

P-2407



**A STUDY ON INVESTORS PERCEPTION AND SATISFACTION  
WITH REFERENCE TO INDIA INFOLINE LIMITED,  
COIMBATORE.**

**BY**

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DEPARTMENT OF MANAGEMENT STUDIES  
**KUMARAGURU COLLEGE OF TECHNOLOGY**  
**COIMBATORE**

A PROJECT REPORT

Submitted to the

FACULTY OF MANAGEMENT STUDIES

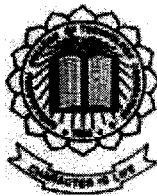
In partial fulfillment of the requirements

for the award of the degree

of

**MASTER OF BUSINESS ADMINISTRATION**

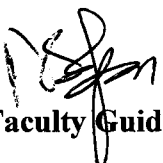
May, 2008



**KCT Business School**  
**Department of Management Studies**  
**Kumaraguru College of Technology**  
**Coimbatore**


**BONAFIDE CERTIFICATE**

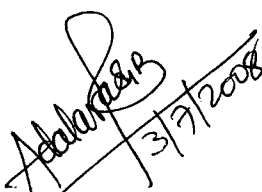
Certified that this project report titled “**A Study on investors perception and satisfaction with reference to India Infoline Limited, Coimbatore**” is the bonafide work of Mr.P.Purushothaman (71206631043) who carried out the research under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

  
**Faculty Guide**

  
**Director**

Evaluated and vice-voce conducted on ..... 3/7/2008 .....

  
**Examiner I**

  
**Examiner II**

## Declaration

I, **P.Purushothaman (Reg. No.71206631043)**, final year MBA student of Department of Management Studies, Kumaraguru College of Technology, hereby declare that the project entitled “**A Study on investors perception and satisfaction with reference to India Infoline Limited, Coimbatore**” has done by me under the guidance of Lecturer Mr. A. Senthil Kumar, submitted in partial fulfillment for the award of the degree of Master of Business Administration of Anna University, during the academic year 2006-2008.

I, also declare hereby, that the information given in this report is correct to best of my knowledge and belief.

Place: Coimbatore

Date:

Signature of the Candidate



**(P.Purushothaman)**

# India Infoline

IT'S ALL ABOUT MONEY, HONEY!

Date: 29-04-2008

## PROJECT COMPLETION CERTIFICATE

This is to certify **Mr.P Purushothaman** (Reg No. 71206631043) a student of KCT Business School, Kumaraguru College of Technology, had undergone a Project between January 10 to March 24 titled "A STUDY ON INVESTORS PERCEPTION AND SATISFACTION WITH REFERENCE TO INDIA INFOLINE LIMITED, COIMBATORE"

During the tenure his performance was good.

Regards,



**(J.KARTHIKEYAN)**

**Branch Manager**

R S Puram,  
Coimbatore

## EXECUTIVE SUMMARY

This project entitled “A Study on investors perception and satisfaction with reference to India Infoline Ltd, Coimbatore” was conducted during the period January 2008 to March 2008 at R.S.puram.

Financial services sector in India has been one of the fastest growing sectors. In the financial services sector, the stock brokerage is a flourishing field with wide range of services provided. There are many players in this stock brokerage field. Viz., ICICI Securities Ltd, Kotak Securities Ltd, Indiabulls Financial Services Limited, India Infoline, IL&FS Investmart Ltd, SSKI Ltd, Motilal Oswal Securities, Fortis Securities (Religare), Karvy, Geojit Securities, HDFC Securities and also other players.

Against this background, this study was conducted for India Infoline Ltd. The objectives of the study are to determine the investor’s perception and satisfaction on India Infoline services. Further this study identifies the influence of demographic variables on the level of satisfaction. The study assumes the characteristics of descriptive research. A sample of hundred and twenty customers in Coimbatore city is selected on convenience basis and data are collected through questionnaire method.

The study reveals that majority of the respondents are male professionals with the annual income less than 1, 00,000. Most of the respondents came to know India Infoline through their friends. Most of the respondents invest below than 20% of their income in share market. Market trend makes the respondents to decide about buying or selling of shares. The satisfaction levels of the respondents are high regarding the services offered by India Infoline Ltd except trading software and trading advice. The findings of the study has highlighted that the demographic variable viz., age, gender, education, occupation and income has significant influence in the satisfaction level of the respondents.

## ACKNOWLEDGEMENT

It is inevitable that thoughts and ideas of other people tend to drift into subconscious when one feels to acknowledge helping derived from others. I acknowledge to all those who helped me in the preparation of this project work.

I wish to express my deep gratitude to **Prof. Joseph V. Thanikal**, principal, Kumaraguru College of technology for allowing us to carry out this project work.

I wish to express my sincere thanks to **Prof. Dr. S. V. Devanathan** – Director, KCT Business School, for his continuous encouragement throughout my project.

I owe my heartfelt gratitude to my project guide **Mr.A.Senthil Kumar**, Lecturer, KCT Business School, for his help and valuable guidance given to me throughout my project.

I extend my sincere gratitude to **Mr.J.Karthikeyan**, Branch Manager, India Infoline Limited, for his guidance to complete my project successfully. And also to the staffs of India Infoline Limited who furnished all the information related the research work.

My special acknowledge and thanks to Department of Management studies, faculty members, my friends and family members who helped me in the completion of this project successfully

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# ***1. INTRODUCTION***

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## CHAPTER 1

### 1. INTRODUCTION

#### 1.1. BACKGROUND OF THE STUDY:

Today companies are facing their toughest competition ever, due to numerous factors. But the company lies in the amount of belief and loyalty it's customer by its customers determines the way the company is preceding.

The customer plays an important role behind the success of the company, no matter what levels of technological it has and what levels of turnover they make. Now with the technological interference, the war between the companies has shifted from the grounds of product, price, promotion and place to single 'p' – person. The person is the 'customer'.

The customer's requirements must be translated and quantified into measurable targets. This provides an easy way to monitor improvements, and deciding upon the attributes that need to be concentrated on in order to improve customer satisfaction. We can recognize where we need to make changes to create improvements and determine if these changes, after implemented, have led to increased customer satisfaction.

#### 1.1.1. CUSTOMER PERCEPTION:

Perception is the process of attaining awareness or understanding of sensory information. The word perception means "receiving, collecting, action of taking possession, apprehension with the mind or senses." The passive perception could be surmised as the following sequence of events:

“Surrounding → input (senses) → processing (brain) → output (re-action).”

The active perception could be surmised as dynamic relationship between “description” (in the brain) ↔ senses ↔ surrounding.”

Perceptual information is critical for action. Perceptual deficits may lead to profound deficits in action.

### **1.1.2. CUSTOMER SATISFACTION:**

Customer satisfaction, a business term, is a measure of how products and services supplied by a company meet or surpass customer expectation. It is seen as a key performance indicator within business and is part of the four perspectives of a Balanced Scorecard.

In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

Organizations are increasingly interested in retaining existing customers while targeting non-customers; measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products.

### **1.2 REVIEW OF LITERATURE:**

This section deals with Review of literature collected from various sources.

Jos Lemmink, Jan Mattsson<sup>1</sup> observed that models link between employees' behavior and short- and long-term customer perceptions. Subjects were confronted with five different video taped non-routine service encounters (study 1) and eight manipulated routine service encounters (study 2). In study 1, two judges encoded behavior of service employees. With three types of behavior it was possible to explain customers' feelings of warmth. Warmth also correlated with measures such as likeability, perceived quality and service loyalty. Study 2 used a hotel reception as a setting, and service quality was manipulated in eight different ways. Warmth correlated highly with post-experience

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measures, had a dual impact on customer loyalty and increased intention to stay and willingness to pay more for the same service. Service firms should train employees to deal with emotions and to learn empathic behaviors.

Lawrence A. Crosby, Kenneth R. Evans, Deborah Cowles<sup>2</sup> observed that Salespeople involved in the marketing of complex services often perform the role of "relationship manager." It is, in part, the quality of the relationship between the salesperson and the customer that determines the probability of continued interchange between those parties in the future. A relationship quality model is advanced and tested that examines the nature, consequences, and antecedents of relationship quality, as perceived by the customer. The findings suggest that future sales opportunities depend mostly on relationship quality (i. e., trust and satisfaction), whereas the ability to convert those opportunities into sales hinges more on conventional source characteristics of similarity and expertise. Relational selling behaviors such as cooperative intentions, mutual disclosure, and intensive follow up contact generally produce a strong buyer-seller bond.

Bomil Suh and Ingoo Han<sup>3</sup> observed that the number of Internet users has increased dramatically, but many are reluctant to provide sensitive personal information to Web sites because they do not trust e-commerce security. This paper investigates the impact of customer perceptions of security control on e-commerce acceptance. Trust is examined as the mediating factor of the relationship, using Internet banking as the research domain because bank customers are generally concerned about processing sensitive information like financial information. A Web survey of Internet banking users collected 502 cases. Statistical analyses, using structural equation modeling, indicated that perceptions of non repudiation, privacy protection, and data integrity have a

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<sup>2</sup> Lawrence A. Crosby, Kenneth R. Evans, Deborah Cowles, 'Relationship Quality in Services Selling: An Interpersonal Influence Perspective', *Journal of Marketing*, Vol. 54, No. 3 (Jul., 1990), pp. 68-81

<sup>3</sup> Bomil Suh and Ingoo Han, 'The Impact of Customer Trust and Perception of Security Control on the Acceptance of Electronic Commerce', *International journal of electronic commerce*, Vol. 7, No. 3 (spring

significant impact on trust in e-commerce. Trust also has a significant impact on e-commerce acceptance. Implications and further research directions are presented.

Bart Allen Berry<sup>4</sup> observed that not surprisingly, Value, or the price we pay for a product or service, usually has a big influence on our entire customer satisfaction experience. The other nine domains of customer satisfaction (quality, timeliness, ease of access etc.) are also present in the customer-supplier relationship and have their influence, but 'Value' is usually in the top three highest weighted criteria in the mind of the customer.

A strong Value perception by customers is one of the ten domains of customer satisfaction to be optimized if a business enterprise wants to break through into the zone of customer satisfaction. The supplier must examine the dimensions of value closely and how the overall market strategy can be best aligned to maximize customer perceptions of value.

Bloemer Jose, Decker David<sup>5</sup> observed that this study seeks to investigate empirically two specific processes that relate personal values to satisfaction with services (the value percept disparity model and the Value disconfirmation model). This study generalizes both models into a new value disparity – disconfirmation model, providing testable conditions to evaluate and compare the validity of the original models. The result of the study best support the value disconfirmation model. Further more, the paper shows that in the research's settings of a financial service provider the external dimensions of the values is more instrumental in predicting satisfaction than the internal dimensions.

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<sup>4</sup>Bart Allen Berry, 'Customer Satisfaction and Dimensions of Value Perception, Management and Business article directory, Vol. 2, No. 4(June 1998), pp.79-92

<sup>5</sup>Bloemer Jose, Decker David, 'Effects of personal value on customer value' Journal of marketing, Vol. 5,

Paulsen, Markel Birk, Mathias M<sup>6</sup> observed that previous study investigated the satisfaction-retention link has shown that the relationship is weak and that customers repeatedly defect even though they state to be highly satisfied. In contrast to these studies, this investigates the differential effect of the manufacturer on the satisfaction-retention link in a business-to-business setting. Results show, that the satisfaction-retention link is moderated by demographic characteristics of a decider in a buying center, characteristics of the purchasing company and the manufacturer.

Whartons' Jay H.Baker<sup>7</sup> observed that customers always want a deal this is perceived to be saving them money and not empty out their pocket book. They desire something with the most amounts of benefits they can find. In order for the customer to have the perception that they are getting a great deal you need to draw their attention by announcing the sale, discount and money saver. Without out the posting they won't have a reference to see how much money they are saving.

One of the easiest ways to increase the value of a service/product in the eyes of the customer is to focus on small differences that differentiate your business from everyone else. This free value comes from handling customer issues quickly, speaking in a tone of respect, and acting like you value their service, providing a few free trinkets or perhaps giving quick service. Even though these items don't cost much it is their perceived extra value and consideration that count for a lot in the eyes of the customer. Building value into your business isn't that difficult if you understand that customers want the most value for the cheapest price. Sales is about satisfying your customers and exceeding their expectations. If you have fulfilled their expectations they will become repeat customers and loyal patrons to your business. Repeat sales costs much less then bringing customers through the door the first time.

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<sup>6</sup> Paulsen, Markel Birk, Mathias M, 'Satisfaction and repurchase behaviour in a business – to – business setting. Investigating the moderating effect of manufacturer, company and demographic characteristics', *Journal of international marketing*, Vol. 36, No. 7, Oct. 2007 , pp. 983-997

<sup>7</sup> Whartons' Jay H.Baker, 'Customer Perception and Satisfaction Tips', *The modern business world*, Vol. 2 No. 3 January 1 2008 pp 55-69

Ramesh Kumar. V.<sup>8</sup> observed that the study was made to know the awareness about stock market, identify the motivated factors to invest in securities, about stock market operations, the customer details of stock market, the services provided by stock market. On the analysis it was found that the awareness about the stock market was less. Customer perception regarding the level of investment and their perception regarding the size of the company was also found. The risk- return relationship was also found through this project. The customers risk taking pattern was also found through this project.

Against this background of literature, study has been conducted to know the customers perception and satisfaction on India Infoline services in Coimbatore.

### **1.3. STATEMENT OF THE PROBLEM:**

The complexity in understanding the behaviour of investors plays a key role in assessing their level of satisfaction. The stock market poses serious challenges in understanding the expectations of the investors. Here identifying the investors perception and assessing their satisfaction level is taken as a problem for the research.

### **1.4 OBJECTIVES:**

#### **PRIMARY OBJECTIVE:**

- To identify the investors perception and level of satisfaction over the services provided by the organization under study.

#### **SECONDARY OBJECTIVE:**

- To profile the investors.
- To identify the source of awareness about the organization.
- To identify shareholders investment level in the stock market.
- To analyze the influence of the demographic variables on the level of satisfaction.

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<sup>8</sup>Ramesh Kumar. V., 'A study on investors perception and attitude towards investment in capital market with reference to Anollo sindhoori capital investment ltd. Sathyamangalam' sep. 2006. pp. 5



## **1.5. SCOPE OF THE STUDY:**

- The study discusses the customer perception and satisfaction level towards share trading with reference to India Infoline ltd.
- The study helps us to know about the customer and their interests in share trading.
- The study has given a practical exposure about marketing.

## **1.6. METHODOLOGY:**

### **1.6.A.TYPE OF STUDY**

The research is descriptive in nature as the study was done to find out the awareness level of the general customer and researcher has no control over the variables and is independent of the state of affairs.

### **1.6.B.SAMPLING DESIGN**

#### **1.6.B.1.SAMPLING SIZE**

A part of the infinite population selected for this study. Here the researcher took 120 as the sample size.

#### **1.6.B.2.SAMPLING METHOD**

Non-probability sampling method is used in this study.

#### **1.6.B.3.SAMPLING TECHNIQUE**

Convenience sampling technique is adopted to draw sample from the population. A convenience sampling is one in which the sample units are chosen primarily on the basis of the convenience to the researcher.

### **1.6.3.DATA COLLECTION METHOD:**

The primary data was collected using a structured questionnaire with respect to the objectives of the study. The secondary data regarding the industry, company, services offered were obtained from Internet, company personnel, Employee induction books.

#### **1.6.4. TOOLS OF ANALYSIS:**

1. Simple Percentage Analysis
2. Mean score analysis
3. Chi Square test

#### **1.7. LIMITATIONS OF THE STUDY:**

1. The sample unit was restricted in and around the Coimbatore city.
2. The study was carried out with the assumption that the respondents responded frankly without any bias.
3. The sample size was relatively small (i.e., 120) compared to the whole population.
4. Time constraint is one of the major problems in this perpetual whole population.
5. Poor response and improper availability of the respondents in their respective places proved to be one of the major limitations.

#### **1.8. CHAPTER SCHEME**

The study is reported in five chapters. The first chapter discusses the background to study, objectives, scope, limitations and methodology of the study.

The second chapter deals with organization profile that includes history, management, organization structure and various functional areas.

The third chapter discusses about the macro-micro analysis which deals with the prevailing economic scenario with the industry.

The fourth chapter deals with data analysis and interpretation.

The fifth chapter deals with the results and discussions and considered recommendations.

## ***2. ORGANIZATION PROFILE***

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## **2. ORGANISATION PROFILE:**

### **2.1. HISTORY OF THE ORGANISATION**

In 1995, a group of professionals formed a company called “probity research and services Pvt ltd”. The name was later changed to “India Infoline ltd”. The objective was to provide unbiased independent information to market intermediaries and investors.

In 1999, the company made all the research available free on the web, the number of users jump from 250 to 2.5 million.

In 2001, the internet bubble started bursting faster than anybody could have imagined. India Infoline decided to narrow its focus on business where it could leverage its core competencies to the maximum. The key business lines that emerged were mutual funds, life insurance and e-broking. They also forayed into portfolio management services and commodities broking, again leveraging upon their core competencies in research and technology.

In the last ten years, India Infoline has faced numerous ups and downs, but has never compromised on integrity. They continue to ensure highest standards of corporate governance.

#### **2.1.2. SISTER CONCERNS:**

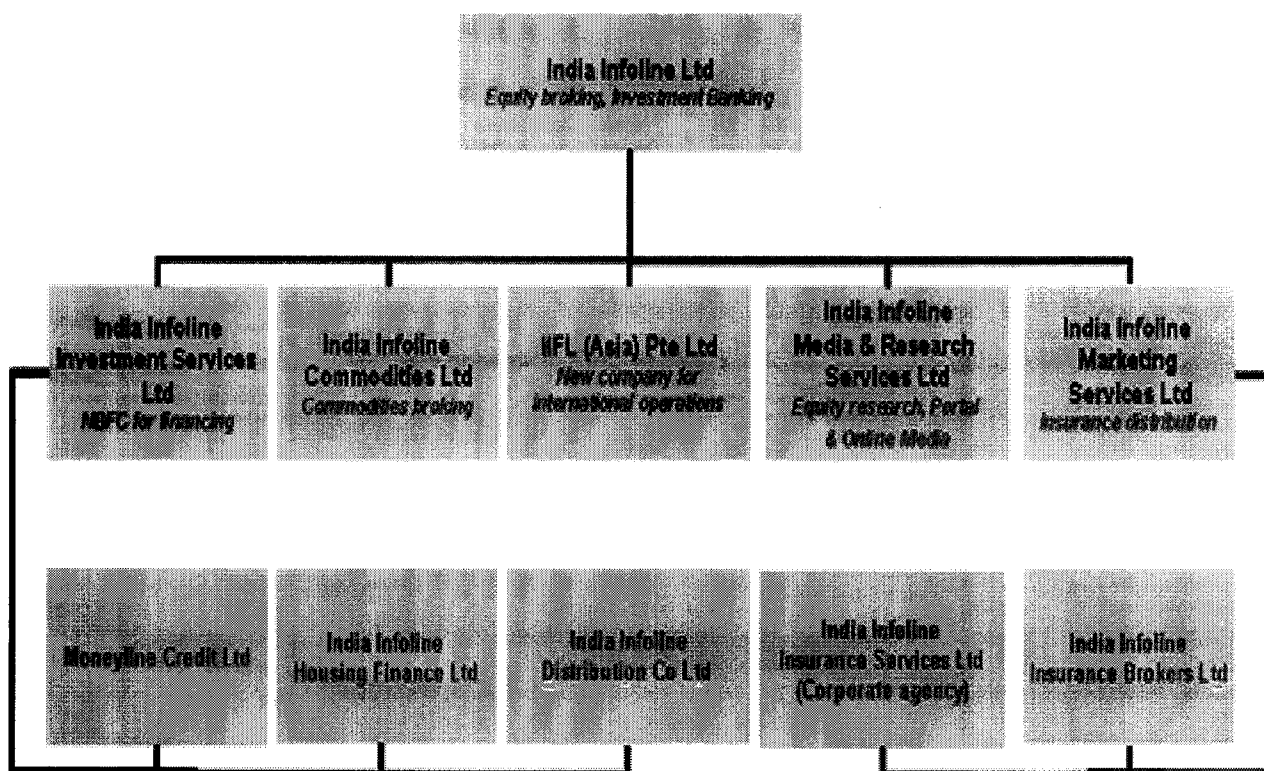
##### **India Infoline Group**

The India Infoline group, comprising the holding company, India Infoline Limited and its wholly-owned subsidiaries, straddle the entire financial services space with offerings ranging from Equity research, Equities and derivatives trading, Commodities trading, Portfolio Management Services, Mutual Funds, Life Insurance, Fixed deposits, GoI bonds and other small savings instruments to loan products and Investment banking. India Infoline also owns and manages the websites [www.indiainfoline.com](http://www.indiainfoline.com) and [www.5paisa.com](http://www.5paisa.com)

The company has a network of 596 branches spread across 345 cities and towns. It has more than 500,000 customers.

## India Infoline Limited

India Infoline Limited is listed on both the leading stock exchanges in India, viz. the Stock Exchange, Mumbai (BSE) and the National Stock Exchange (NSE) and is also a member of both the exchanges. It is engaged in the businesses of Equities broking, Wealth Advisory Services and Portfolio Management Services. It offers broking services in the Cash and Derivatives segments of the NSE as well as the Cash segment of the BSE. It is registered with NSDL as well as CDSL as a depository participant, providing a one-stop solution for clients trading in the equities market. It has recently launched its Investment banking and Institutional Broking business.



A SEBI authorized Portfolio Manager; it offers Portfolio Management Services to clients. These services are offered to clients as different schemes, which are based on differing investment strategies made to reflect the varied risk-return preferences of clients.

### **India Infoline Media and Research Services Limited.**

The content services represent a strong support that drives the broking, commodities, mutual fund and portfolio management services businesses. Revenue generation is through the sale of content to financial and media houses, Indian as well as global.

It undertakes equities research which is acknowledged by none other than Forbes as 'Best of the Web' and '...a must read for investors in Asia'. India Infoline's research is available not just over the internet but also on international wire services like Bloomberg (Code: IILL), Thomson First Call and Internet Securities where India Infoline is amongst the most read Indian brokers.

### **India Infoline Commodities Limited.**

India Infoline Commodities Pvt Limited is engaged in the business of commodities broking. Our experience in securities broking empowered us with the requisite skills and technologies to allow us offer commodities broking as a contra-cyclical alternative to equities broking. We enjoy memberships with the MCX and NCDEX, two leading Indian commodities exchanges, and recently acquired membership of DGCX. We have a multi-channel delivery model, making it among the select few to offer online as well as offline trading facilities.

### **India Infoline Marketing & Services**

India Infoline Marketing and Services Limited is the holding company of India Infoline Insurance Services Limited and India Infoline Insurance Brokers Limited.

(a) India Infoline Insurance Services Limited is a registered Corporate Agent with the Insurance Regulatory and Development Authority (IRDA). It is the largest Corporate Agent for ICICI Prudential Life Insurance Co Limited, which is India's largest private Life Insurance Company. India Infoline was the first corporate agent to get licensed by IRDA in early 2001.

(b) India Infoline Insurance Brokers Limited India Infoline Insurance Brokers Limited is a newly formed subsidiary which will carry out the business of Insurance broking. We

awaited. Post the grant of license, we propose to also commence the general insurance distribution business.

### **India Infoline Investment Services Limited**

Consolidated shareholdings of all the subsidiary companies engaged in loans and financing activities under one subsidiary. Recently, Orient Global, a Singapore-based investment institution invested USD 76.7 million for a 22.5% stake in India Infoline Investment Services. This will help focused expansion and capital raising in the said subsidiaries for various lending businesses like loans against securities, SME financing, distribution of retail loan products, consumer finance business and housing finance business. India Infoline Investment Services Private Limited consists of the following step-down subsidiaries:

India Infoline Distribution Company Limited (distribution of retail loan products)

Money line Credit Limited (consumer finance)

India Infoline Housing Finance Limited (housing finance)

### **IIFL (Asia) Private Limited**

IIFL (Asia) Private Limited is wholly owned subsidiary which has been incorporated in Singapore to pursue financial sector activities in other Asian markets. Further to obtaining the necessary regulatory approvals, the company has been initially capitalized at 1 million Singapore dollars.

## **2.2. MANAGEMENT:**

Mr. Nirmal Jain

Nirmal Jain, MBA (IIM, Ahmedabad) and a Chartered and Cost Accountant, founded India's leading financial services company India Infoline Ltd. in 1995, providing globally acclaimed financial services in equities and commodities broking, life insurance and mutual funds distribution, among others. Mr. Jain began his career in 1989 with Hindustan Lever's commodity export business, contributing tremendously to its growth. He was also associated with Inquire-Indian Equity Research, which he co-founded in 1994 to set new standards in equity research in India.

Mr. R Venkataraman

R Venkataraman, co-promoter and Executive Director of India Infoline Ltd., is a B. Tech (Electronics and Electrical Communications Engineering, IIT Kharagpur) and an MBA (IIM Bangalore). He joined the India Infoline board in July 1999. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of USA and with BZW and Taib Capital Corporation Limited. He was also Assistant Vice President with G E Capital Services India Limited in their private equity division, possessing a varied experience of more than 16 years in the financial services sector.

#### **THE BOARD OF DIRECTORS:**

Apart from Nirmal Jain and R Venkataraman, the Board of Directors of India Infoline comprises:

Mr. Sat Pal Khattar (Non Executive Director)

Mr. Sat Pal Khattar, - Board member since April 2001 - Presidential Council of Minority Rights member, Chairman of the Board of Trustee of Singapore Business Federation, is also a life trustee of SINDA, a non profit body, helping the under-privileged Indians in Singapore. He joined the India Infoline board in April 2001. Mr. Khattar is a Director of public and private companies in Singapore, India and Hong Kong; Chairman of Guocoland Limited listed in Singapore and its parent Guoco Group Ltd listed in Hong Kong, a leading property company of Singapore, China and Malaysia. A Board member of India Infoline Ltd, Gateway Distriparks Ltd — both listed — and a number of other companies he is also the Chairman of the Khattar Holding Group of Companies with investments in Singapore, India, UK and across the world.

Mr. Nilesh Vikamsey (Independent Director)

Mr. Vikamsey, Board member since February 2005 - a practicing Chartered Accountant and partner (Khimji Kunverji & Co., Chartered Accountants), a member firm of HLB International, headed the audit department till 1990 and thereafter also handles financial services, consultancy, investigations, mergers and acquisitions, valuations etc; an ICAI study group member for Proposed Accounting Standard — 30 on Financial



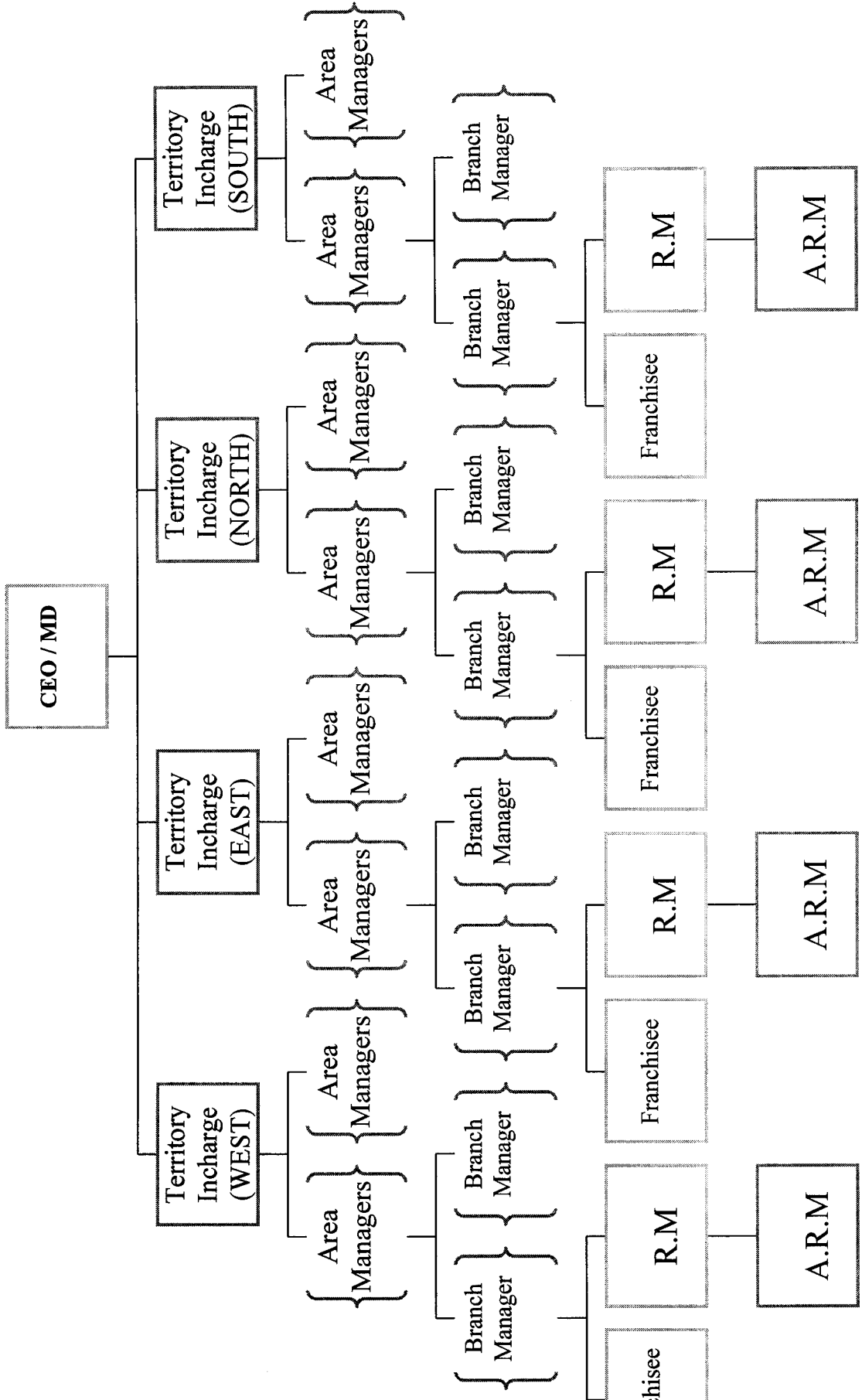
Tax Consultants (CTC), Law Review, Reforms and Rationalization Committee and Infotainment and Media Committee of Indian Merchants' Chamber (IMC) and Insurance Committee and Legal Affairs Committee of Bombay Chamber of Commerce and Industry (BCCI).

Mr. Vikamsey is a director of Miloni Consultants Private Limited, HLB Technologies (Mumbai) Private Limited and Chairman of HLB India.

Mr. Kranti Sinha (Independent Director)

Mr. Kranti Sinha — Board member since January 2005 — completed his masters from the Agra University and started his career as a Class I officer with Life Insurance Corporation of India. He served as the Director and Chief Executive of LIC Housing Finance Limited from August 1998 to December 2002 and concurrently as the Managing Director of LICHFL Care Homes (a wholly owned subsidiary of LIC Housing Finance Limited). He retired from the permanent cadre of the Executive Director of LIC; served as the Deputy President of the Governing Council of Insurance Institute of India and as a member of the Governing Council of National Insurance Academy, Pune apart from various other such bodies. Mr. Sinha is also on the Board of Directors of Hindustan Motors Limited, Larsen & Toubro Limited, LICHFL Care Homes Limited, Gremach Infrastructure Equipments and Projects Limited and Cinemax (India) Limited.

**ORGANIZATION STRUCTURE:**



## 2.4. SERVICES OFFERED:

- Equities and commodities broking
- Portfolio and Wealth Management services
- Investment banking
- Distribution of Life Insurance products
- Distribution of Mutual funds, Fixed Deposits, RBI Bonds and Small Savings among others
- Distribution of Mortgages and other Loan products

## 2.5. MILESTONES:

- Incorporated on October 18, 1995 as Probity Research & Services by a group of professionals.
- Launched Internet portal [www.indiaonline.com](http://www.indiaonline.com) in May 1999 – Rated as “Best of the Web” by Forbes.
- Launched [5paisa.com](http://5paisa.com) – revolutionized brokerage rates.
- Largest distributor of ICICI Prudential Life Insurance.
- Commenced distribution of personal finance products like mutual funds and RBI bonds in April 2000.
- Became a depository participant of NSDL in September 2001.
- Launched stock messaging service in May 2003.
- Acquired commodities broking license in March 2004.
- Launched portfolio management services in August 2004.
- Listed on NSE and BSE on May 2005.
- Acquired NBFC license in May 2005.
- Acquired 75% stake holding in money tree consultancy services in October 2005.
- Acquired 100% equity Marchmont capital advisors Pvt Ltd in December 2005.
- Bennett Coleman and co ltd (BCCL) invested twenty crores in India Infoline in December 2005.
- Became a depository participant of CDSL in June 2006.
- Entered into an alliance with bank of Baroda e-trading in February 2007.
- IRDA license for insurance broking in April 2007.

## **2.6. DIFFERENTIATING FACTORS:**

### **1) Knowledge**

Economic times, business standard and business line are given to the employees to enrich the knowledge of the employees in India Infoline. Passing NCFM, AMFI, IRDA exams also help the employees to get basic domain understanding.

### **2) Technology**

The trading interface used in India Infoline called ODIN is absolutely world class. Basic training in this terminal is given to all employees. Every client is educated in this terminal for better trading.

### **3) Service**

Today service is the key driver for growth in financial services. In India Infoline, the customer service is warm, friendly and responsive, that customers can feel and appreciate. The tips for intra day, short term and long term are given for the clients for better trading.

### ***3. MACRO – MICRO ANALYSIS***

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## CHAPTER 3

### 3.MACRO-MICRO ANALYSIS:

#### 3.1MACRO ANALYSIS:

Financial services refer to services provided by the finance industry. The finance industry encompasses a broad range of organizations that deal with the management of money. Among these organizations are banks, credit card companies, insurance companies, consumer finance companies, stock brokerages, and some government sponsored enterprises. As of 2004, the financial services industry represented 20% of the market capitalization of the S&P 500 in the United States.

Philadelphia was the centre of American finance during the first forty years of the new United States. In 1790, the country's first stock exchange was founded there and Chestnut Street was home to the nation's most powerful financial institutions. However, in the 1820s a shift to New York City began and for more than one hundred and fifty years Wall Street has been synonymous with the stock brokerage business. Some sources suggest that historical top-level brokers and a number of other firms rose to prominence over that time with the top-ranked brokerages in the early 1950s being:

- Merrill Lynch
- Paine Webber & Company
- Morgan Stanley
- Goldman Sachs
- Bear Stearns

Since the 1980s stock broking firms have also been allowed to be market makers as long as the appropriate Chinese walls are put in place.

With the advent of automated stock broking systems on the Internet the client often has no personal contact with his/her stock broking firm. The stockbroker's system performs all the stock broking functions: it obtains the best price from the market, executes and settles the trade.

Today, most of the once well-known corporate brand names including mid-sized firms such as Smith Barney have been swallowed up by global financial conglomerates. Only a few firms remain independent, such as Edward Jones Investments, Stifel Nicolaus, Oppenheimer & Co and Raymond James. Discount brokers (such as E\*TRADE, Scottrade, TD Ameritrade, and Charles Schwab) have taken a large share of the business by offering highly discounted commissions. Discount brokers may offer limited advisory services, but their primary focus tends to be servicing self directed retail accounts.

The financial services industry constitutes the largest group of companies in the world in terms of earnings and equity market cap. However it is not the largest category in terms of revenue or number of employees. It is also a slow growing and extremely fragmented industry, with the largest company (Citigroup), only having a 3 % US market share.

In contrast, the largest home improvement store in the US, Home Depot, has a 30 % market share, and the largest coffee house Starbucks has a 32 % market share, etc. Despite this fragmentation, financial service companies as a group are by far the most profitable in the world, and if any grew to the same market share percentages as any other retail industry, the potential profit would be large.

The term "financial services" became more prevalent in the United States partly as a result of the Gramm-Leach-Bliley Act of the late 1990s, which enabled different types of companies in the US financial services industry to merge. In the USA almost every company now which previously described themselves as a bank, insurance company, or brokerage house, now describes themselves in some way as a financial services institution.

Companies usually have two distinct approaches to this new type of business. One approach would be a bank which simply buys an insurance company or an investment bank, keeps the original brands of the acquired firm, and adds the acquisition to its holding company simply to diversify its earnings. Outside the U.S., e.g., in Japan,

non-financial services companies are permitted within the holding company. In this scenario, each company still looks independent, and has its own customers, etc.

In the other style, a bank would simply create its own brokerage division or insurance division and attempt to sell those products to its own existing customers, with incentives for combining all things with one company.

TD AMERITRADE Holding Corporation (NASDAQ: AMTD) is the owner of TD AMERITRADE Inc., the largest online brokerage in the world in number of online equity trades placed per day. Services offered include common and preferred stocks, ETFs, option trades, mutual funds, fixed income, margin lending, and cash management services.



**TOP 20 BROKERS IN WORLD:<sup>9</sup>**

A.B. WATLEY DIRECT

BANC OF AMERICA

CHARLES SCHWAB

DIRECT ACCESS ELITE

E\*TRADE FINANCIAL

FIDELITY INVESTMENTS

FIRSTRADE SECURITIES

INTERACTIVE BROKERS

MB TRADING

OPTIONSXPRESS

SCOTTRADE

SHAREBUILDER

SIEBERTNET

TD AMERITRADE

THINKORSWIM

TRADEKING

TRADESTATION SECURITIES

WALLSTREET\*E

WELLS FARGO

ZECCO

### 3.2. MICRO ANALYSIS:

The Indian retail brokerage industry consists of companies that primarily act as agents for the buying and selling of securities (e.g. stocks, shares, and similar financial instruments) on a commission or transaction fee basis.

The Indian retail brokerage market is showing phenomenal growth. The total trading volume of brokerage companies has increased from US\$1239.1 billion in 2004 to US\$1492.1 billion in 2005, and is expected to reach US\$6535.7 billion by 2015.

Though the Indian brokerage industry has been consolidating steadily over the last 10 years, the share of the top 10 brokers has risen to only around one-fourth of the total industry revenues. In this fragmented market, leading players such as ICICI Direct, Kotak Securities, Indiabulls, Sharekhan, and 5 Paisa, apart from many small players, compete on the basis of low brokerage fees and customer service. Buoyed by the bullish Indian stock market, foreign banks such as Société Générale (SocGen), BNP Paribas, Standard Chartered, and Macquarie Bank (Australia) are eyeing stakes in Indian retail brokerages.

The major growth drivers for brokerage revenue and trading volume are:

- Continuous fall in brokerage fees
- Adoption of technology — screen-based trading, electronic matching, and paperless securities
- Centralized operations, effective risk management, and control on large interconnected operations spanning multiple locations, which is enabled by telecom connectivity and low costs
- Increasing access to capital and the ability to provide margin finance

#### SIZE

- India has a rapidly growing Banking and Financial Services sector based on sound fundamentals (low NPAs, Basel I compliant)

- Liquid and well regulated equity markets – Market cap of over \$450 billion. Turnover has grown to \$1,170 billion in 2003-04 from \$285 billion in 2002-03
- Mutual Funds assets of \$45 billion; growth of 13% p.a. since 1993 when private mutual funds were launched
- 40 Venture Capital and Private Equity Funds operate in India

## STRUCTURE

- Public Sector (Government owned) banks account for 75% of the assets; however, Indian private banks and foreign banks are growing very fast
- Standard Chartered Bank, Citibank and HSBC are the top three foreign banks in India with more than 65% of the total assets of foreign banks
- Most global players in banking & financial services - Morgan Stanley, Merrill Lynch, JP Morgan, Deutsche Bank, UBS, ABN Amro, Barclays, Calyon etc. - are in India
- The Mutual Funds industry has both domestic and foreign companies - UTI Mutual Fund, Prudential ICICI, HDFC, Franklin Templeton, Birla and Tata

## POLICY

- Reserve Bank of India (RBI), India's central bank is the regulator for the Banking and Financial Services industry
- Has issued guidelines for adoption of Basel II by December 2006
- RBI approval is required for all foreign investment in this sector

- Foreign banks can do business in India either by setting up branches or through a wholly owned subsidiary, after approval by RBI
- Indian private banks can be 74% foreign owned, with a 5% cap on ownership by any one entity

## OUTLOOK

- Total banking assets are expected to double and grow to \$915 billion by 2010 - a CAGR of 15%
- \$70 billion additional equity needed for growth plus Basel II compliance
- Mutual Funds: Assets Under Management (AUM) are expected to grow by 15% till 2010
- Retail Finance is expected to grow at an annual rate of 18%, from \$27.6 billion in 2003-04 to \$64.2 billion by 2008-09

## POTENTIAL

- Several factors favour high growth:
- Demographic profile favours higher retail off take - 54% of the population is in the 15-35 years age group
- Capital expenditure by the Government and private industry is expected to grow at a high rate
- Economic growth of about 12% p.a. in nominal terms
- SME lending, a largely untapped market, presents a significant opportunity - SMEs account for 40% of the industrial output and 35% of direct exports

- Regulatory and technological enablers leading to high growth:
- The Banking system is technologically enabled with RTGS and cheque truncation in place
- Improved asset management practices - Gross NPAs to Advances ratio reduced from 24-25% in 1993 to 7-8% in 2004
- Investment opportunity across all segments in the Banking and Financial Services sector.

**TOP STOCK BROKERS IN INDIA:<sup>10</sup>**

ICICI SECURITIES LTD

KOTAK SECURITIES LTD

INDIABULLS FINANCIAL SERVICES LIMITED

INDIA INFOLINE LTD

IL&FS INVESTMART LTD

SSKI LTD

MOTILAL OSWAL SECURITIES

FORTIS SECURITIES (RELIGARE)

KARVY

GEOJIT SECURITIES

HDFC SECURITIES

## ***4. DATA ANALYSIS & INTERPRETATION***

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## CHAPTER 4

### 4. DATA ANALYSIS AND INTERPRETATION:

This chapter deals with analysis and interpretation of data collected through questionnaire.

#### 4.1. Profile of the respondents

Profile of the respondents in terms of the gender, marital status, age, educational qualification, occupational status and income level are discussed below.

##### 4.1.1. Gender of the respondents

The given table below indicates the gender of the respondents

**Table 4.1- Distribution of the respondents on the basis of gender**

Gender	No. of respondents	Percentage
Male	104	86.7
Female	16	13.3
Total	120	100

#### INTERPRETATION:

The above table shows that 86.7% of the respondents are male and 13.3% of the respondents are female.

#### INFERENCE:

The above table infers that the male respondents constitute 86.7% of the sample



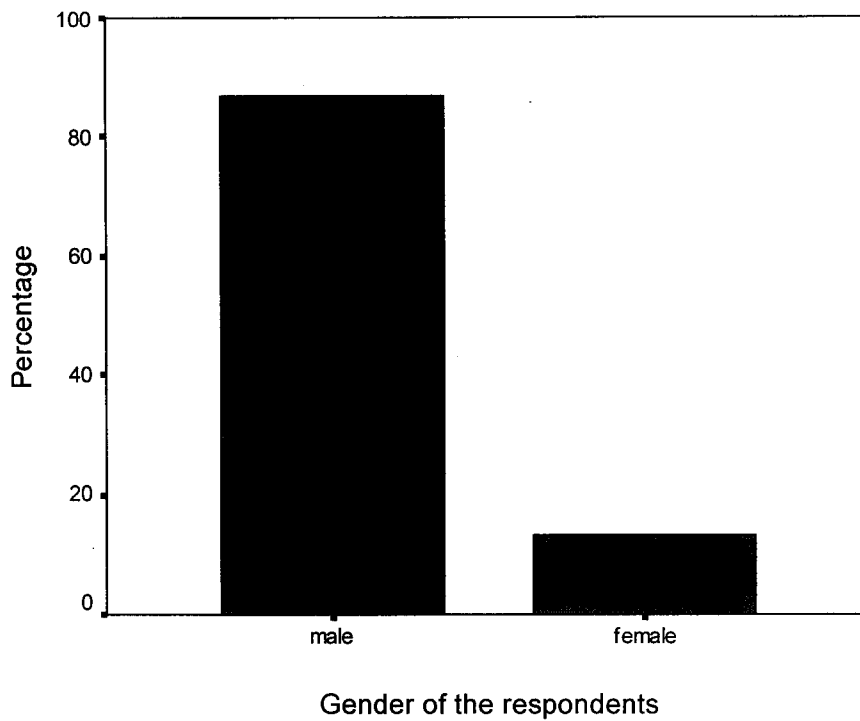


Figure 4.1- Distribution of respondents on the basis of gender

#### 4.1.2. Marital status of the respondents

The given table below indicates the marital status of the respondents

**Table 4.2-distribution of the respondents on the basis of marital status**

Marital status	No. of respondents	Percentage
Married	64	53.3
Unmarried	56	46.7
Total	120	100

#### INTERPRETATION:

From the above table it can be seen that most of the respondents i.e., 53.3% are married. Only 46.7% were unmarried.

#### INFERENCE:

The above table infers that half of the respondents i.e., 53.3% are married

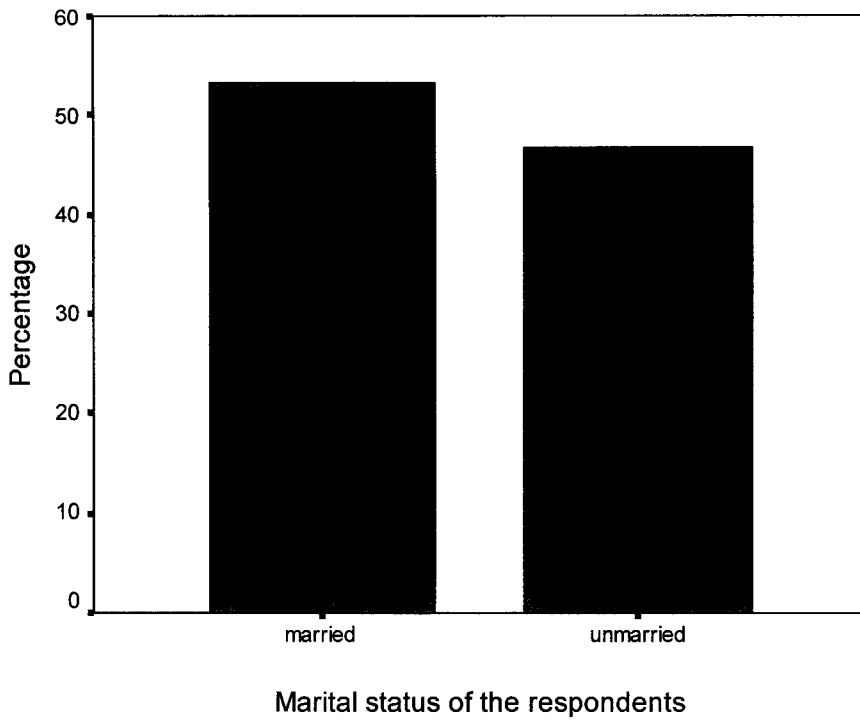


Figure 4.2- Distribution of respondents on the basis of marital status

### 4.1.3. Age of the respondents

The table below indicates the age of the respondents.

**Table 4.3 – Distribution of respondents on the basis of the age**

Age group	No. of respondents	Percentage
Below 25	60	50.0
26 to 35	26	21.7
36 to 45	14	11.7
46 to 55	16	13.3
56 and above	4	3.3
Total	120	100

#### INTERPRETATION:

From the above table it can be seen that most of the respondents i.e., 50.0% are below 26 age group and 21.7% of the respondents belong to the age group between 26 to 35. Only 13.3% of the respondents belong to the age group between 46 to 55 and 11.7% of the respondents belong to the age group between 36 to 45. The remaining 3.3 % belong to the age group between 56 and above.

#### INFERENCE:

Half of the respondents i.e., 50% belong to the age group below 26 years.

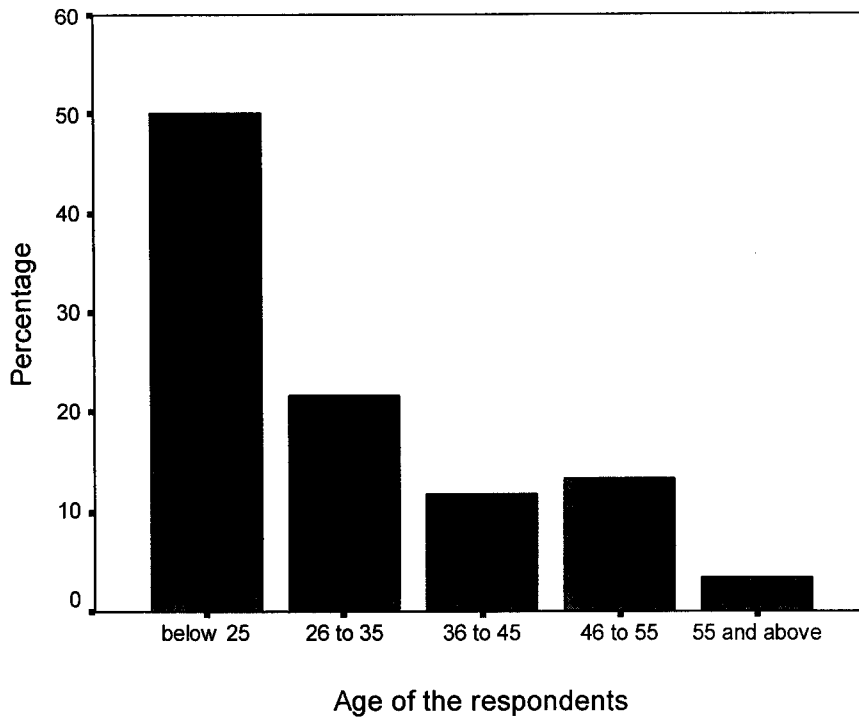


Figure 4.3- Distribution of respondents on the basis of age

#### 4.1.4. Educational qualification of the respondents.

The table below indicates the educational level of the respondents.

**Table 4.4 – Distribution of the respondents on the basis of the educational Qualification**

Educational level	No. of respondents	Percentage
No formal education	4	3.3
High School	8	6.7
HSC/Diploma	12	10.0
Under graduate	52	43.3
Post graduate	44	36.7
Total	120	100

#### INTERPRETATION:

The above table shows that 43.3% of the respondents are undergraduates, which is followed by postgraduates who constitute 36.7%. Only 10.0% of the respondents are HSC/Diploma level and 6.7% of the respondents have school level education. The remaining 3.3% of the respondents have no formal education.

#### INFERENCE:

The above table infers that most of the respondents i.e., 43.3% are undergraduates.

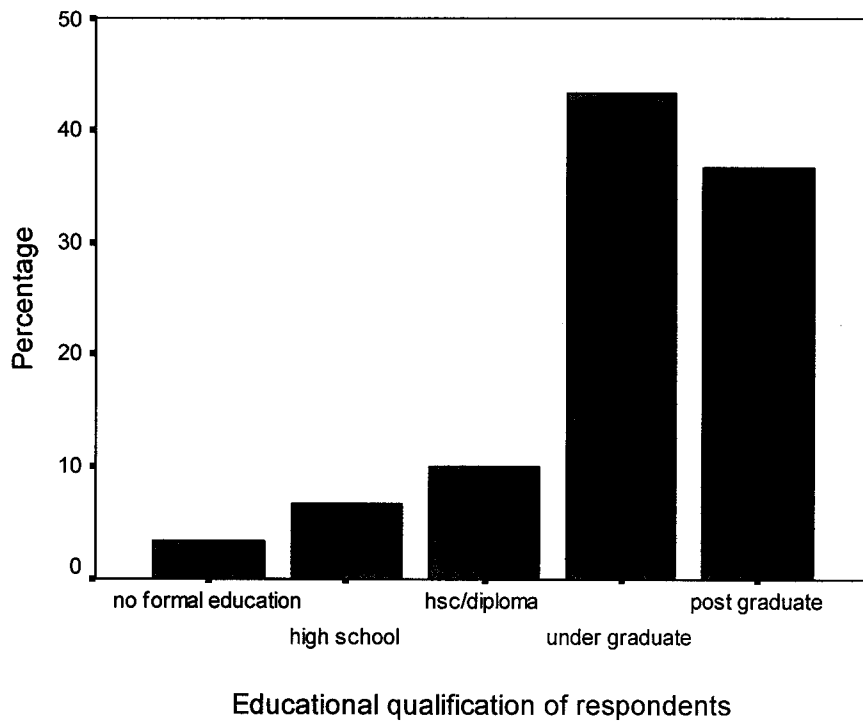


Figure 4.4- Distribution of respondents on the basis of educational qualification

#### 4.1.5. Occupational status of the respondents

The table below indicates the occupation of the respondents.

**Table 4.5-Distribution of the respondents on the basis of occupation**

Occupation	No. of respondents	Percentage
Professional	68	56.7
Self employed	8	6.7
Retired	4	3.3
Home maker	16	13.3
Students	24	20.0
Total	120	100

#### INTERPRETATION:

From the above table shows that majority of the respondents i.e., 56.7% are professionals and 20.0% of the respondents are students. Only 13.3% of the respondents are home maker and 6.7% of the respondents are self employed. The remaining 3.3% of the respondents are retired.

#### INFERENCE:

Majority of the respondents i.e., 56.7% are professionals by occupation.



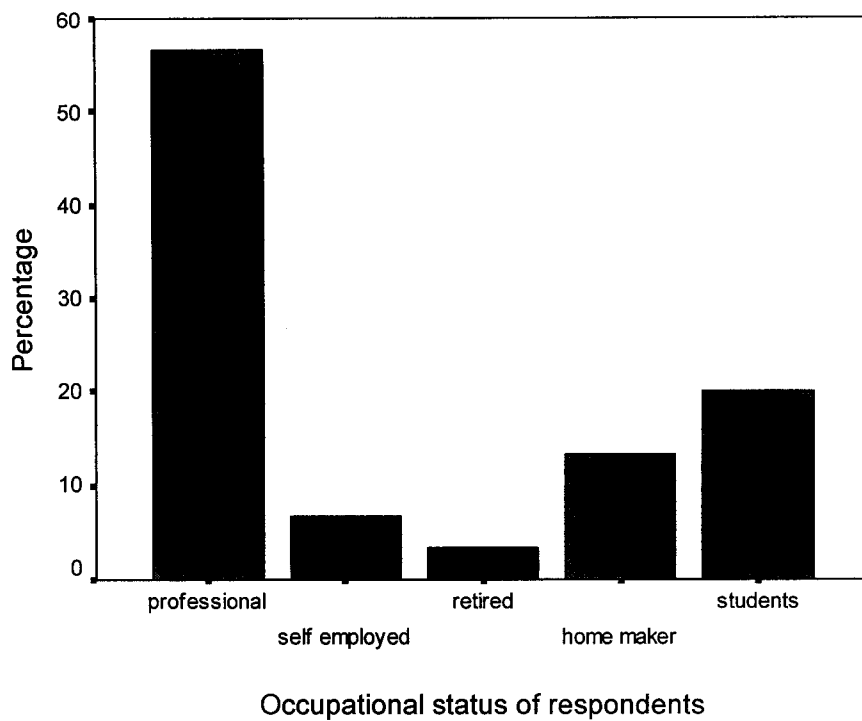


Figure 4.4 – Distribution of respondents on the basis of occupation

#### 4.1.6. Annual income of the respondents

The table below indicates the annual income of the respondents.

**Table 4.6 – Distribution of the respondents on the basis of the annual income**

Annual income (in Rs)	No. of respondents	Percentage
Less than 1,00,000	78	65
1,00,000 to 3,00,000	34	28.3
3,00,000 to 5,00,000	6	5.0
5,00,000 to 7,00,000	2	1.7
Above 7,00,000	0	0
Total	120	100

#### INTERPRETATION:

The above table shows that 65% of the respondents have income level less than 1,00,000 and 28.3% of the respondents have income level between 1,00,000 to 3,00,000. Only 5.0% of the respondents have income level between 3,00,000 to 5,00,000. The remaining 1.7% of the respondents have the income level between 5,00,000 to 7,00,000.

#### INFERENCE:

The above table infers that majority of the respondents i.e., 65% have their annual income less than 1,00,000 .

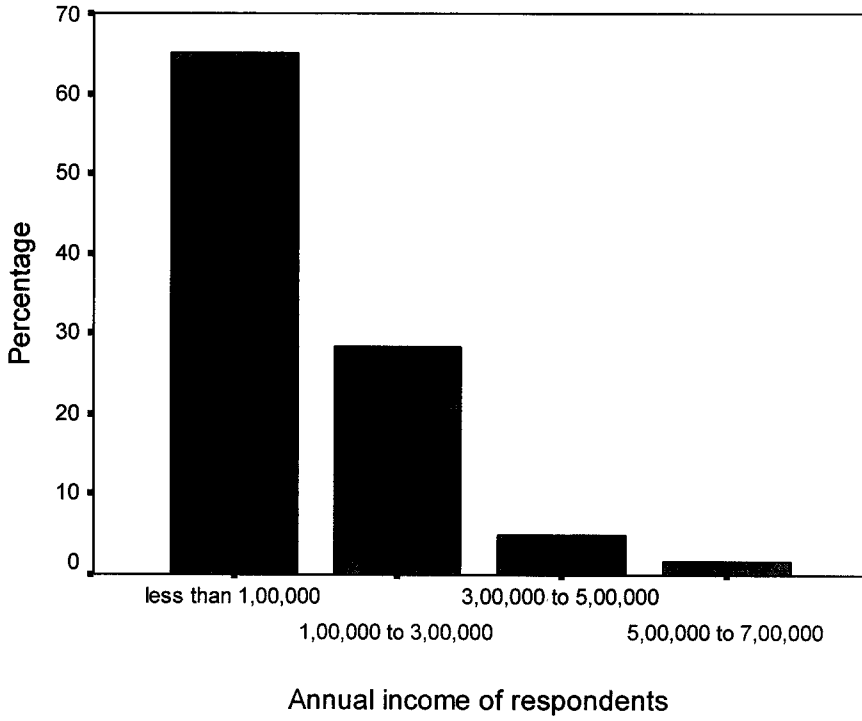


Figure 4.6 – Distribution of respondents on the basis of annual income

#### 4.1.7. Years in share Trading

The table below indicates the experience of the respondents in share trading

**Table 4.7-Distribution of respondents on the basis of years in share trading**

No. of years	No. of respondents	Percentage
Less than 1 year	76	63.3
1 to 3 years	36	30.0
3 to 5 years	4	3.3
5 to 7 years	4	3.3
7 and above	0	0
Total	120	100

#### INTERPRETATION:

The above table shows that 63.3% of the respondents have less than 1 year experience in share trading and 30.0% of the respondents have 1 to 3 years experience. Only 3.3% of the respondents have 3 to 5 years experience. The remaining 3.3% of the respondents have 5 to 7 years of experience.

#### INFERENCE:

The above table infers that majority of the respondents i.e., 63.3% have less than 1 year of experience in share trading.

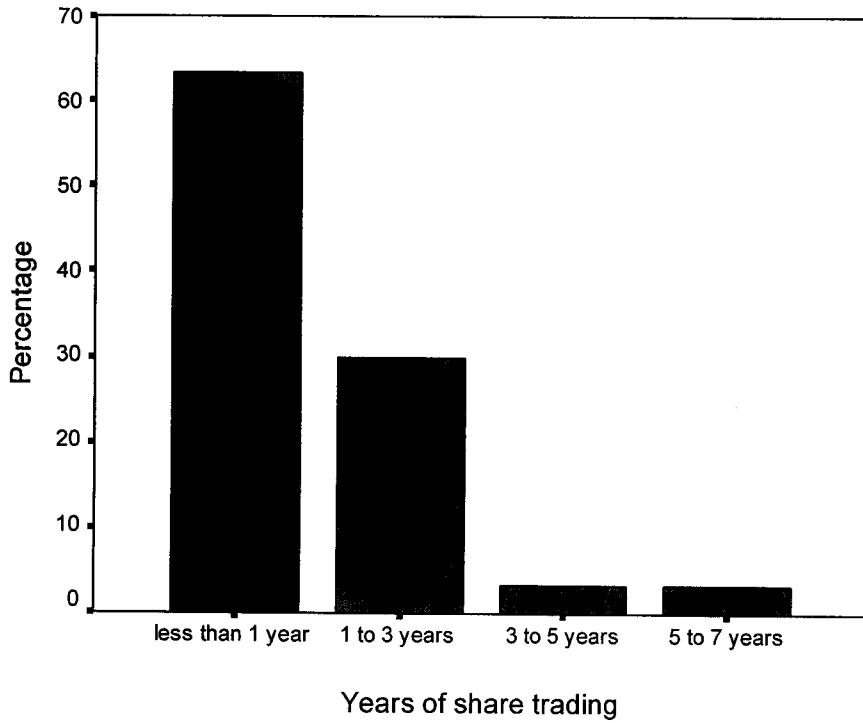


Figure 4.7 – Distribution of respondents on the basis of years in share trading

#### 4.1.8. Other Investments

The table below indicates the preference of respondents in other investments.

**Table4.8–Distribution of respondents on the basis of other investment**

Other investments	No. of respondents	Percentage
Deposits	12	10.0
Realty	16	13.3
Commodities	54	45.0
Insurance	34	28.3
Others	4	3.3
Total	120	100.0

#### INTERPRETATION:

The above table shows that 45.0% of the respondents prefer to invest in commodities and 28.3% of the respondents prefer to invest in insurance products. Only 13.3% of the respondents prefer to invest in the realty sector and 10.0% prefer to invest in deposits. The remaining 3.3% prefer to invest their money in other type of investment.

#### INFERENCE:

The above table infers that most of the respondents i.e., 45.0% prefer to invest in commodities.

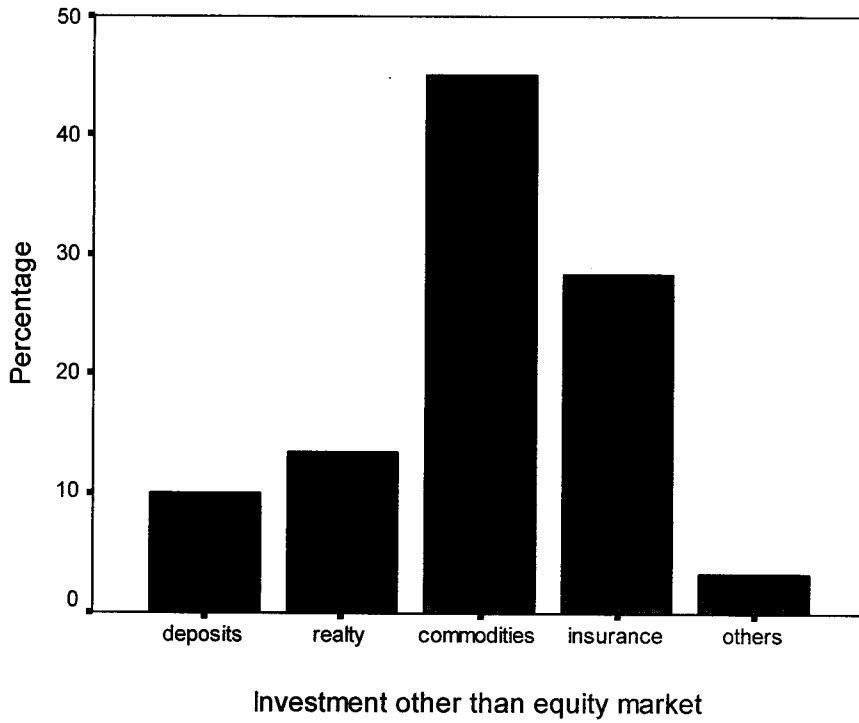


Figure 4.8 – Distribution of respondents on the basis of other investment

#### 4.2.1. Known period about India Infoline ltd

The table below indicates the known period about India Infoline ltd.

**Table4.9-Distribution of respondents on the basis of years known about India Infoline ltd**

No. of years	No. of respondents	Percentage
Less than 1 year	66	55.0
1 to 3 years	45	37.5
3 to 5 years	9	7.5
5 to 7 years	0	0
7 and above	0	0
Total	120	100

#### INTERPRETATION:

The above table shows that 55.0% of the respondents know India Infoline less than 1 year. Only 37.5% of the respondents know India Infoline for the past 1 to 3 years. The remaining 7.5% of the respondents know India Infoline for a period of 3 to 5 years.

#### INFERENCE:

The above table infers that half of the respondents i.e.,55% know India Infoline less than 1 year.



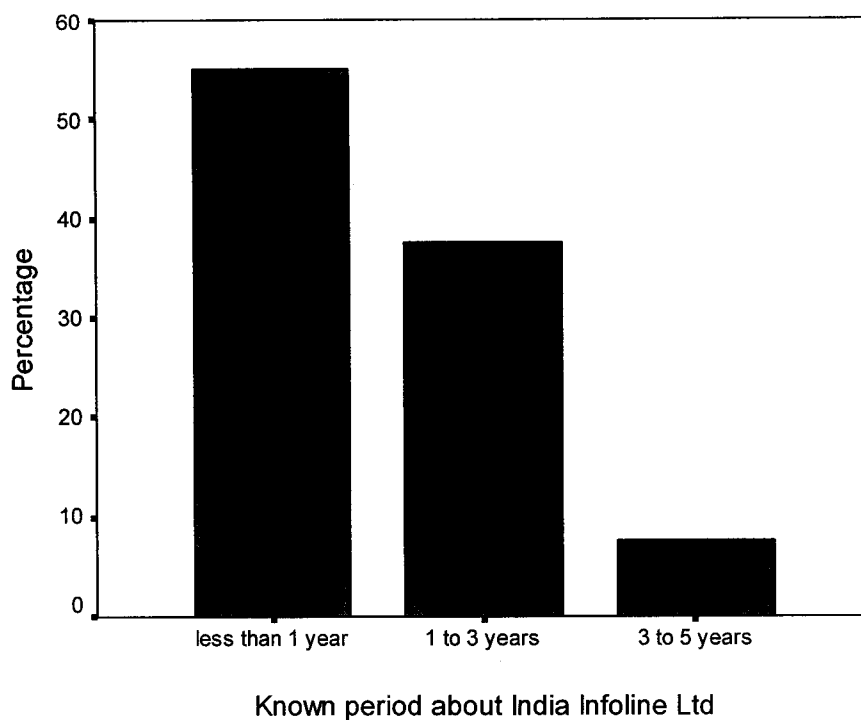


Figure 4.9 – Distribution of respondents on the basis of years known about India Infoline Ltd.

#### 4.2.2. Source of awareness

This table indicates the source of awareness regarding India Infoline Ltd

**Table 4.10–Source of awareness regarding India Infoline Ltd**

Sources	No. of respondents	Percentage
Friends	63	52.5
TV advertisement	7	5.8
Executives	46	38.3
Print media	4	3.3
Others	0	0
Total	120	100

#### INTERPRETATION:

The above table shows that 52.5% of the respondents came to know about India Infoline through their friends and 38.3% of the respondents from the executives of India Infoline Ltd. Only 5.8% of the respondents from TV advertisement. The remaining 3.3% of the respondents from print media.

#### INFERENCE:

The above table infers that half of the respondents i.e., 52.5 % are referred to India Infoline through their friends.

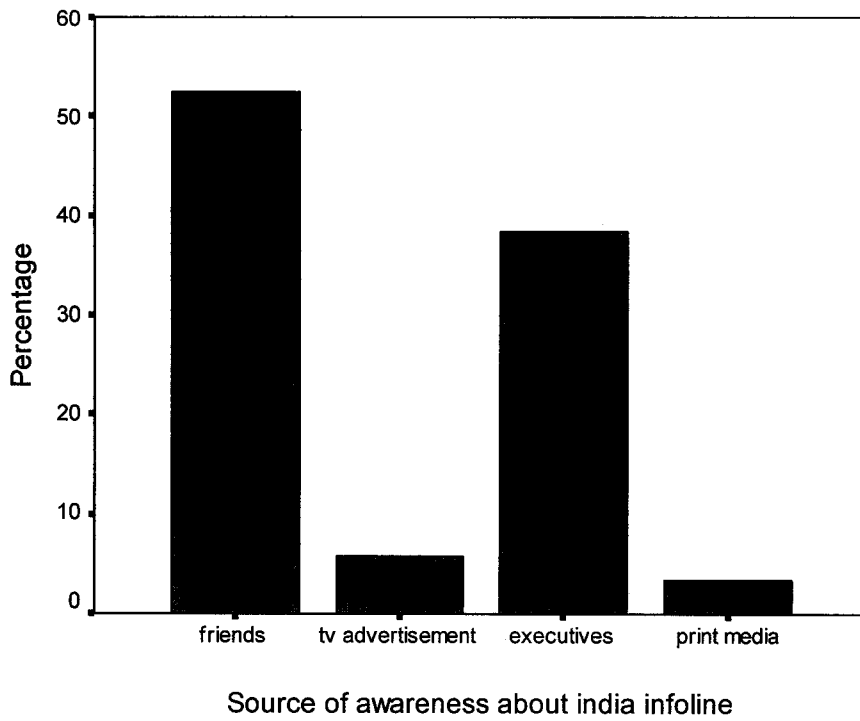


Figure 4.10 – Source of awareness regarding India Infoline Ltd

### 4.3.1. Investment proportion of the respondents

This table indicates the investment proportion of the respondents

**Table 4.11 – Distribution of respondents on the basis of investment proportion**

Investment proportion	No. of respondents	Percentage
Below 20%	68	56.7
20% to 40%	48	40.0
40% to 60%	4	3.3
60% to 80%	0	0
Above 80%	0	0
Total	120	100

#### INTERPRETATION:

The above table shows that 56.7% of the respondents invest below 20% of their income in share trading. Only 40.0% of the respondents invest between 20% to 40% of their income. The remaining 3.3% of the respondents invest between 40% to 60% of their income. None invest more than 60% of their income in share trading.

#### INFERENCE:

Majority of the respondents i.e., 96.7% invest less than 40% of their annual income.

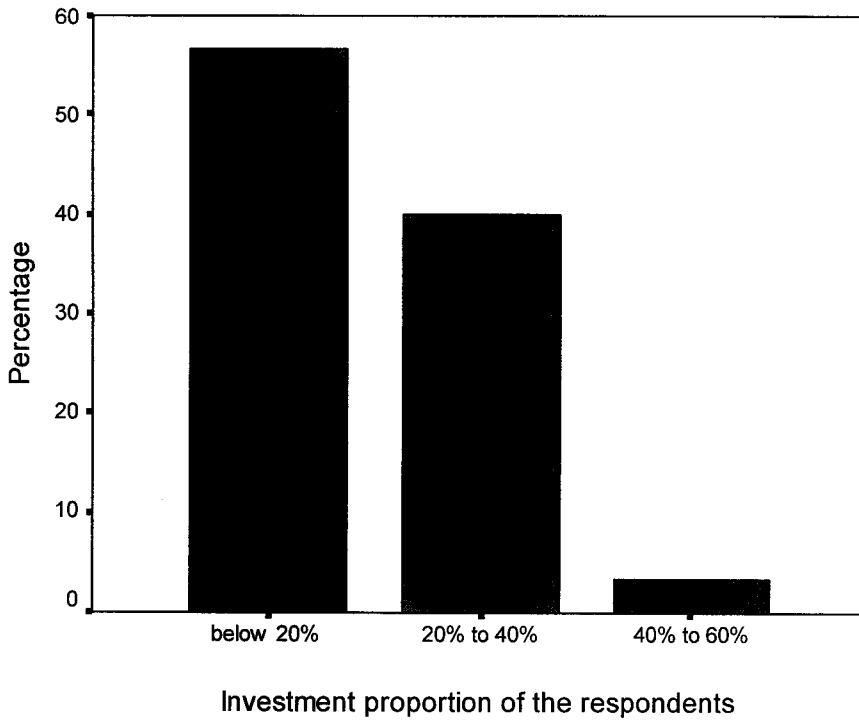


Figure 4.11 – Distribution of respondents on the basis of investment proportion

### 4.3.2. Size of the company preferred by investors

The table below indicates the size of the company preferred by the investors.

**Table 4.12. Size of the company preferred**

Size of the company	No. of respondents	Percentage
Large cap	34	28.3
Mid cap	70	58.3
Small cap	16	13.3
Total	120	100

#### INTERPRETATION:

From the above table it has been seen that 58.3% of the respondents prefer mid cap shares in trading and 28.3% of the respondents prefer large cap shares. The remaining 13.3% of the respondents prefer small cap shares.

#### INFERENCE:

More than half of the respondents i.e., 58.3% prefer mid cap stocks.

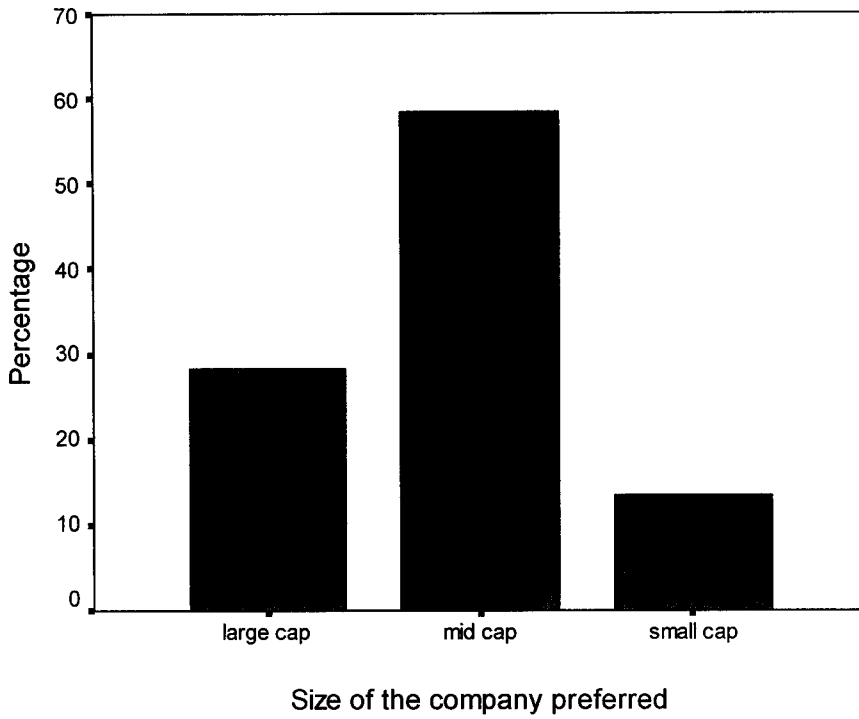


Figure 4.12 - Size of the company preferred by the respondents



P-2407

### 4.3.3. Type of investment

The table below indicates the type of investment by the investors.

**Table 4.13- Type of investment by the investors**

Type of investment	No. of respondents	Percentage
Intraday	32	26.7
Short term	50	41.6
Long term	38	31.7
Total	120	100

#### INTERPRETATION:

The above table shows that 41.6% of the respondents prefer short term investment in share. Only 31.7% of the respondents prefer long term and 26.7% of the respondents prefer intraday.

#### INFERENCE:

The above table infers that most of the respondents i.e., 41.6% prefer short term investment.



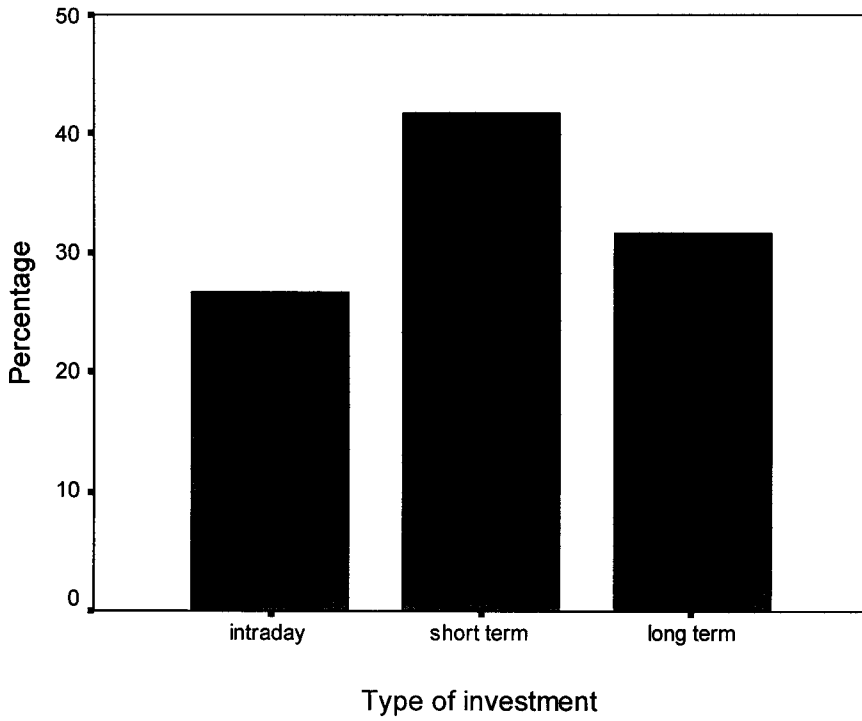


Figure 4.13- Type of investment by the investors

#### 4.4. Factors influencing decision making

The table below indicates the basis of decision making of investors

**Table4.14. Basis of decision making**

Factors	No. of respondents	Percentage
Broker suggestion	18	15.0
Friends/Relative suggestion	34	28.3
Company's performance	24	20.0
Market trend	40	33.3
Others	4	3.3
Total	120	100

#### INTERPRETATION:

From the above table it can be seen that 33.3% of the respondents are influenced by the market trend in their decision making and 28.3% of the respondents are influenced by friends/relative suggestion. Only 20.0% of the respondents are influenced by company performance and 15.0% of the respondents are influenced by broker suggestion. The remaining 3.3% of the respondents are influenced by other factors.

#### INFERENCE:

The above table infers that one third of the respondents i.e., 33.3% decisions are influenced by market trend.

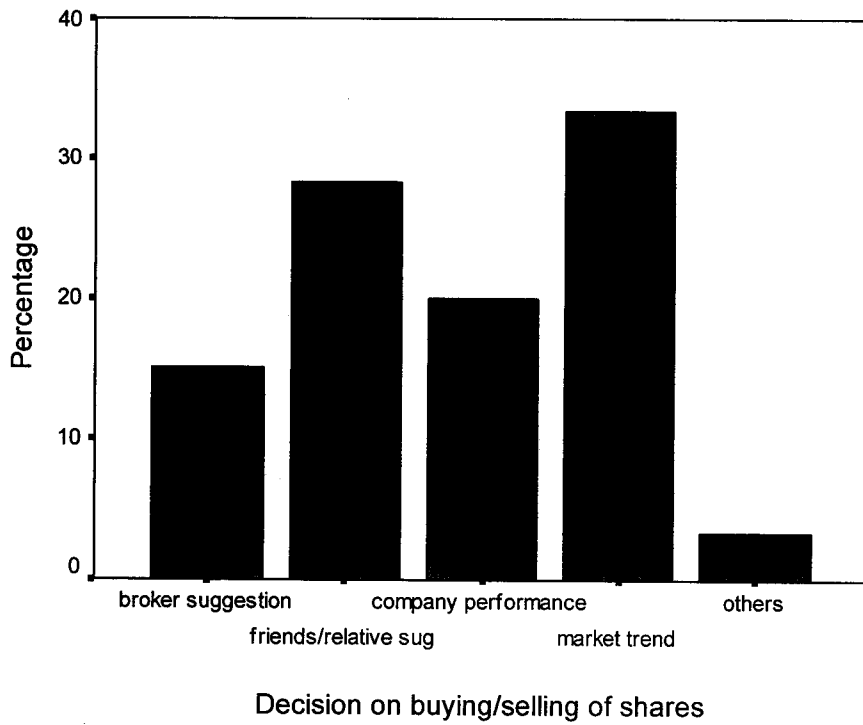


Figure 4.14. - Basis of decision making

#### 4.5. Level of Satisfaction on India Infoline services

**Table 4.15-Satisfaction level of respondents**

Factors	Percentage					Mean Value	Rank
	HS	S	N	D	HD		
Demat charges	10.0	80.0	10.0	0	0	2.000	1
Commission Charges	0	83.3	16.7	0	0	2.166	3
BTST	0	68.3	31.7	0	0	2.316	5
Trading software	6.7	16.7	53.3	20.0	3.3	2.966	6
Trading Advice	6.7	23.3	23.3	26.7	20.0	3.300	7
Services from Executives	16.7	55.0	21.6	6.7	0	2.183	4
Other services(MF, Insurance, etc)	16.7	53.3	30.0	0	0	2.133	2

HS – Highly Satisfied, S – Satisfied, N – Neutral, D – Dissatisfied, HD – Highly Dissatisfied.

#### INFERENCE:

The above table infers that satisfaction on Demat charges, Other services (MF, insurance, etc), Commission charges, Services from executives, BTST are high when compared with Trading software, Trading advice.

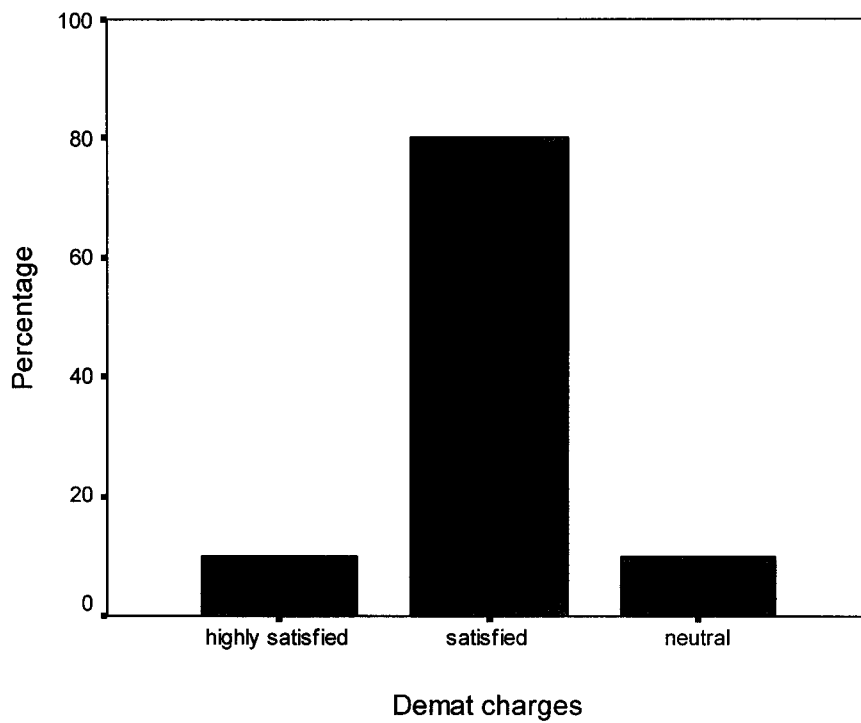


Figure 4.15 – Level of satisfaction on demat charges

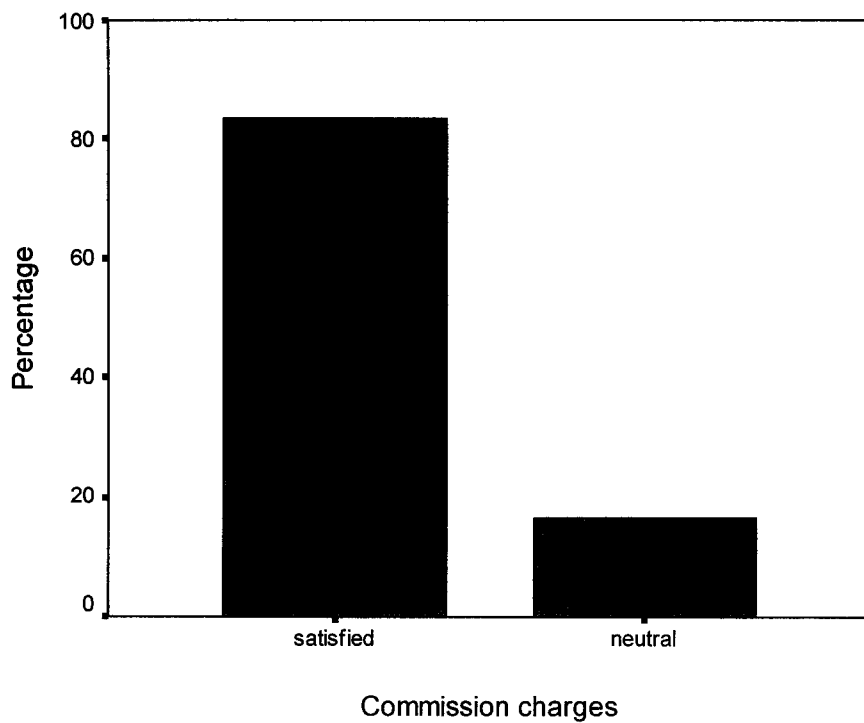


Figure 4.16 – Level of satisfaction on commission charges

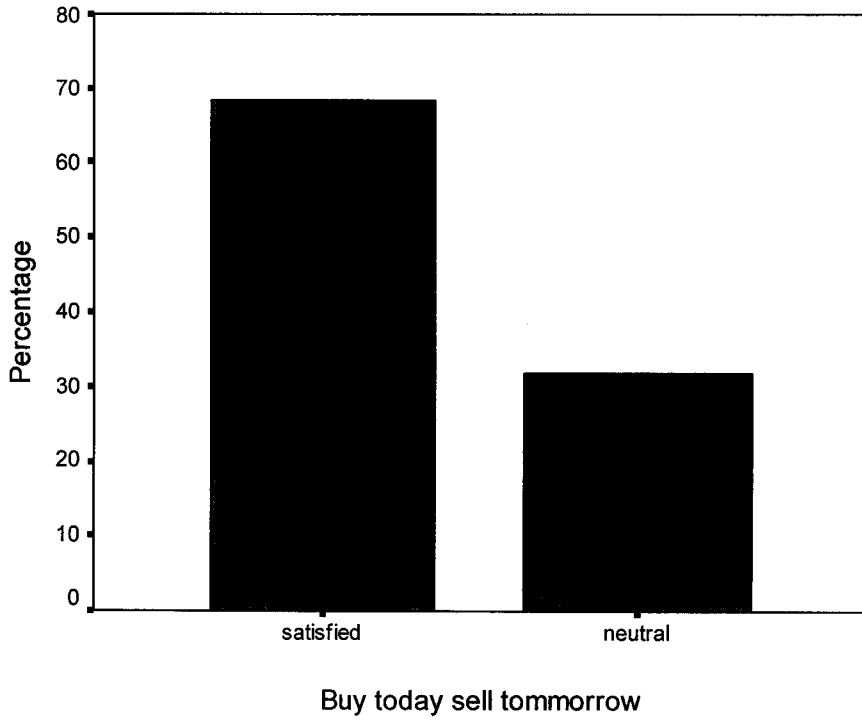


Figure 4.17 – Level of satisfaction on buy today sell tomorrow

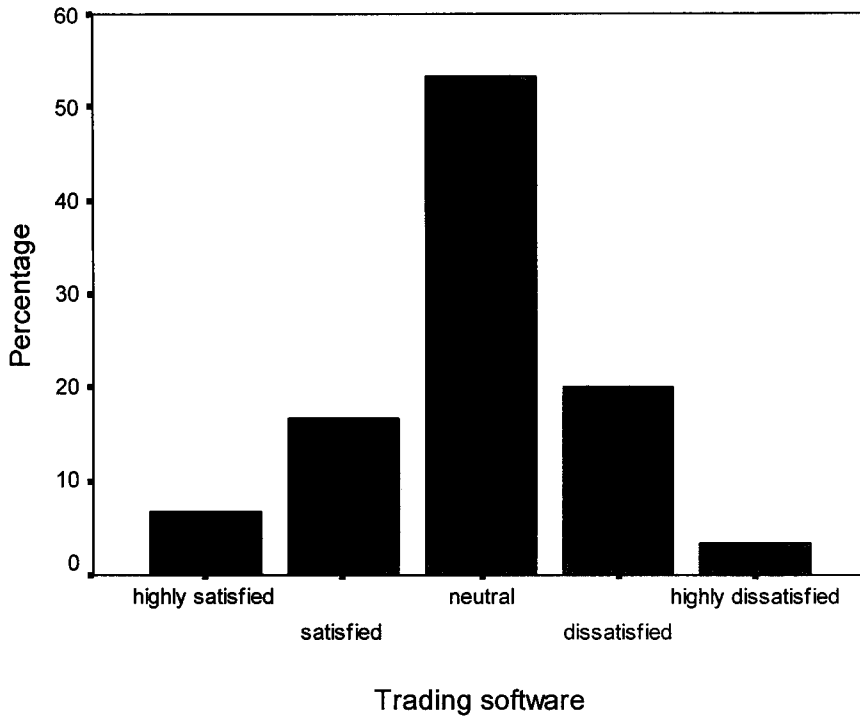


Figure 4.18 – Level of satisfaction on trading software



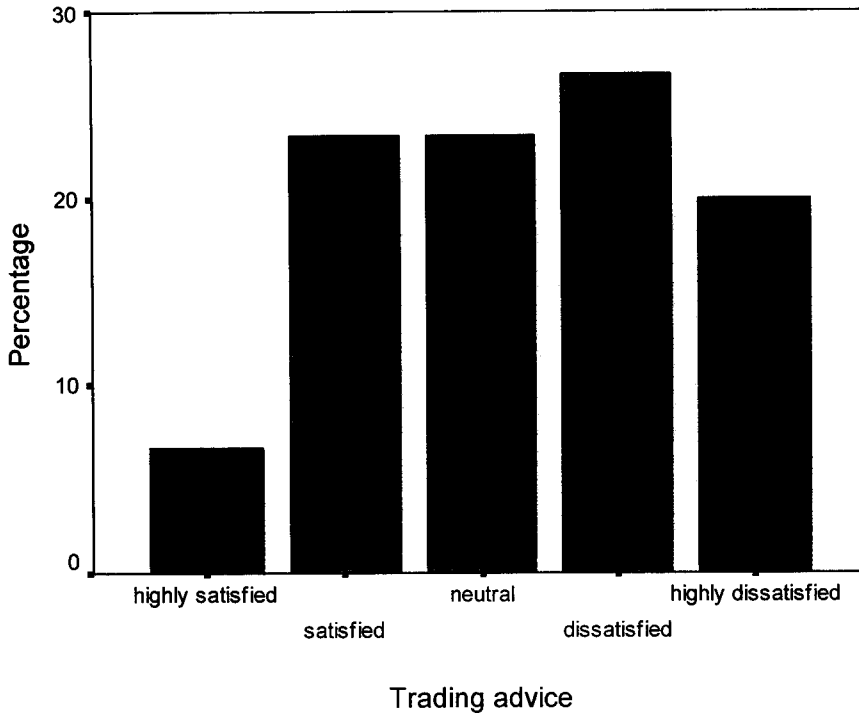


Figure 4.19 – Level of satisfaction on trading advice

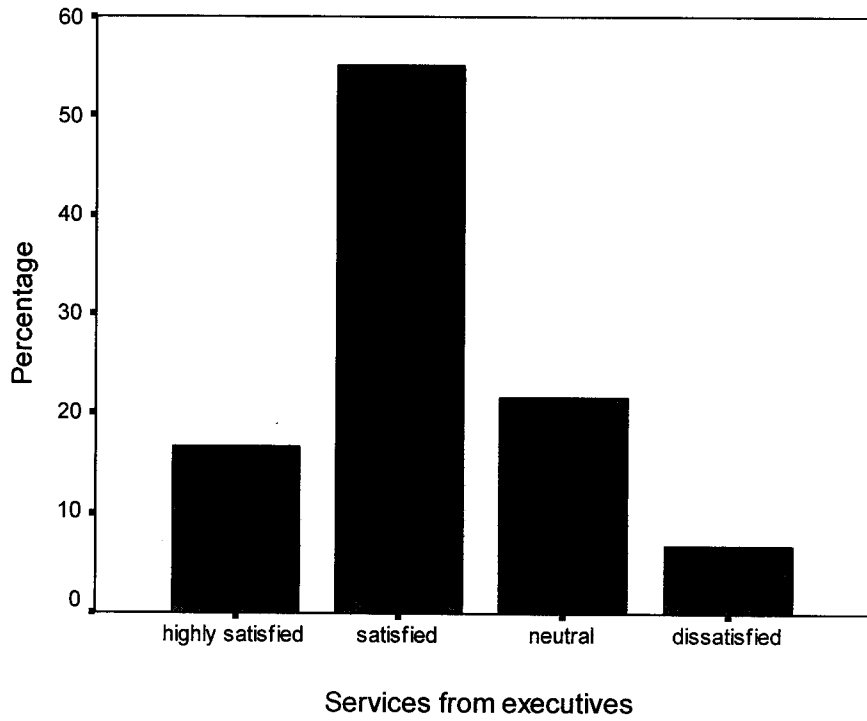


Figure 4.20 – Level of satisfaction on services from executives

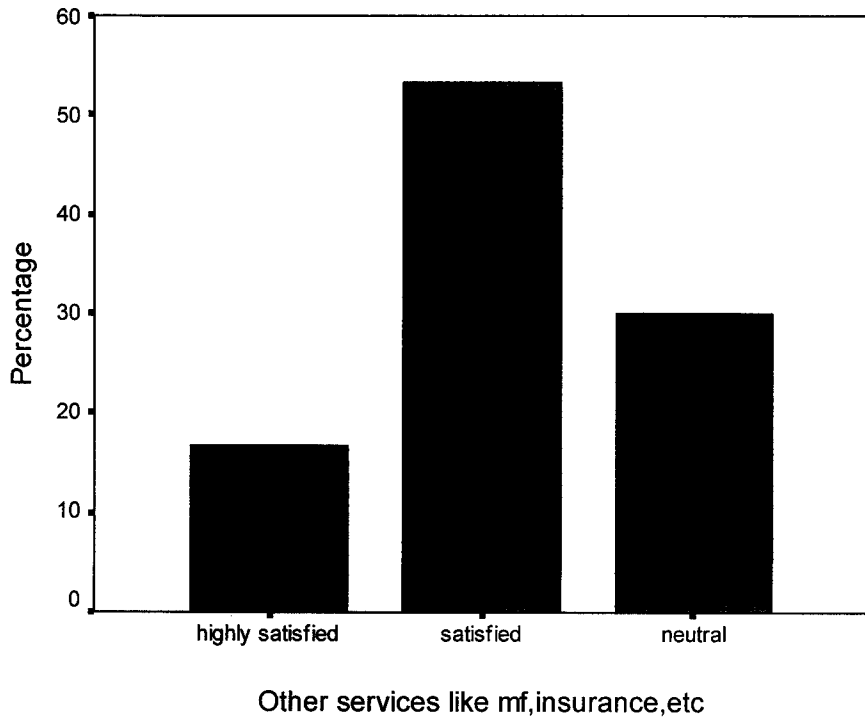


Figure 4.21 – Level of satisfaction on other services like MF, Insurance, etc.

#### 4.6. The influence of demographic variables on the level of satisfaction

In order to understand the influence of demographic variables on the level of satisfaction of India Infoline customers, the chi - square test is performed at 5% significant level. The demographic variables selected are gender, age, occupation, education and income of the respondents. The findings are presented below.

Null hypothesis (Ho): The demographic variable gender does not have a significant influence on the satisfaction level of India Infoline customers.

Alternative hypothesis (H<sub>1</sub>): The demographic variable gender have a significant influence on the satisfaction level of India Infoline customers.

**Table4.16- Influence of demographic variable gender on the level of satisfaction**

Factors	Gender	
	X <sup>2</sup>	P value
Demat charges	4.615	0.099
Commission Charges	3.692	0.055
BTST	8.111	0.004
Trading software	6.779	0.148
Trading Advice	9.560	0.049
Services from Executives	19.543	0.000
Other services (MF, Insurance, etc )	43.077	0.000

#### INFERENCE:

From the above table it can be inferred that the demographic variable gender have a significant influence on the services offered except Demat charges, Commission charges, Trading software.

Null hypothesis (H<sub>0</sub>): The demographic variable age does not have a significant influence on the satisfaction level of India Infoline customers.

Alternative hypothesis (H<sub>1</sub>): The demographic variable age have a significant influence on the satisfaction level of India Infoline customers.

**Table4.17-Influence of demographic variable age on the level of satisfaction**

Factors	Age	
	X <sup>2</sup>	P value
Demat charges	19.923	0.011
Commission Charges	11.003	0.027
BTST	40.182	0.000
Trading software	39.004	0.001
Trading Advice	69.198	0.000
Services from Executives	52.639	0.000
Other services (MF, Insurance, etc)	62.369	0.000

**INFERENCE:**

From the above table it can be inferred that the values are within expected count, we accept the alternative hypothesis and conclude that the demographic variable age have a significant influence on the level of satisfaction.

Null hypothesis (H<sub>0</sub>): The demographic variable education does not have a significant influence on the satisfaction level of India Infoline customers.

Alternative hypothesis (H<sub>1</sub>): The demographic variable education have a significant influence on the satisfaction level of India Infoline customers.

**Table4.18-Influence of demographic variable education on the level of satisfaction**

Factors	Education	
	X <sup>2</sup>	P value
Demat charges	14.056	0.080
Commission Charges	6.411	0.170
BTST	8.690	0.069
Trading software	66.142	0.000
Trading Advice	39.873	0.001
Services from Executives	27.263	0.007
Other services (MF, Insurance, etc)	37.855	0.000

**INFERENCE:**

From the above table it can be inferred that the demographic variable education have a significant influence on the services offered except Commission charges, BTST.

Null hypothesis (H<sub>0</sub>): The demographic variable occupation does not have a significant influence on the satisfaction level of India Infoline customers.

Alternative hypothesis (H<sub>1</sub>): The demographic variable occupation have a significant influence on the satisfaction level of India Infoline customers.

**Table4.19-Influence of demographic variable occupation on the level of satisfaction**

Factors	Occupation	
	X <sup>2</sup>	P value
Demat charges	23.578	0.003
Commission Charges	10.447	0.034
BTST	12.781	0.012
Trading software	44.272	0.000
Trading Advice	38.627	0.001
Services from Executives	77.614	0.000
Other services (MF, Insurance, etc)	76.515	0.000

**INFERENCE:**

From the above table it can be inferred that the values are within the expected count, we accept the alternative hypothesis and conclude that the demographic variable occupation have a significant influence on the level of satisfaction.

Null hypothesis (H<sub>0</sub>): The demographic variable income does not have a significant influence on the satisfaction level of India Infoline customers.

Alternative hypothesis (H<sub>1</sub>): The demographic variable income have a significant influence on the satisfaction level of India Infoline customers.

**Table4.20-Influence of demographic variable income on the level of satisfaction**

Factors	Income	
	X <sup>2</sup>	P value
Demat charges	20.023	0.003
Commission Charges	4.322	0.229
BTST	12.128	0.007
Trading software	43.676	0.000
Trading Advice	22.494	0.032
Services from Executives	9.866	0.361
Other services (MF, Insurance, etc)	30.231	0.000

**INFERENCE:**

From the above table it can be inferred that the demographic variable income have a significant influence on the services offered except Commission charges, Services from executives.



## ***5. CONCLUSION***

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## **CHAPTER – 5 CONCLUSION**

### **5.1 RESULTS AND DISCUSSION:**

This chapter deals with the findings and suggestions.

#### **5.1.1 Factors influencing decision making**

- Most of the respondents consider market trend before buying/selling of shares i.e., 33.3%

#### **5.1.2 Satisfaction level of the respondents**

- Most of the respondents are satisfied with the Demat charges, other services (like mutual fund, insurance, etc), commission charges, services from executives, BTST facility while trading software, trading advice have low satisfaction level.

#### **5.2.1 Profile of the respondents**

The following findings are derived from the profile of the respondents

- Majority of the respondents are male i.e., 86.7%
- Majority of the respondents are married i.e., 53.3%
- Most of the respondents belong to the age group of below 26 i.e., 50.0%
- Most of the respondents are undergraduates i.e., 43.3%
- Majority of the respondents are professional i.e., 56.7%
- Majority of respondents belong to the income level less than 1, 00,000 i.e. 65%
- Majority of the respondents have less than 1 year experience in share trading i.e., 63.3%
- Most of the respondents prefer to invest in commodities other than share trading i.e., 45.0%

#### **5.2.2 Source of awareness**

- Most of the respondents who joined India Infoline ltd are within one year i.e., 55%
- Most of the respondents came to know India Infoline through their friends i.e., 52.5%

### **5.2.3 Investment proportion**

- Most of the respondents invest below 20% of their income in share market i.e., 56.7%
- Most of the respondents prefer to invest in the mid cap shares i.e., 58.3%
- Most of the respondents prefer short term investment in shares i.e., 41.6%

### **5.2.4 Influence of demographic variables on the level of satisfaction**

- Demographic variables such as age, gender, education, income, occupation has influence on the level of satisfaction of the customers with respect to Demat charges, Commission charges, BTST facility, Trading software, Trading advice, Services from executives.

## 5.2. CONSIDERED RECOMMENDATIONS:

The following recommendations emanates from the study.

1. Majority of the respondents are male professionals with income less than Rs.1,00,000. While framing the strategies to maintain the market share from these customers, the marketing department should also frame strategies to attract high income customers and experienced traders.
2. The finding shows that word of mouth has a strong impact on selecting a service offered by a company. The TV advertisements and print media should be used more to attract the customers.
3. The findings of the study show that the respondents are satisfied with the services offered from India Infoline ltd except the trading software and trading advice (suggestions). So, the management should give more importance to these services to enhance the satisfaction level not only to maintain customers but also to attract more customers.
4. The findings of the study has highlighted that the demographic variables viz., age, gender, education, occupation and income has a significant influence on various factor leading to the choice of India Infoline ltd for share trading. These findings can be utilized by the marketing strategists in designing the strategies to reframe and enhance.

**CONCLUSION:**

Financial services sector in India is one of the fastest growing sectors. Awareness of stock market among the people is increasing day by day. So it is essential to know about the stock brokerages operating in our country and their services offered. Against this, study has been conducted for India Infoline limited. This study identifies the source of awareness (about India Infoline ltd), shareholders investment proportion in stock market, factors influencing investors decision on buying/selling of shares

Further the study attempted to determine the satisfaction level on India Infoline limited and the influence of demographic variables on the level of satisfaction. The investors have a good perception about the organization and are found satisfied with the services provided. However, the recommendations made can be implemented for further growth.

## ***APPENDIX***

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**APPENDIX**  
**QUESTIONNAIRE**

**1. Name:**

**2. Place:**

**3. Gender:**

**a) Male      b) Female**

**4. Marital Status:**

**a) Married      b) Unmarried**

**5. Age in years:**

**a) Below 25      b) 26 to 35      c) 36 to 45      d) 46 to 55      e) 55 and above**

**6. Educational qualification:**

<b>a) No formal education</b>	<b>b) High school</b>
<b>c) Higher secondary / diploma</b>	<b>d) Under graduate</b>
<b>e) Post graduate</b>	

**7. Occupational status:**

<b>a) Professional</b>	<b>b) Self-employed</b>
<b>c) Retired</b>	<b>d) Home maker</b>
<b>e) Students</b>	

**8. Annual Income in rupees:**

<b>a) Less than 1, 00,000</b>	<b>b) 1, 00,000 to 3, 00,000</b>
<b>c) 3, 00,000 to 5, 00,000</b>	<b>d) 5, 00,000 to 7, 00,000</b>
<b>e) Above 7, 00,000</b>	

**9. How long you have been investing in Equity market?**

<b>a) Less than 1 year</b>	<b>b) 1 to 3 years</b>
<b>c) 3 to 5 years</b>	<b>d) 5 and 7 years</b>
<b>e) 7 and above</b>	

**10. Other than stock trading, which would you prefer to invest?**

- |                           |              |
|---------------------------|--------------|
| a) Deposits               | b) Realty    |
| c) Commodities            | d) Insurance |
| e) Others (specify) ----- |              |

**11. Investment proportion of your income?**

- |              |               |
|--------------|---------------|
| a) Below 20% | b) 20% to 40% |
| c) 40%to60%  | d) 60% to 80% |
| e) Above 80% |               |

**12. How did you come to know about India Infoline Ltd?**

- |                           |                      |
|---------------------------|----------------------|
| a) Friends                | b) TV Advertisements |
| c) Executives             | d) Print media       |
| e) Others (specify) ----- |                      |

**13. How long did you know about India Infoline ltd?**

- |                     |                  |
|---------------------|------------------|
| a) Less than 1 year | b) 1 to 3 years  |
| c) 3 to 5 years     | d) 5 and 7 years |
| e) 7 and above      |                  |

**14. In which size of the company will you prefer to invest?**

- |              |            |              |
|--------------|------------|--------------|
| a) Large cap | b) Mid cap | c) Small cap |
|--------------|------------|--------------|

**15. What would be the type of investment you prefer?**

- |             |               |              |
|-------------|---------------|--------------|
| a) Intraday | b) short term | c) long term |
|-------------|---------------|--------------|

**16. On what basis will you make decision on buying / selling of shares?**

- |                           |                                |
|---------------------------|--------------------------------|
| a) Broker suggestion      | b) Friends/relative suggestion |
| c) Company's performance  | d) Market trend                |
| e) Others (specify) ----- |                                |



17. Please tick the following

	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Demat charges(Rs.555)					
Commission charges					
BTST					
Trading software (ODIN,TT,IT)					
Trading advice (Tips)					
Services from executives					
Other services like MF,Insurance					

18. Would you recommend India Infoline Ltd for others?

a) Yes

b) No

19. Give your valuable comments to enhance services that would help you for better trade

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