

An Effective Way For Paperless Investment

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Abstract:- Existent Investment websites still rely on priority to net worth clients' policy. This policy is however not applicable in supporting rapid growth of the investment market. The growth of the investment market as well as investor both depends on active involvement of the investor. In this paper we propose an effective way for lucrative & paperless investment i.e. an investors self service application which takes into account important factors (e.g. technical issues, no priority customer service, feedback mechanism from the users, considerations for unavailability of regular investment tracking, etc) in order to improve the efficiency of the application.

Index Terms- AMC, ISSA, Unbiased platform

I. INTRODUCTION

Investment is putting money into something with the expectation of gain that upon thorough analysis has a high degree of security for the principal amount, as well as security of return, within an expected period of time. Investment does not refer to mere buying and selling the shares of a company. It implies much more than this and forms an integral part of the modern society. This is applicable for all aspects of our life. If we don't invest our money and think that there will be no need of money in our contended life, then one day we will be in a pathetic situation where we need money for education or

medication of your family member. There are several advantages of making investments some of the crucial ones among them are like financial Independence i.e. if we inculcate the habit of investing then we make ourselves prepared for the worst financial times of life, Increase in wealth i.e. besides making us financially independent investment helps us to become rich also. Investment turns out to be useful for increasing knowledge also as investment does not mean mere buying and selling only it needs a thorough research in the various aspects of stock market and the company, it improves our knowledge. It also works on our visionary skills since Vision is not about to see the things happening but it is to see through the future happenings. For investing, you need a good vision into the future and should be able to interpret the futuristic phenomenon of a company's prospective. So good vision fetches you more returns and will contribute to your success at all the fields. The money market in most of the developed and developing countries has features like multiplicity of interest rates, seasonality, Dichotomic structure, lack of organized bill market, absence of Integration, high volatility in call money market, limited instruments. Though attempts have been done to get rid of some of these but most of these problems still persist. All these features attracted us towards the research of an effective way for lucrative investment where we provide features like the availability of investment managers to guide the investors with their expert opinions through an unbiased platform, wide variety of schemes availability to choose from, updates can be easily followed from social networking sites such as Facebook and twitter, availability of investment calculator for easy analysis of the investor's investment, admin of the site can even lock out any investors profile in case of any discrepancies and many more features.

II. REVIEW OF RELATED WORK

While doing the research we came across several websites offering online investment but they too had their own weaknesses such as:

A. *Technical Issues*

Online trading platform are only as good as the underlying servers and software. High volumes on volatile trading days can slow processing speeds and information flow. You could incur substantial losses if you couldn't place the required buy and sell orders, especially in fast-moving markets. Software bugs can lead to delays in getting price quotes and information on order status. This also could result in trading losses, because you might enter orders based on incorrect price quotes or delayed order-execution reports. Investors depend on Internet and cellular service providers for researching information and placing trades. If these Internet access points malfunctioned, you would not be able to receive timely information or place critical trades.

B. *Customer Service*

Online brokers have a lean cost structure, which allows them to offer discounts on commissions. You might have to wait a long time to place a phone trade, especially during volatile markets, because trained and certified traders cost money. You might need to place certain trades over the phone if your online portal malfunctions or your Internet connection is down. In addition, you might not be able to place certain types of orders over the phone, such as spread orders involving options. Brokers might assign priority to high-net-worth clients and active traders, which could lengthen wait times for average investors. Administrative actions, such as exchanging funds between accounts or transferring positions between brokerages, could take a long time and limit trading opportunities.

C. *Feedback Mechanisms*

Online trading means that you are your own investment manager, but this independence comes at a price. You do not have the benefit of a professional

feedback loop, such as a reliable sounding board for your investment decisions. Online brokers typically do not provide buy-sell recommendations. You have to set aside time for research, such as reviewing financial statements on corporate investor relations websites and price charts on financial websites. You should consider mutual funds, which offer professional management and diversification at a reasonable cost, if you do not have the time for adequate due diligence.

D. *Considerations*

You should have a backup Internet connection at your workplace or at a public library in case your service provider is experiencing problems. Do not call a discount broker during regular hours for administrative actions, such as transferring positions between accounts. Avoid placing market orders in fast-moving markets, because these orders could be filled at unfavorable prices. Review publicly available information on different brokers, including comments on service levels and features, before opening an online account.

In our website we have tried and got rid of these problems by adopting ways such as we have tried to keep our application weight as light as possible to prevent server from getting overloaded too soon, we are providing 24X7 availability of our investment managers to provide their expert opinions and assistance in taking investment decisions to the investors, a close monitoring will be done by the admin to prevent any high net priority worth assistance by the investment managers and a lot more.

III. Functionality of Investor Self-Service application

The user of this application can use it in any browser, and then the request gets transferred to the application server which is then directed to the

database to fetch any information, which in turn is displayed in the browser through the application server as a response.

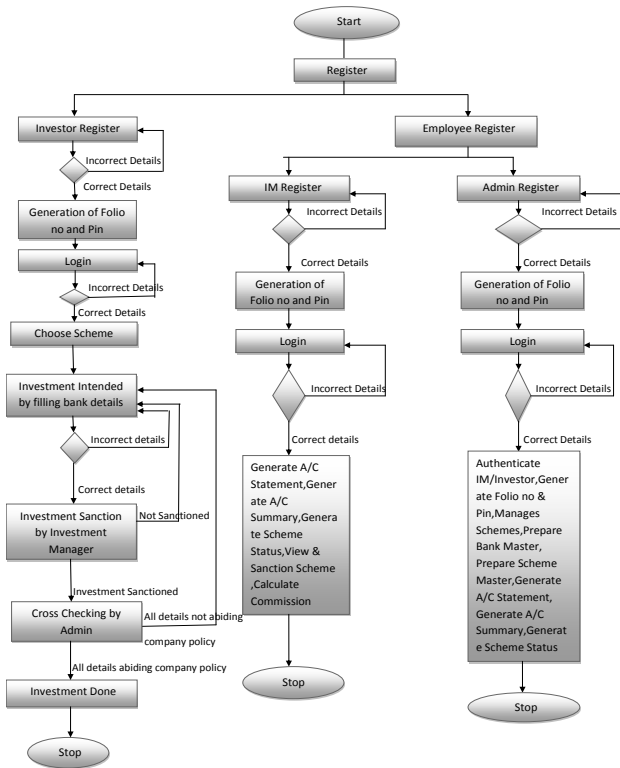


Fig.1: Control Flow

The portal provides various facilities for its users. All the users will have their own profile only after registration and thereby can avail the facilities depending on their type of user. An automatically generated pin and folio number is then provided to the user for their future login purpose. They can even edit the information and thus update their profile, if needed. Now the investors can filter, search, view and buy any scheme based on gold, equity and liquid funds provided in website. Investor even gets to choose the mode of payment for a particular scheme that he buys. Account statement, account summary, scheme status, NPV, market indexes, news on specific stocks, gold rates, list of investments (bought/ redeemed/switched), and investment quotes are maintained by this application and it can be easily viewed by the investor. Investment calculator is also provided for the financial analysis an investment. Switching from one scheme to another is also possible with certain conditions applied. The investor can also change his pin in case of insecurity.

In this application the administrator plays the key role as it is solely responsible for generating different information in the investors' profile. Authenticating the investor/investment manager, maintaining database, adding/deleting users, processing transactions, locking/unlocking of user accounts and processing complaints are some of the major works done by the administrator.

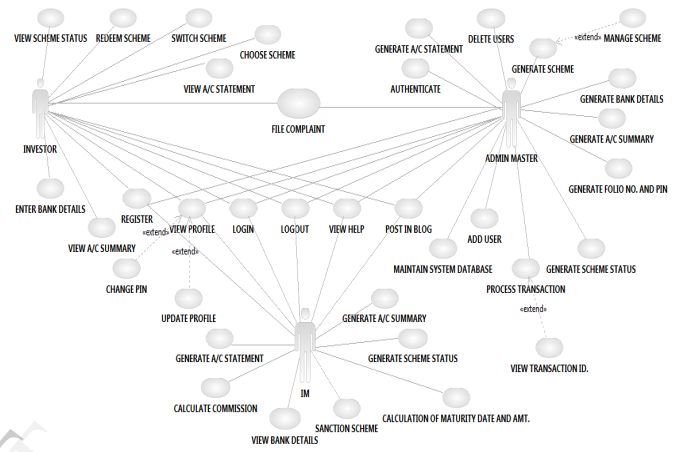


Fig. 2: Use-case Diagram

This application also enables the users to share their views and ideas through the facility of blog. The above use case diagram demonstrates the working procedure of this application.

The architectural view of the application is given below clearly showcases the functions of application, business and database layers.

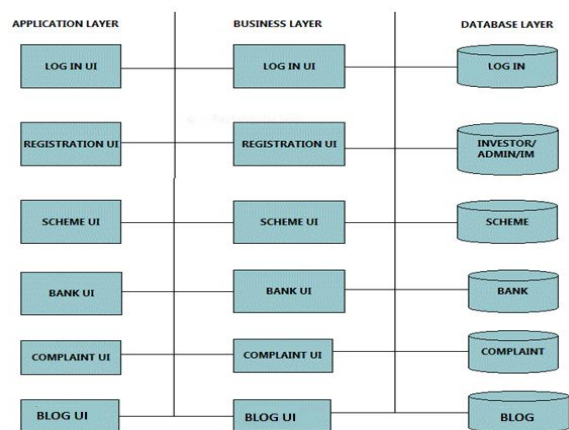


Fig. 3: Architecture Diagram

The concerned investment manager is responsible for sanctioning the schemes provided the information entered by the investor is genuine. He even handles the bank end calculations related to any investment. He even has the facility to calculate his own commission from the investments bought.

IV. FUTURE SCOPE OF THE APPLICATION

This application holds lot of importance but it may be more productive and useful if some more unique features are added to it based on latest technology. This application will be more in demand if it can be browsed through mobiles phones with internet connection. Secondly, it can easily track the location of any investor with the help of a map facility globally. Thirdly, investor can have the facility to view the star ratings and information on top holdings. Next, the application can be made such that it has the facility to recruit investment managers to handle the investments. Lastly we can deal with more types of investments.

V. CONCLUSION & DISCUSSION

It is very well said that there are always two faces of a coin. On one hand we eliminated some of the biggest all time problems of investment websites but still got trapped with few others like no payment gateway for the application it is still left to integrate the application with some efficient and secure payment gateway. Since the application is designed for an AMC (Asset Management Company) a part of its working efficiency is dependent on the AMC itself like the selection of Investment Managers, Admin and backup admin. The application still has the scope of improvisation if all global market live updates can be infused in this application.

Due to its feature of change pin and account lock out security can be maintained on both the fronts of the user as well as the AMC. Several facilities such as tracking stock market indexes and news on specific stocks will be providing. Investor will be sent a push notification when economic data is released. Easy view of account summary and account statement keeps the investor in total track of all investments done by him and he /she will also be

provided with financial guidance of planning an investment before buying any scheme. Henceforth we conclude that with little caution and cooperation from the AMC the application can fulfill all desired facilities like hassle free investment platform, wide variety of investment schemes for comparison and easy judgment.

VI. ACKNOWLEDGEMENT

We would like to grab the opportunity of thanking our respected Director, **Dr. Dipankar Sarkar** and Principal, **Dr. Ashutosh Chattopadhyay** for their immense support and also our mentor **Mr.Santosh Das** for his helpful guidance throughout the working phase to successfully complete the application.

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