

# The Bombay Stock Exchange and BSE SENSEX: A Comprehensive Analysis of Functions, Liquidity, Investment & Trading Segments, and Major Investment Segments

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**Abstract:** *This research paper provides a detailed examination of the Bombay Stock Exchange (BSE) with a focus on the S&P BSE SENSEX index, encompassing its functions, investment and trading segments, and major investment strategies. The Bombay Stock Exchange, established in 1875, has emerged as one of Asia's oldest and leading stock exchanges, playing a crucial role in shaping India's financial landscape. The functions of the Bombay Stock Exchange are explored in detail, highlighting its role as a primary platform for Price Determination, Contribution to the Economy, Facilitates Liquidity and Transactional Safety. The investment and trading segments within the BSE are scrutinized, emphasizing the diverse range of financial instruments traded, including equities, debt instrument, and government securities. An examination of the market structure, trading mechanisms, and technological advancements within the exchange provides insights into the efficiency and competitiveness of the BSE. Furthermore, the paper explores the major investment segments within the BSE, such as primary market offerings, secondary market transactions, and the growing presence of foreign institutional investors. The impact of economic factors, geopolitical events, and regulatory changes on investment decisions is examined to provide a comprehensive understanding of the BSE's market. In conclusion, this research paper contributes to the existing literature by offering a comprehensive analysis of the Bombay Stock Exchange, with a specific focus on the S&P BSE SENSEX.*

**Keywords:** BSE SENSEX