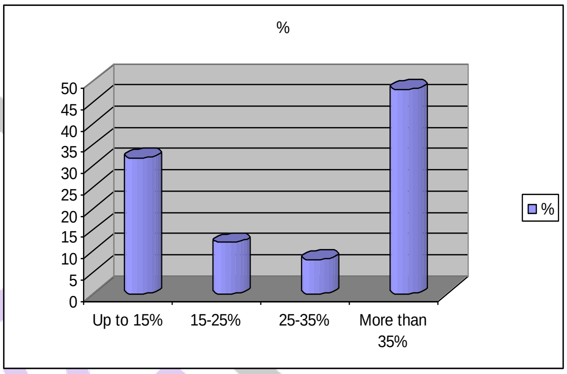
Particulars	%
Yes	76
No	24



Interpretation: In the above graphs it's clear that 24% of respondent out of hundred feel that investing their money in Mutual Fund Scheme are far safer than Investing in PMS. This is because of lack of proper information about the Portfolio management services. As the basis is same for the mutual fund and PMS but the investment pattern is totally different from each other and which depends upon different risk factor available in both the Financial Products.

6. How much you carry the expectation in Rise of your Income from Investments?

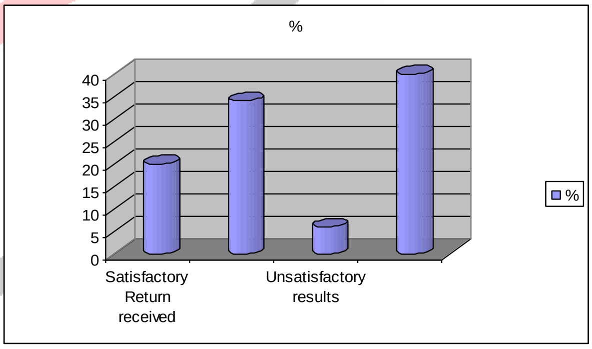
Expected Raise in Income	%
Up to 15%	32
15-25%	12
25-35%	8
More than 35%	48



Interpretation: The optimism is shown in the attitude of the respondents. The confidence was appreciable with which they are looking forward to a rise in their investments. Major part of the sample feels that the rise would be of around 15%. Only 8% of the respondents were confident enough to expect a rise of up to 35%. As all the respondents were considering the Risk factor also before filling the questionnaire and they were asking about the performance report of all the PMS services offered by Share khan limited.

7. If you invested in Share Market, what has been your experience?

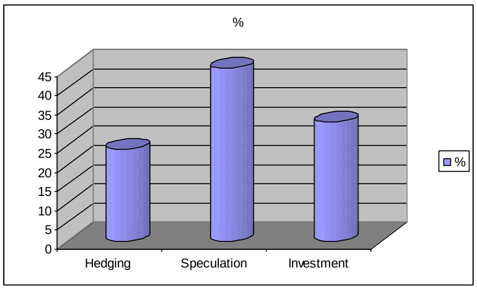
Particulars	%
Satisfactory Return received	20
Burned Fingers	34
Unsatisfactory results	6
No	40



Interpretation: 20% of the respondents have invested in Share market and received satisfactory returns, 40% of the respondents have not at all invested in Share Market. Some of the investors face problems due to less knowledge about the market. Some of the respondents don't have complete overview of the happenings and invest their money in wrong shares which result in Loss. This is the reason most of the respondents prefer Portfolio Management Services to trade now a days, which gives the Investor the clear idea when is the right time to buy and right time to sell the shares which is recommended by their Fund Manger.

8. How do you trade in Share Market?

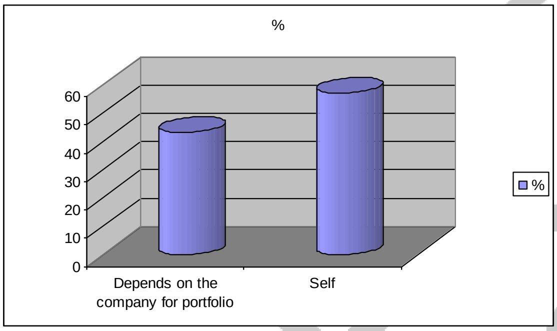
Particulars	%
Hedging	24
Speculation	45
Investment	31



Interpretation: As we know that Share market is totally based on psychological parameters of Investors, which changed as per the market condition, but at the same time the around 45% investor trade on the basis of speculation and 31% depend upon Investment option Bonds, Mutual Funds etc. Moreover, the now a day's Hedging is most common derivatives tools which is used by the Investor to get more return from the Market ,this is mostly used in the Commodities Market.

9. How do you manage your Portfolio?

Particulars	%
Depends on the company for portfolio	43
Self	57

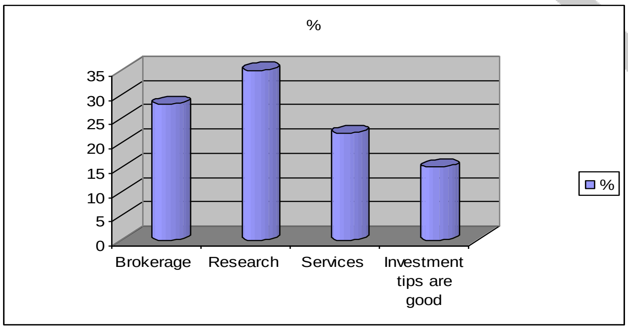


Interpretation

About 57% of the respondents say they themselves manage their portfolio and 43% of the respondents say they depend on the security company for portfolio Management. 43% of the respondents prefer PMS of the company because they don't have to keep a close eye on their investment; they get all the information time to time from their Fund Manager.
Moreover, talking about the Share khan PMS services they are far satisfied with the Protect and Prop rime Performance during last year. They are satisfied with the quick and active services of Share khan customer services where, they get the updated knowledge about the scrip detail everyday from their Fund Manager.

10. If you trade with Share khan limited then why?

Particulars	%
Brokerage	28
Research	35
Services	22
Investment tips are good	15

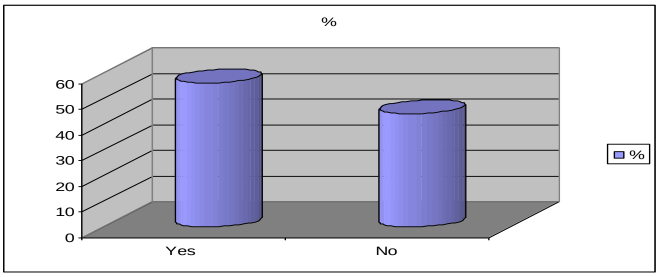


Interpretation

As the above research shows the reasons and the parameters on which investor lie on Share khan and they do the trade. Among hundred respondents 35% respondents do the trade with the company due to its research Report, 28% based on Brokerage Rate whereas 22 % are happy with its Services.
Last but not the least, 15% respondents are depends upon the tips of Share khan which gives them idea where to invest and when to invest. At the time of research what I found is that still Share khan need to make the clients more knowledge about their PMS product.

11. Are you using Portfolio Management services (PMS) of Share khan?

Particulars	%
Yes	56
No	44



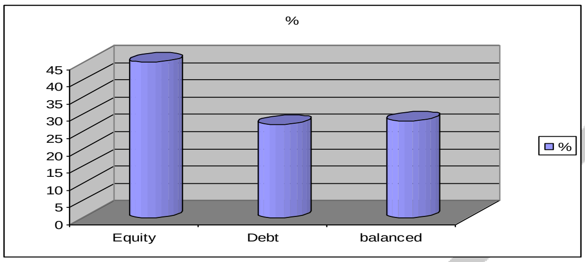
Interpretation

As talking about the Investment option, in most of clients it was common that they know about the Option but as the PMS of Share khan have different Product offering, Product Characteristics and the Investment amount is also different this makes the clients to think differently.

It is found that 56% of Share khan client where using PMS services as for their Investment Option.

12. Which Portfolio Type you preferred?

Particulars	%
Equity	45
Debt	27
balanced	28



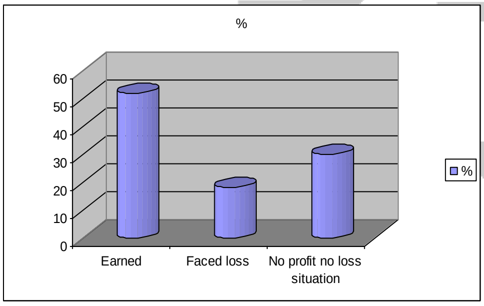
Interpretation

The above analysis shows, in which portfolio the investor like to deal more in PMS.

As 45% investor likes to go for Equity Portfolio and 28% with Balanced Portfolio, whereas around 27% investor like to, go for Debt Portfolio.

13. How was your experience about Portfolio Management services (PMS) of Share khan Limited?

Particulars	%
Earned	52
Faced loss	18
No profit no loss situation	30



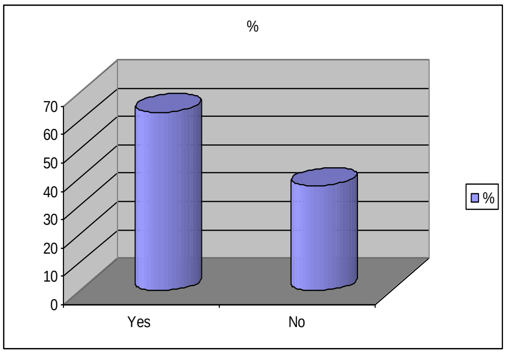
Interpretation

In the above analysis it is clear that the Investor have the good and the bad experience both with the Share khan PMS services.

In this current scenario 52% of the Investor earned, whereas around 18% have to suffer losses in the market. Similarly 30% of the Respondents are there in Breakeven Point (BEP), where no loss and no profit.

14. Does Share khan Limited keep it PMS process Transparent?

Particulars	%
Yes	63
No	37

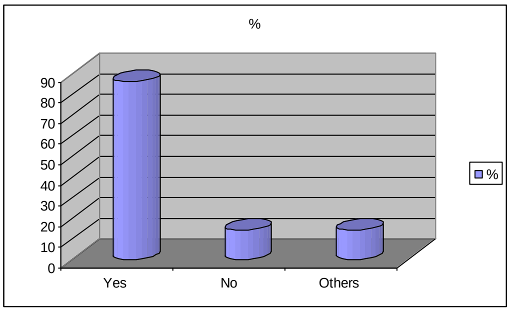


Interpretation

The above analysis is talking about the Share khan Transparency of their PMS services. In hundred respondents 63% said that they get all the information about their scrip buying and selling information day by day, where as 37% of respondents are not satisfied with the PMS information and Transparency because they don't get any type of extra services in PMS as they were saying.

15. Do you recommend Share khan PMS to others?

Particulars	%
Yes	86
No	14
Others	14



Interpretation

The above analysis shows the Investor perception toward the Share khan PMS as on the basis of their good and bad experience with Share khan limited. Among hundred respondents 86% respondents were agree to recommend the PMS of Share khan to their peers, relatives etc.

FINDINGS:

- About 85% Respondents knows about the Investment Option, because remaining 15% take his /her residential property as Investment, but in actual it not an investment philosophy carries that all the Investment does not create any profit for the owner.
- More than 75% Investors are investing their money for Liquidity, Return and Tax benefits.
- At the time of Investment the Investors basically considered the both Risk and Return in more %age around 65%.
- As among all Investment Option for Investor the most important area to get more return is share around 22%after that Mutual Fund and other comes into existence.
- More than 76% of Investors feels that PMS is less risky than investing money in Mutual Funds.
- As expected return from the Market more than 48% respondents expect the rise in Income more than 15%, 32% respondents are expecting between 15-25% return.
- As the experience from the Market more than 34% Investor had lose their money during the concerned year, whereas 20% respondents have got satisfied return.
- About 45% respondents do the Trade in the Market with Derivatives Tools Speculation compare to 24% through Hedging .And the rest 31% trade their money in Investments.
- Around 57% residents manage their Portfolio through the different company whereas 43%Investor manage their portfolio themselves.
- The most important reasons for doing trade with Share khan limited is Share khan Research Department than its Brokerage rate Structure.
- Out of hundred respondents 56% respondents are using Share khan PMs Services.
- Investors preferred more than 45% equity Portfolio, 28%Balanceed Portfolio and about 27% Debt Portfolio with Share khan PMS.
- About 52% Respondents earned through Share khan PMS product, whereas 18% investor faced loses also.
- More than 63% Investor are happy with the Transparency system of Share khan limited.
- As based on the good and bad experience with Share khan limited around 86% are ready to recommended the PMS of Share khan to their peers, relatives etc.

SUGGESTIONS

- The company should also organize seminars and similar activities to enhance the knowledge of prospective and existing customers, so that they feel more comfortable while investing in the stock market.
- Investors must feel safe about their money invested.

- Investor's accounts must be more transparent as compared to other companies.
- Share khan limited must try to promote more its Portfolio Management Services through Advertisements.
- Share khan needs to improve more it's Customer Services
- There is need to change in lock in period in all three PMS i.e. Protect, Prop rime, Pro Arbitrage.
- Share khan Ltd has better Portfolio Management services than Other Companies
- It keeps its process more transparent.
- It gives more returns to its investors.
- It charges are less than other portfolio Management Services
- It provides daily updates about the stocks information.
- Investors are looking for those investment options where they get maximum returns with less returns.
- Market is becoming complex & it means that the individual investor will not have the time to play stock game on his own.
- People are not so much ware aware about the Investment option available in the Market.

ACKNOWLEDGMENT

- Value guide by Share khan
- Investors Eyes by Share khan
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- The Economist

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