A STUDY ON INVESTORS PERCEPTION TOWARDS VARIOUS INVESTMENT PRODUCTS/SERVICES PROVIDED BY INTEGRATED ENTERPRISES (INDIA) LIMITED, CHENNAI.

A PROJECT REPORT
submitted by

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In partial fulfillment of the requirements
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of

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KCT Business School
Department of Management Studies
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TO WHOM EVER IT MAY CONCERN

This is to certify that **Mr. G.Narendran** a student of KCT Business School, Kumaraguru College of Technology, Coimbatore, has done a project in the title **"A STUDY ON INVESTORS PERCEPTION TOWARDS VARIOUS INVESTMENT PRODUCTS/SERVICES PROVIDED BY INTEGRATED ENTERPRISES (INDIA) LIMITED, CHENNAI."** at Integrated Enterprises (India) Limited, Chennai-600017 from 09.02.2009 to 17.04.2009

For Integrated Enterprises (India) limited

Area manager

Bonafide Certificate
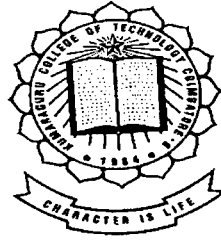
KCT BUSINESS SCHOOL
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Certified that this project titled **"A STUDY ON INVESTORS PERCEPTION TOWARDS VARIOUS INVESTMENT PRODUCTS/SERVICES PROVIDED BY INTEGRATED ENTERPRISES (INDIA) LIMITED, CHENNAI"** is the bonafide work of **Mr. G.NARENDRAN** who carried out this project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not from 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.

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Director

Evaluated and viva-voce conducted on .... 05/05/09 ....

Examiner I

Examiner II

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Abstract

ABSTRACT

The project deals with a study on investors perception towards investment options offered by Integrated Enterprise (India) Ltd. In this project the questionnaire is prepared which contains a set of questions and conducted survey with the investors of Integrated Enterprise (India) Ltd. 130 people were consulted through questionnaire. The study covers a period of two months from february '09 to april '09.

The research contains a set of questions based on the objectives and is used to check the validity of the objectives with the help of different statistical tools. Some of the tools that are used in this project are Chi-square analysis and Percentage analysis.

The type of research used in this project is descriptive research. The objective of descriptive research is to find the investors perception towards investment options offered by Integrated Enterprise (India) Ltd.

Necessary information has been collected in the form of questionnaire from the investors. And the study has been done to know the investors perception towards investment options. It is concluded that through this study the company can able to understand themselves. Through satisfying the customers the company gets heights. The company has to consider the findings and recommendation to foster its growth.

Introduction

CHAPTER-1

INTRODUCTION

1.1. CHANGING PHASE OF INDIAN CAPITAL MARKET

Indian capital market has undergone a sea change in terms of operations, growth, trading practices, structure, size and systems of market. Institutionalization of broking activities, modernization and automation of stock exchanges, entry of foreign institutional investors, setting up of the national Stock exchanges, its expansion throughout the country and establishment of national clearing corporations are the unforgettable developments of capital market.

SEBI's endeavors to make the Indian capital market further efficient, effective, transparent and investor friendly lead to the introduction of third segment, futures and options in addition to the equity and wholesale debt market segments. NSE had even solicited the initial deposit from the potential members of the exchange for membership of futures and option trading.

With the launch of index futures in June2000 as the first derivative product, SEBI expanded the portfolio by quickly adding index options, individual stock options and individual stock futures. The growth of this market is quite significant with these products in place. Indian capital market is at par with any other capital market across the globe.

1.2 SECURITIES AND EXCHANGE BOARD OF INDIA

With the objective of improving market efficiency, enhancing transparency, checking unfair trade practices and bringing the India market up to international standards, a package of reforms consisting of measure to liberalize, regulate and develop the securities market was introduced during 1990s. This has changed corporate securities market beyond recognition in this decade. The practice of allocation of resources among different competing entities and its terms by a central authority was discontinued. The secondary market over comes the geographical barriers by moving to screen-based trading. Trades enjoy counterparty guarantee. Physical security certificates have almost disappeared.

1.3 NATIONAL STOCK EXCHANGE

The secondary market enables participants who hold securities to adjust their holdings in response to changes in their assessment of risk and return. They also sell securities for cash to meet their liquidity needs. The exchanges do not provide facility for spot trades in a strict sense. Closest to spot market is the cash market in exchanges where settlement takes place after some time. Trades taking place over a trading cycle (one day under rolling settlement) are settled together after a certain time. All the 23 stock exchanges in the country provide facilities for trading of corporate securities. Trades executed on NSE only are cleared and settled by a clearing corporation which provides novation and settlement guarantee. Nearly 100% of the trades in capital market segment are settled through demat delivery.

NSE also provides a formal trading platform for trading of a wide range of debt securities including government securities in both retail and wholesale mode. NSE also provides trading in derivatives of equities, interest rate as well indices. In derivatives market (F&O market segment of NSE), standardized contracts are traded for future settlement. Two exchanges, namely NSE and the Stock Exchange, Mumbai (BSE) provide trading of derivatives of securities.

1.4 STOCK BROKERS

1.4.1 MEANING/DEFINITION

A Stock broker means a member of recognized stock exchange who is an intermediary who arranges to buy and sell securities on behalf of the clients (the buyer and the seller).

1.4.2 REGULATION FOR BEING A STOCK BROKER

A Stock broker applies for registration to SEBI through a stock exchange or stock exchanges of which he or she is admitted as a member. SEBI may grant a certificate to a stock-broker rule, subject to the condition that:

a) he holds the membership of any stock exchange

b) He shall abide by the rules, regulations and bye-laws of the stock exchange or stock exchanges of which he is a member.

c) In case of any change in the status and constitution, he shall obtain prior permission of SEBI to continue to buy, sell or deal in securities in any stock exchange.

d) He shall pay the amount of fees for registration in the prescribed manner; and

e) He shall take adequate steps for redressal of grievances of the investors within one month of the date of the receipt of the complaint and keep SEBI informed about the number, nature and other particulars of the complaints.

1.4.3 BUSINESS OF A BROKER

A Brokers business with client includes the following:

- Know your client
- Unique client code
- Margins from the clients
- Execution of orders
- Accumulation of orders
- Contract note
- Payment/delivery of securities to the clients
- Brokerage
- Segregation of bank accounts

1.4.3.1 BROKERAGE

The maximum brokerage chargeable by trading member in respect of trades effected in the securities admitted to the dealing on the trading member segment of the exchange is fixed at 2.5% of the contract price, exclusive of statutory levies like, SEBI turnover fee, service tax and duty.

1.5 ABOUT THE COMPANY

With service excellence always at the fore, Integrated Enterprises is one of India's market-leading financial solutions providers serving over 6 lakh investor families. It commenced operations in 1974, when there were very few companies to offer the services that it covered. Now, with a strong presence of 121 branches all over the country and a comprehensive suite of products and services, it takes care of the needs of the investor community as a whole. State-of-the-Art infrastructure is being used to provide effective service to the clients. It has highly competent workforce with professional knowledge and expertise. It is a largest Depository Participant in India with a strong customer base of more than 2 lakh demat account holders.

1.5.1 COMPANY PRODUCTS

Integrated offers several products such as

- Demat services
- e-TDS/TCS returns
- Mutual funds
- Corporate services
- Insurance
- Secondary market
- Investments
- Tax related services
- Fixed deposits with banks

1.6 THEORETICAL ASPECTS AND REVIEW OF RELATED STUDIES

1.6.1 INVESTMENT

Investing in various types of asset is an interesting activity that attracts people from all walks of life irrespective of their occupation, economic status, education and family background. When a person has more money than he requires for current consumption, he would be coined as a potential investor. The investor who is having extra cash could invest in securities or in any other assets like gold or real estate or could simply deposit it in his bank account. The companies that have an extra income may like to invest their money in the extension of the existing firm or undertake new venture.

1.6.2 CLASSIFICATION OF ASSETS

There are two types of assets in which investor can invest in. They are

- **Physical assets** like real estate, gold/jewellery, commodities etc.

- **Financial assets** such as fixed deposits with banks, small saving Instruments with post offices, insurance/provident/pension fund etc. or securities market related instruments like shares, bonds, debentures etc.

1.6.3 VARIOUS OPTIONS AVAILABLE FOR INVESTMENT

There are two types of options available for investing in financial assets. They are classified as

- **Short term financial options**

- **Long term financial options**

1.6.4 VARIOUS SHORT-TERM FINANCIAL OPTIONS AVAILABLE FOR INVESTMENT

Broadly speaking, **Savings Bank account, Money market/Liquid funds** and **Fixed Deposits with banks** may be considered as short-term financial investment options:

Savings Bank Account:

Savings Bank account is often the first banking product people use, which offers low interest (4%-5% p.a.), making them only marginally better than fixed deposits.

Money Market or Liquid Funds:

Money Market or Liquid Funds are a specialized form of mutual funds that invest in extremely short-term fixed income instruments and thereby provide easy liquidity. Unlike most mutual funds, money market funds are primarily oriented towards protecting your capital and then, aim to maximize returns. Money market funds usually yield better returns than savings accounts, but lower than bank fixed deposits.

Fixed Deposits with Banks:

Fixed Deposits with Banks are also referred to as term deposits and minimum investment period for bank FDs is 30 days. Fixed Deposits with banks are for investors with low risk appetite, and may be considered for 6-12 months investment period as normally interest on less than 6 months bank FDs is likely to be lower than money market fund returns.

1.6.5 VARIOUS LONG-TERM FINANCIAL OPTIONS AVAILABLE FOR INVESTMENT

Post Office Savings Schemes, Public Provident Fund, Company Fixed Deposits, Bonds and Debentures, Mutual Funds are considered as long term financial options.

Post Office Savings:

Post Office Monthly Income Scheme is a low risk saving instrument, which can be availed through any post office. It provides an interest rate of 8% per annum, which is paid monthly.

Public Provident Fund:

A long term savings instrument with a maturity of 15 years and interest payable at 8% per annum compounded annually. A PPF account can be opened through a nationalized bank at anytime during the year and is open all through the year for depositing money. Tax benefits can be availed for the amount invested and interest accrued is tax-free. A withdrawal is permissible every year from the seventh financial year of the date of opening of the account and the amount of withdrawal will be limited to 50% of the balance at credit at the end of the 4th year immediately preceding the year in which the amount is withdrawn or at the end of the preceding year whichever is lower the amount of loan if any.

Company Fixed Deposits:

These are short-term (six months) to medium-term (three to five years) borrowings by companies at a fixed rate of interest which is payable monthly, quarterly, semi annually or annually. They can also be cumulative fixed deposits where the entire principal along with the interest is paid at the end of the loan period. The rate of interest varies between 6-9% per annum for company FDs. The interest received is after deduction of taxes.

Bonds:

It is a fixed income (debt) instrument issued for a period of more than one year with the purpose of raising capital. The central or state government, corporations and similar institutions sell bonds. A bond is generally a promise to repay the principal along with a fixed rate of interest on a specified date, called *the Maturity Date.*

Mutual Funds:

These are funds operated by an investment company which raises money from the public and invests in a group of assets (shares, debentures etc.), in accordance with a stated set of objectives. It is a substitute for those who are unable to invest directly in equities or debt because of resource, time or knowledge constraints. Benefits include professional money management, buying in small amounts and diversification. Mutual fund units are issued and redeemed by the *Fund Management Company* based on the fund's net asset value (NAV), which is determined at the end of each trading session. NAV is calculated as the value of all the shares held by the fund, minus expenses, divided by the number of units issued. Mutual Funds are usually long term investment vehicle though there some categories of mutual funds, such as money market mutual funds which are short term instruments.

CHAPTER 2

THEME OF THE PROJECT

2.1 OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVE

To study the investors perception towards investment options offered by Integrated Enterprise (India) Ltd.

SECONDARY OBJECTIVE

- To find the awareness level of various investment options.

- To find the awareness level on various services offered by Integrated Enterprise (India) Ltd.

- To assess the satisfaction level on various services offered by Integrated Enterprise (India) Ltd.

- To find the preference on various sources of information.

- To find the preference on mode of communication.

2.2 SCOPE OF THE STUDY

- This study can be used in knowing the awareness level of various investment options.

- This study can be used in finding out the preference of investors towards investment.

- This study can be used in finding out the satisfaction level of investors.

2.3 LIMITATIONS OF THE STUDY

Any financial market study would face its own limitations and the present study is not an exception.

1. The study covers only the period from 9th February to 17th April. It does not consider the changes if any before or after the period.

2. The reliability of study depends upon the authenticity of data that are collected from various sources.

3. The study suffers from all limitations of statistical tools used.

2.4. RESEARCH METHODOLOGY

2.4.1 RESEARCH DESIGN

The research design for this study is Descriptive research.

2.4.2 SAMPLE FRAME

The investors of integrated in Chennai (which includes three branches of integrated in Chennai) is taken as the sample frame.

2.4.3 SAMPLE SIZE

Sample size for the study is 130.

2.4.4 SAMPLING TECHNIQUE

The sampling technique used in this study is simple random sampling.

2.4.5 SOURCES OF DATA COLLECTION

The whole study is based on primary data. A survey has been conducted through questionnaires, which includes close ended and open ended questions.

2.4.6 TOOLS USED FOR ANALYSIS

PERCENTAGE ANALYSIS

Age group of respondents, their annual income, periodicity of investment, average annual investment, expected return, quality of customer service, sources of information, mode of communication are analyzed using percentage analysis.

CHI-SQUARE ANALYSIS

Chi-square test is used for identifying whether there is a relation between

1. Age and frequency of investment

2. Annual Income and frequency of investment

3. Frequency of investment and risk profile of investors

4. Age and reason for investment

Analysis

CHAPTER 3

ANALYSIS AND INTERPRETATION

Table 3.1

Table showing the age group of respondents

S.No	Age	No. of respondents	Percentage(%)
1	Below 25 years	42	32
2	26-40 years	50	38
3	41-60 years	32	25
4	Above 60 years	6	5
	Total	130	100

INFERENCE:

Most (38%) of the respondents belong to the age group of 26-40 years, (32%) belongs to below 25 years , (25%) belongs to 41-60 years and (5%) of the respondents belongs to above 60 years.

Chart 3.1

Chart showing the age group of respondents
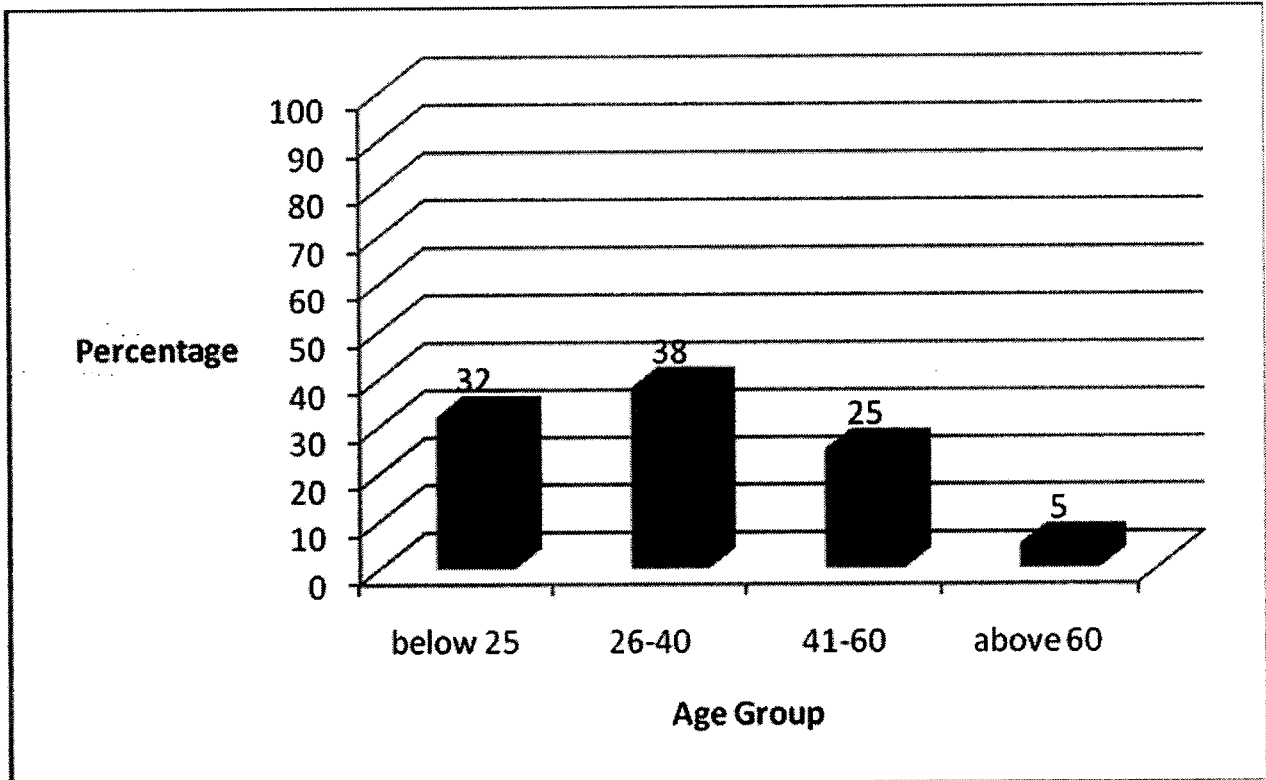
Table 3.2

Table showing the annual income of respondents

S.No	Annual income	No. of respondents	Percentage(%)
1	Below Rs. 1 lakh	25	19
2	Rs. 1 lakh- 3 lakh	68	52
3	Rs. 3 lakh-5 lakhs	28	22
4	Above 5 lakhs	9	7
	Total	130	100

INFERENCE:

It is inferred that most (52%) of the respondents are having an annual income of Rs.1 lakh-3 lakhs. The next considerable proportion (22%) of respondents having an annual income of Rs. 3 lakh-5lakhs, (19%) of respondents having an annual income of below Rs.1 lakh and (7%) of respondents having annual income above Rs. 5 lakhs.

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Chart 3.2

Chart showing the annual Income of respondents
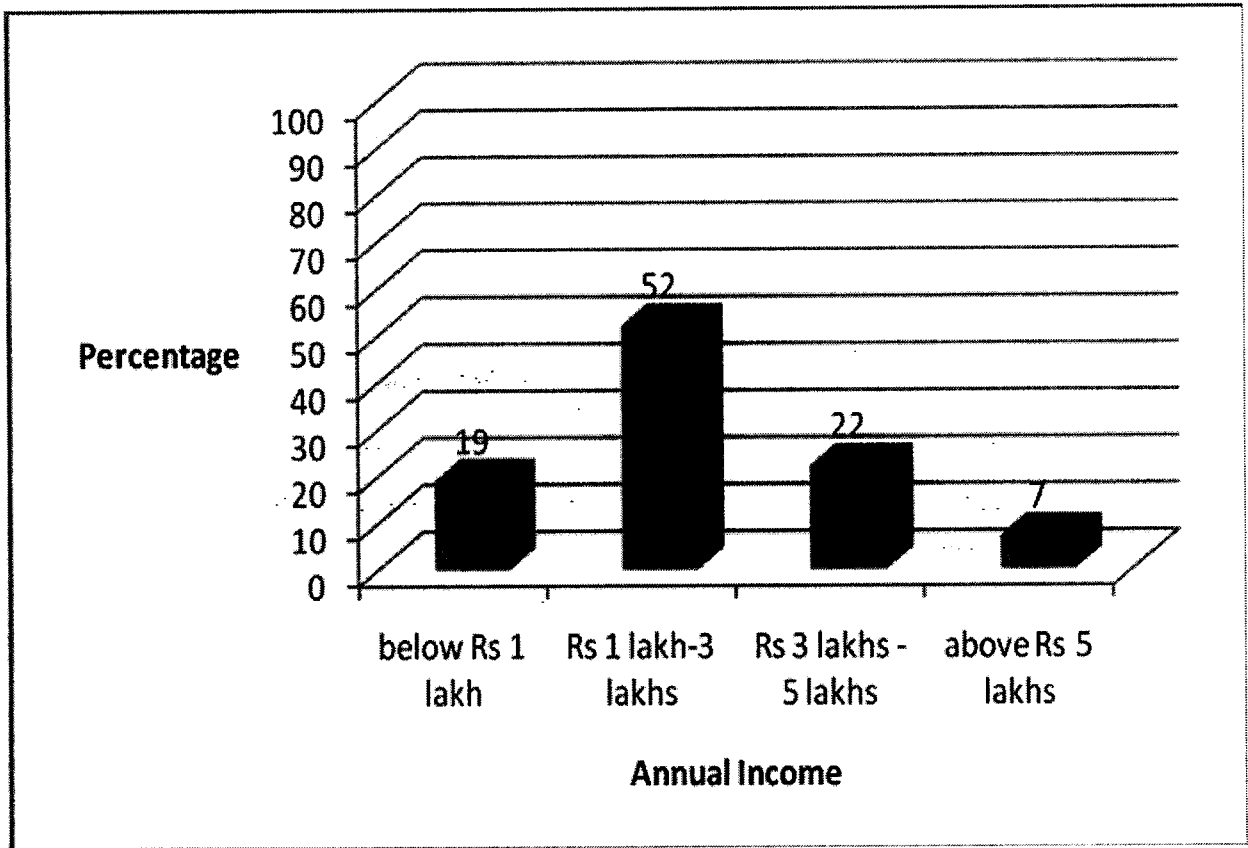
Table 3.3

Table showing investment advice

S.No	Sources of information	No. of respondents	Percentage(%)
1	Television	0	0
2	Reference from peers	70	54
3	Business magazines	15	11
4	Financial consultant	23	18
5	Internet	22	17
6	Any others (specify)	0	0
	Total	130	100

Inferences:

It is inferred that most (54%) of the respondents get their investment advice from their friends, (18%) are getting information through the financial consultants, (17%) are through internet and (11%) are through business magazines.

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Chart 3.3

Chart showing investment advice

Percentage vs Souce of information for investment. Values: Television 0, Reference from peers 54, Business magazines 11, Financial consultant 18, Internet 17, Any others 0.
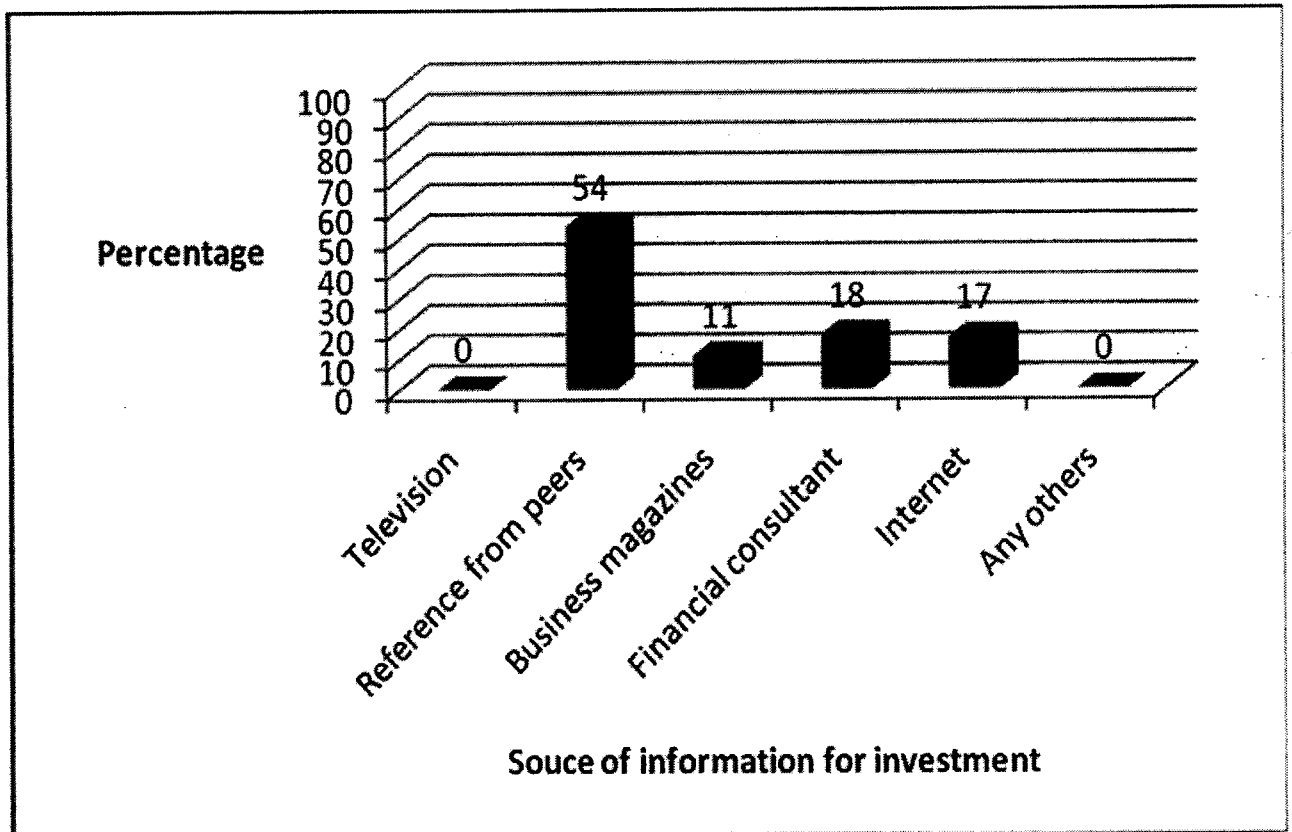
Table 3.4

Table showing average annual investment

S.No	Average annual investment	No. of respondents	Percentage(%)
1	Within Rs 10,000	41	32
2	Rs 10001-30000	59	45
3	Rs 30001-100000	22	17
4	Above Rs 100000	8	6
	Total	130	100

Inference:

It is noted that most (45%) of the respondents are investing annually between 10001-30000. (32%) of respondents are investing annually within 10,000 and (17%) of respondents are investing annually between 30001-100000 and rest (6%) are investing annually above 100000.

Chart 3.4

Chart showing average annual investment
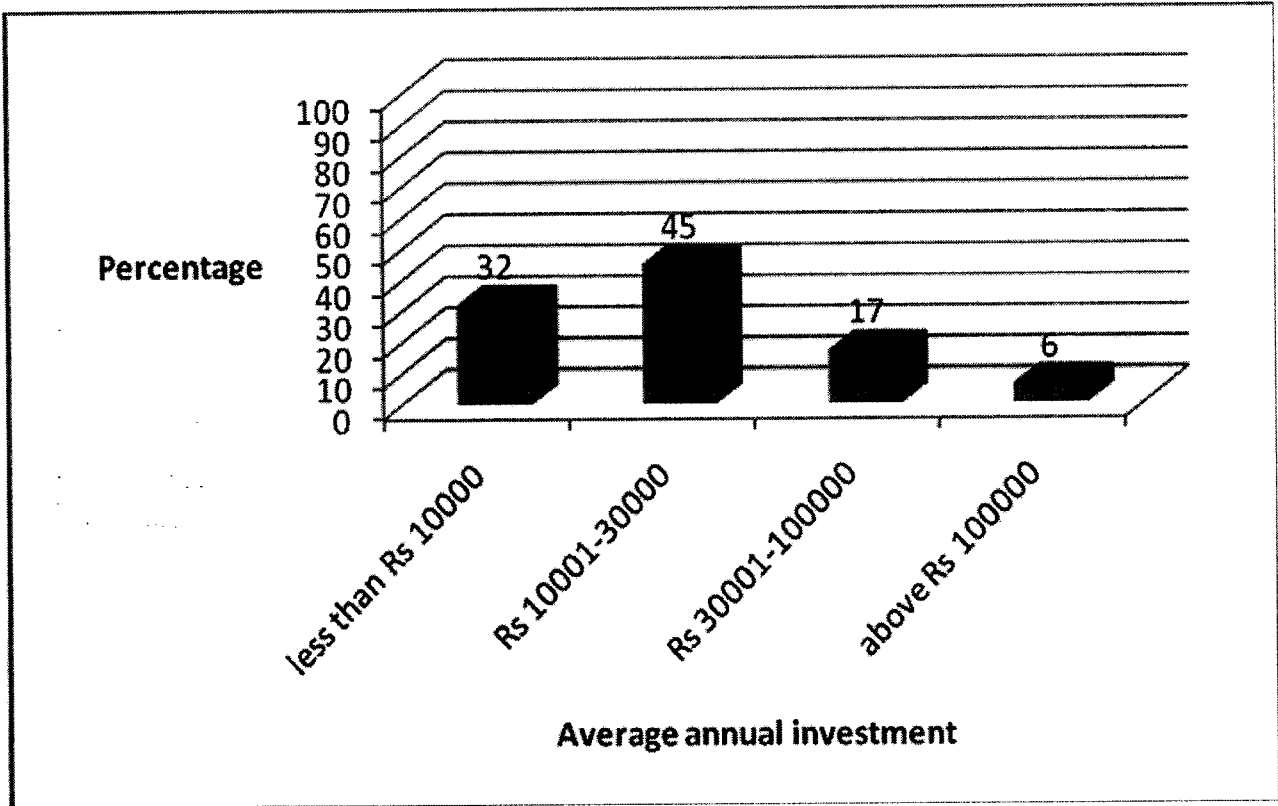
Table 3.5

Table showing quality of customer service

S.No	Customer service	No. of respondents	Score
1	Highly satisfied (5)	21	105
2	Satisfied (4)	65	260
3	Neutral (3)	37	111
4	Dissatisfied (2)	6	12
5	Highly dissatisfied (1)	1	1
	Total	130	489

Inference:

It is inferred that most of the respondents are satisfied with quality of customer service as it has maximum score of 260. The satisfaction level of the respondents on the quality of customer service has the score of 489 out of 650 that can be scored if all the 130 respondents are highly satisfied. Hence respondents are satisfied.

Table 3.6

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Table showing mode of receiving information

S.No	Receiving information	No. of respondents	Percentage (%)
1	E-mail	65	50
2	Phone	37	29
3	Sms	16	12
4	Person	12	9
5	Any others (specify)	0	0
	Total	130	100

Inference:

It is inferred that 50% of respondents receive information through e-mail, 29% receive information trough phone, 12% receive information through sms, 9% through person.

Table 3.7

Table showing seeking clarification from company

S.No	Clarification	No. of respondents	Percentage (%)
1	Calling the branch	45	35
2	Through e-mail	48	37
3	Personal visit	26	20
4	Writing a letter	5	4
5	Never addressed a grievance	3	2
6	Never had a grievance	3	2
	Total	130	100

Inference

It is inferred that most (35%) of the respondents are seeking clarification through calling the branch. (37%) through e-mail, (20%) through personal visit, (4%) through writing a letter, (2%) never addressed a grievance and (2%) never had a grievance.

Chart 3.5

Chart showing seeking clarification from company

Chart with y-axis labeled "Percentage" (0 to 100) and x-axis labeled "Seeking Clarifications" with categories: calling the branch (35), through e-mail (37), personal visit (20), writing a letter (4), never addressed a... (2), never had a grievance (2).
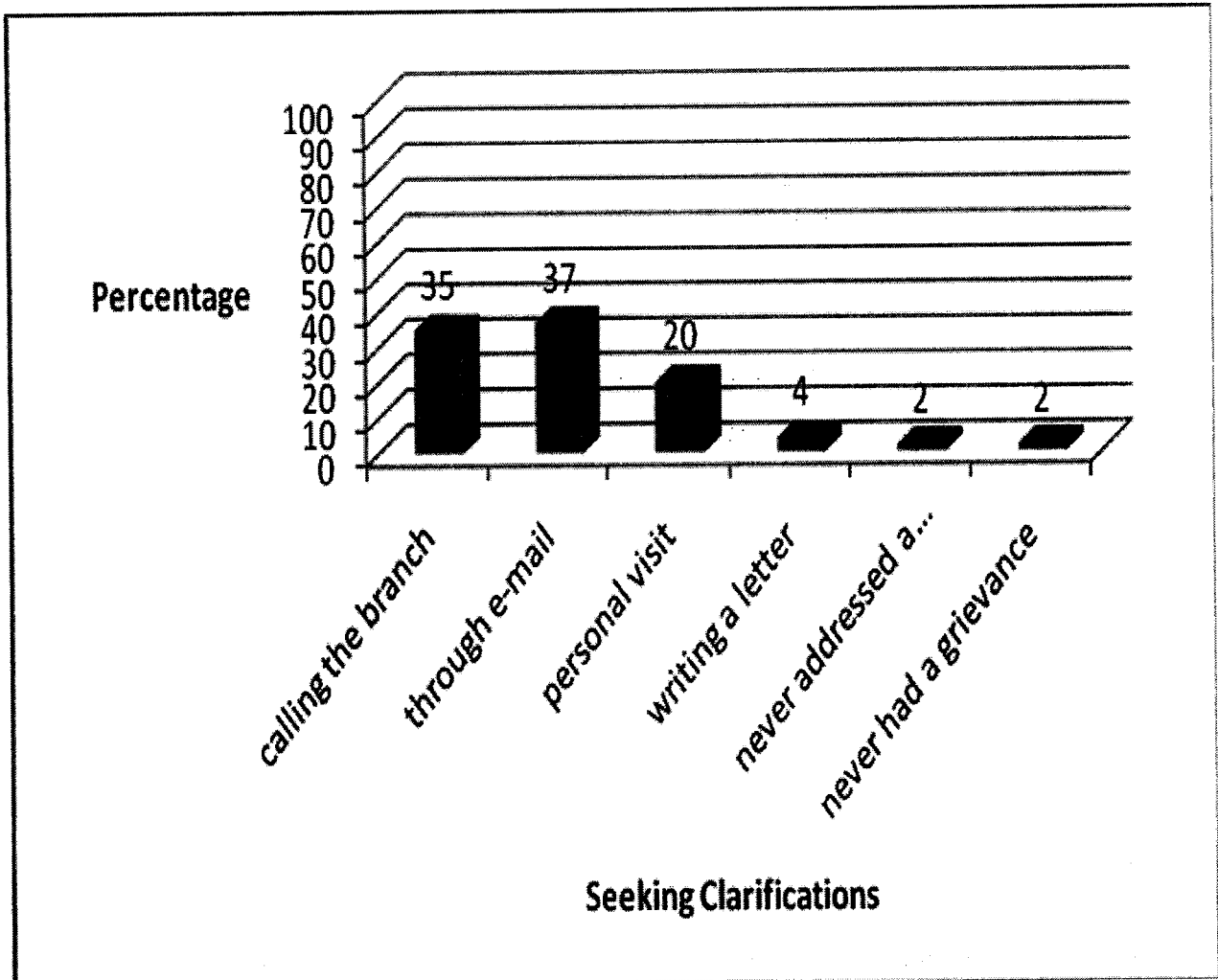
Table 3.8

Table showing expected return

S.No	Expected return	No. of respondents	Percentage (%)
1	Less than 8%	9	7
2	8%-12%	55	42
3	12%-16%	37	28
4	16-20%	21	16
5	Above 20%	9	7
	Total	130	100

Inference

It is inferred that most (42%) of the respondents are expecting 8%-12% return, (28%) are expecting 12%-16% return, (16%) are expecting 16%-20% return, (7%) are expecting less than 8% return and above 20% return each.

Chi Square test 1

Association between age and frequency of investment

		Periodicity				Total
		<1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
Age	<25	17	15	5	5	42
	26-40	8	20	14	8	50
	>40	9	12	8	9	38
Total		34	47	27	22	130

Hypothesis:

Null Hypothesis (H_0)   : There is no association between the age and frequency of investment.

Alternate Hypothesis (H_1): There is an association between the age and frequency of investment.

Calculated Valueχ^2 : 10.306

Table Value   : 12.592 at 5% Level of Significance with 6 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated Value, the Null Hypothesis is accepted.

Therefore, there is no association between the age and frequency of investment.

Chi Square test 2

Association between annual income and frequency of investment

		Periodicity			Total
		<1 yr	1-2yrs	>2 yrs	
AnnualIncome	<1 Lakh	13	6	6	25
	1L-3L	14	28	26	68
	>3L	7	13	17	37
Total		34	47	49	130

Hypothesis:

Null Hypothesis (H_0) : There is no association between the annual income and frequency of investment.

Alternate Hypothesis (H_1): There is an association between the annual income and frequency of investment.

Calculated Valueχ^2 : 11.355

Table Value : 9.488 at 5% Level of Significance with 4 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated Value, the Null Hypothesis is rejected.

Therefore, there is an association between the annual income and frequency of investment.

Chi Square test 3

Association between the frequency of investment and expected return of investors

		Expreturn			Total
		<12%	12%-16%	>16%	
Periodicity	<1 yr	16	9	9	34
	1-2 yrs	19	19	9	47
	>2 yrs	27	10	12	49
Total		62	38	30	130

Hypothesis:

Null Hypothesis (H$_0$) : There is no association between the frequency of investment and risk profile of investors.

Alternate Hypothesis (H$_1$): There is an association between the frequency of investment and risk profile of investors.

Calculated Valueχ^2 : 5.022

Table Value : 9.488 at 5% Level of Significance with 4 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated Value, the Null Hypothesis is accepted.

Therefore, there is no association between the frequency of investment and risk profile of investors.

Chi Square test 4

Association between age and reason for investment

AGE	REASON FOR INVESTMENT				
	Better return	Liquidity	Safety	Tax benefits	Total
Below 25yrs	11	7	18	5	41
26-40yrs	10	8	21	11	50
Above 40 yrs	7	5	22	5	39
Total	28	20	61	21	130

Hypothesis:

Null Hypothesis (H_0)   : There is no association between the age and reason for investment.

Alternate Hypothesis (H_1): There is an association between the age and reason for investment.

Calculated Valueχ^2 : 3.881

Table Value   : 12.592 at 5% Level of Significance with 6 Degrees of Freedom.

Interpretation:

Since the calculated value is lesser than tabulated Value, the Null Hypothesis is accepted.

Therefore, there is no association between the age and reason for investment.

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Table 3.9

Table showing scoring of investment modes

S.No	Investment modes	Rank				Score
		1	2	3	4	
1	Equity Shares	31	20	34	55	393
2	Mutual Funds	44	41	35	10	271
3	Fixed Deposits	40	31	51	8	287
4	Insurance	15	38	10	57	349
	Total No. of respondents	130	130	130	130	1300

Score = $\sum$ No. of respondents * rank

Equity Score = 31*1 + 20*2 + 34*3 + 55*4 = 393

Mutual Funds Score = 44*1 + 41*2 + 35*3 + 10*4 = 271

Fixed Deposits Score = 40*1 + 31*2 + 51*3 + 8*4 = 287

Insurance Score = 15*1 + 38*2 + 10*3 + 57*4 = 349

Table 3.10

Table showing ranking of investment modes

S.No	Investment Modes	Score	Rank
1	Equity Shares	393	4
2	Mutual Funds	271	1
3	Fixed Deposits	287	2
4	Insurance	349	3

Inference:

From the above table it is inferred that mutual funds gets the least score of 271 while fixed deposits get 287, insurance get 349 and equity shares get 393. Here the least value is the best because of the nature of scoring i.e. rank 1 gets 1 point whereas rank 4 gets 4 points. Hence mutual funds is ranked 1 on an average while fixed deposit is ranked 2, insurance is ranked 3 and equity shares is ranked 4.

Table 3.11

Table showing reason for choosing equity share

| S.No	Reason	No. of respondents	Percentage (%)
1	Better return	17	55
2	Liquidity	14	45
3	Tax benefits	0	0
4	Safety	0	0
5	Any others (specify)	0	0
	Total	31	100

Inference:

It is inferred that 55% of respondents chooses share market for better return, 45% of respondents chooses share market for liquidity.

Chart 3.6

Chart showing reason for choosing equity shares

Percentage vs Reason For Choosing Equity Shares

Reason	Percentage
Better Return	55
Liquidity	45
Tax Benefits	0
Safety	0
Others	0
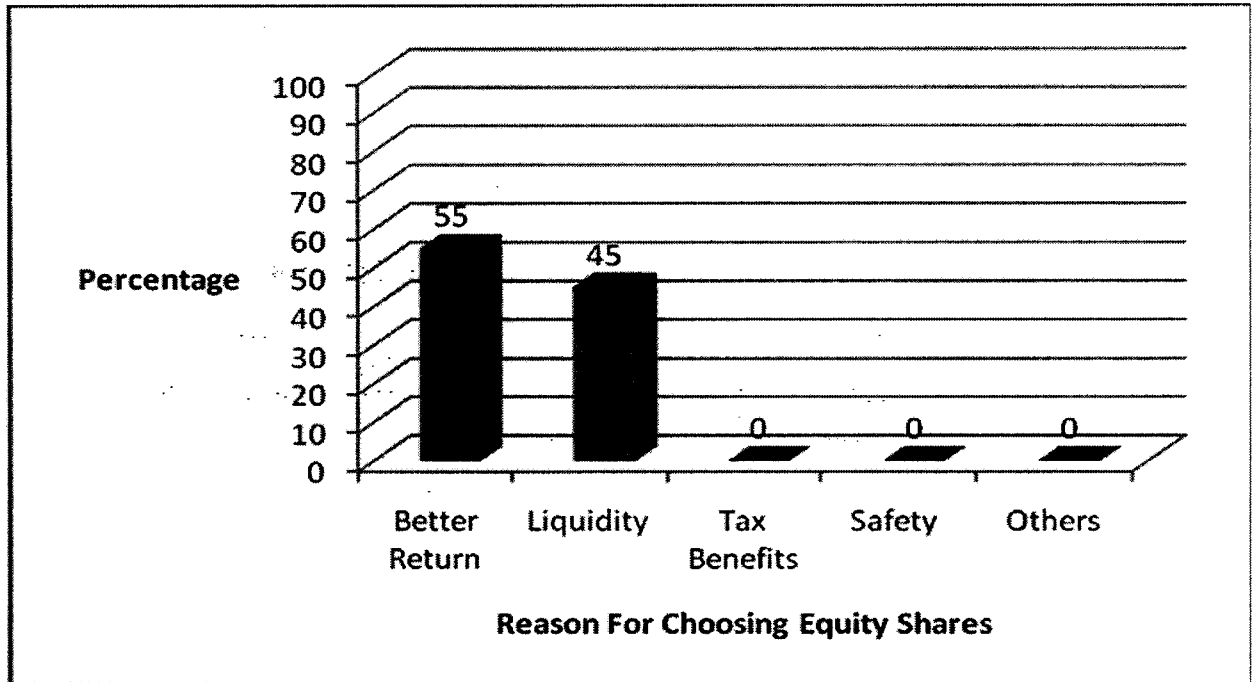
Table 3.12

Table showing satisfaction of web based trading service:

S.No	Satisfaction	No .of respondents	Score
1	Highly Satisfied (5)	7	35
2	Satisfied (4)	18	72
3	Neutral (3)	6	18
4	Dissatisfied (2)	0	0
5	Highly Dissatisfied (1)	0	0
	Total	31	125

Inference:

From the above table it is inferred that most of the respondents are satisfied with web based trading service. The satisfaction level of respondents on web based trading services has the score of 125 out of the maximum of 155 that can be scored. Hence the respondents are satisfied.

Table 3.13

Table showing factors to increase volume

S.No	To increase volume	No .of respondents	Percentage (%)
1	Quality recommendations	12	38
2	More credit period	8	26
3	More products	0	0
4	Advertisements	3	10
5	More exposures	8	26
6	Any other (specify)	0	0
	Total	31	100

Inference:

It is inferred that 38% of respondents ask for quality recommendations, 26% of respondents ask for more credit period, 26% ask for more exposures and 10% of respondents ask for advertisements.

Table 3.14

Table showing reason for choosing mutual funds

S.No	Reason	No. of respondents	Percentage (%)
1	Better return	11	25
2	Liquidity	6	14
3	Tax benefits	7	16
4	Safety	20	45
5	Any others (specify)	0	0
	Total	44	100

Inference:

It is inferred that 45% of respondent choose mutual funds for safety, 25% for better return, 16% choose for tax benefits and 14% for liquidity.

Chart 3.7

Chart showing reason for choosing mutual funds

Chart showing reason for choosing mutual funds. Percentage by reason: Better Return 25, Liquidity 14, Tax Benefits 16, Safety 45, Others 0.
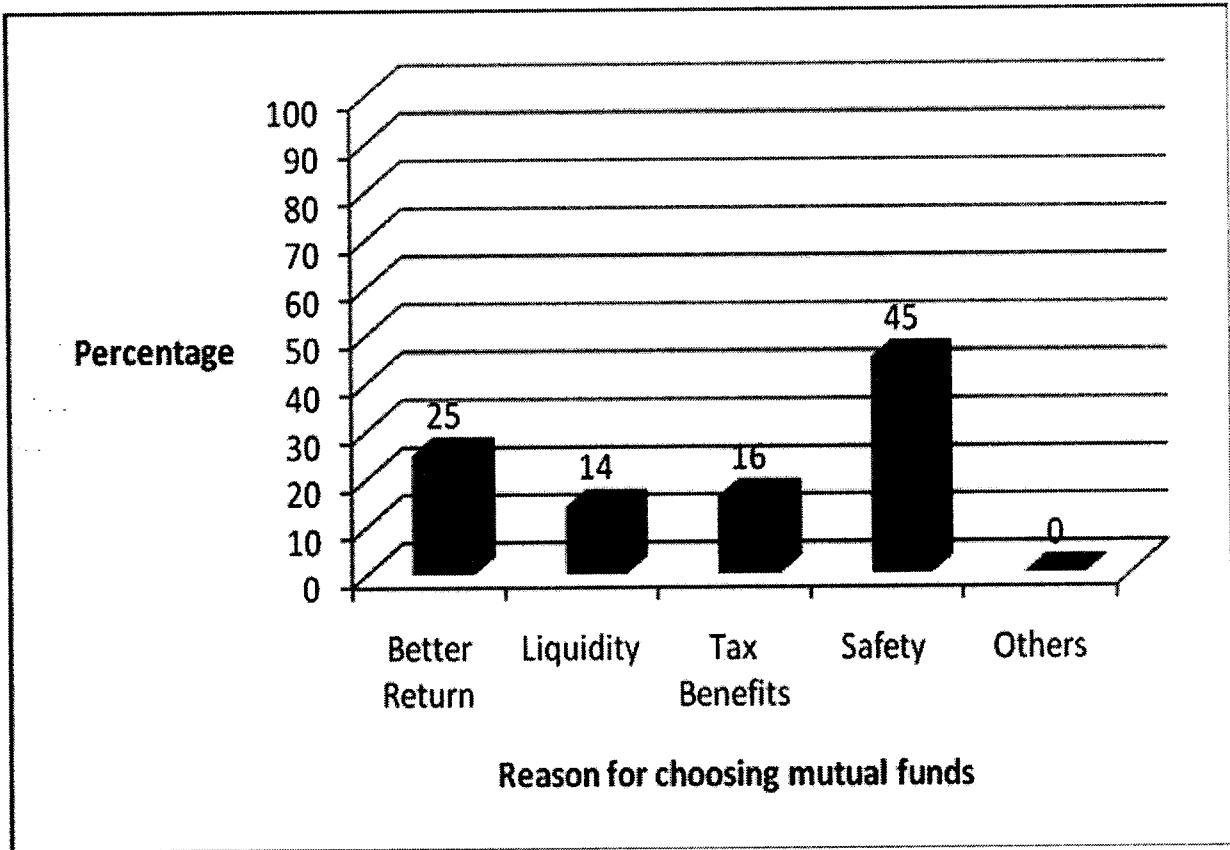
Table 3.15

Table showing frequency of changing mutual fund schemes

S.No	Frequency	No. of respondents	Percentage (%)
1	Never	6	14
2	Regularly	8	18
3	Occasionally	30	68
	Total	44	100

Inference

It is inferred that 68% of respondents occasionally change their mutual fund schemes, 18% change regularly and 14% never change their schemes.

Table 3.16

Table showing reason for choosing fixed deposits with banks

S.No	Reason	No. of respondents	Percentage (%)
1	Better return	0	0
2	Liquidity	0	0
3	Tax benefits	6	15
4	Safety	34	85
5	Any others (specify)	0	0
	Total	40	100

Inference

It is inferred that 15% of respondents prefer tax benefits for choosing bank fixed deposits and most 85% of respondents prefer safety for choosing fixed deposits with banks.

Chart 3.8

Chart showing reason for choosing fixed deposits

Chart showing reason for choosing fixed deposits
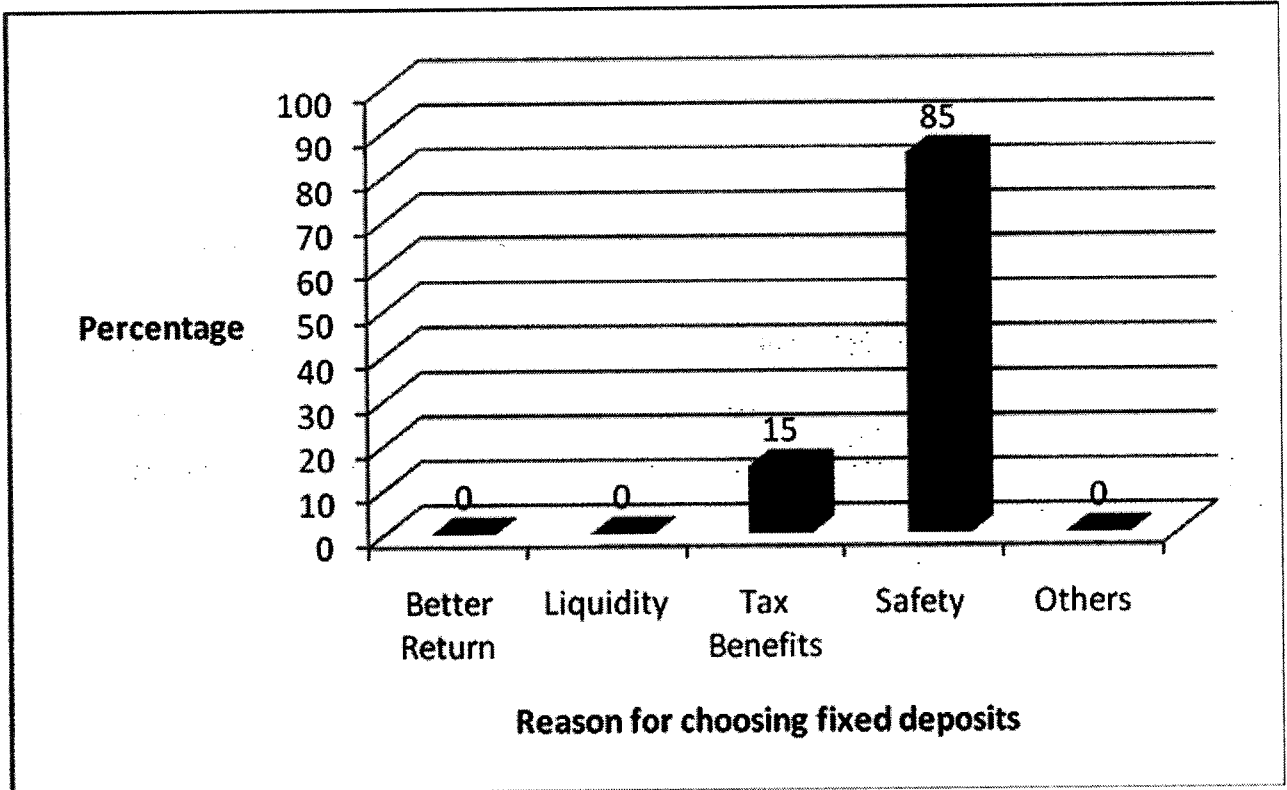
Table 3.17

Table showing preference of deposit rates

S.No	Preference	No. of respondents	Percentage (%)
1	Term	23	58
2	Tax Saving	15	37
3	Others	2	5
	Total	40	100

Inference:

It is inferred that 58% prefer term deposit rates, 37% prefer tax saving rates and 5% prefer other types of deposit rates.

Table 3.18

Table showing reason for choosing insurance

S.No	Reason	No. of respondents	Percentage (%)
1	Better return	0	0
2	Liquidity	0	0
3	Tax benefits	8	53
4	Safety	7	47
5	Any others (specify)	0	0
	Total	15	100

Inference:

It is inferred that 53% prefer tax benefits for choosing insurance and another 47% prefer for safety.

Chart 3.9

Chart showing reason for choosing insurance

Reason for choosing insurace
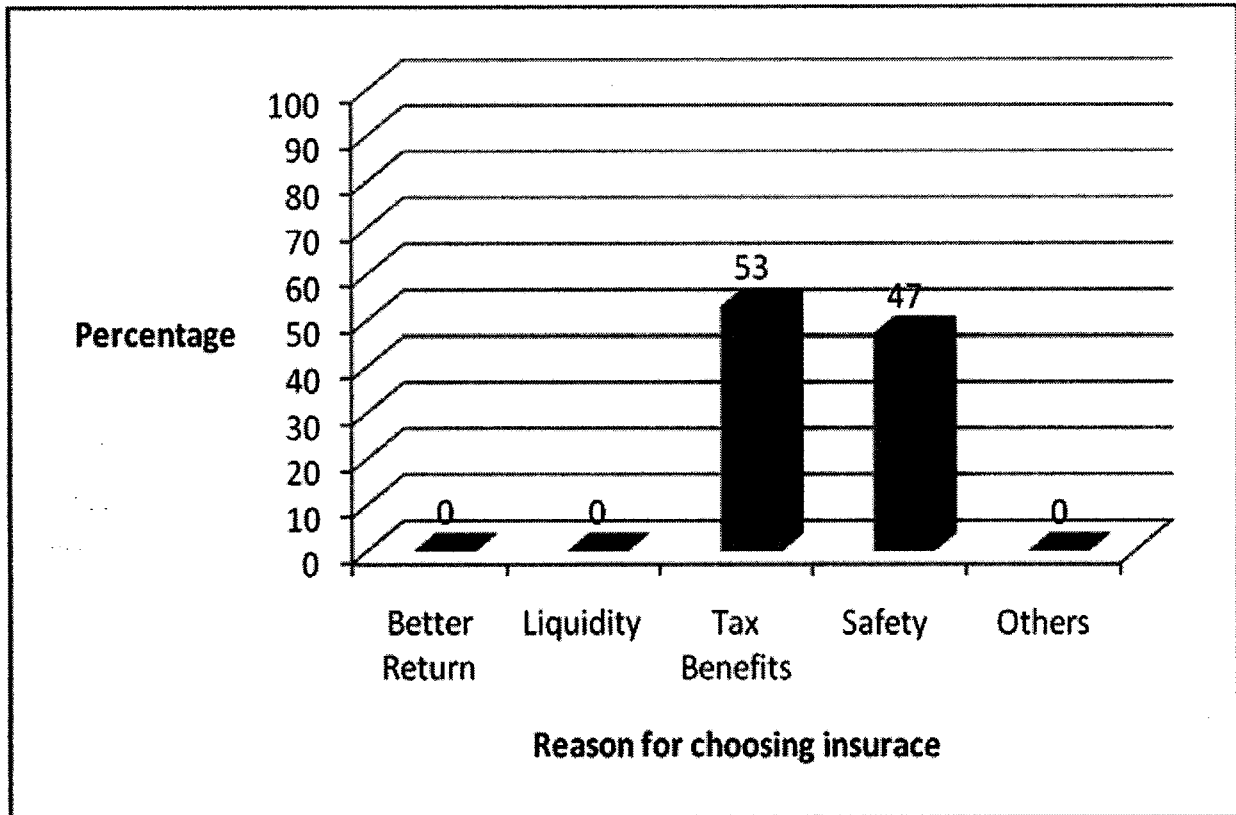
Table 3.19

Table showing preference of insurance plan

S.No	Preference	No. of respondents	Percentage (%)
1	Pure Term	5	33
2	Special Endowment	6	40
3	Unit Linked	4	27
	Total	15	100

Inference:

It is inferred that 40% prefer special endowment plan, 33% prefer pure term plan and 27% prefer unit linked insurance plan.

Findings, Suggestions &
Conclusion

CHAPTER 4

FINDINGS, SUGGESTIONS AND CONCLUSION

4.1 FINDINGS

From the study it is found

- ✓ Out of 130 respondents 38% respondents belong to the age group of 26-40 years.

- ✓ 52% of respondents have an annual income of Rs. 1 lakh- 3lakhs

- ✓ 54% of respondents get investment advice from the peers.

- ✓ 45% of respondents invest annually between 10001-30000 on an average.

- ✓ 42% of respondents expect a return between 8%-12% on investment.

- ✓ 50% of respondents receive advices/recommendations through e-mail.

- ✓ 37% of respondents seek their clarifications through e-mail.

- ✓ 55% of respondents invest through equity shares for better returns.

- ✓ 38% of respondents feel that quality recommendations will help to increase volume.

- ✓ 87% of respondents feel that brokerage rates given by integrated enterprises are competitive.

- ✓ 45% of respondents prefer mutual funds for safety.

- ✓ 70% of respondents are fully aware of the various schemes in mutual fund.

- ✓ 68% of respondents occasionally change their mutual fund scheme.

- ✓ 85% of respondents prefer fixed deposit with banks mode for safety.

- ✓ Most 58 of respondents prefer term deposit rates.

- ✓ 53% of respondents prefer tax benefits and 47% prefer safety for investing in insurance mode.

- ✓ 40% of respondents prefer special endowment insurance plan.

- ✓ There is no association between the age and frequency of investment.

- ✓ There is an association between the annual income and frequency of investment.

- ✓ There is no association between the frequency of investment and risk profile of investors.

- ✓ There is no association between the age and reason for investment.

- ✓ Only 24% of respondents prefer equity shares as their investment avenue.

Most of the respondents prefer mutual funds as their primary investment.

4.2 SUGGESTIONS:

✓ The clients are interested to invest in derivatives. So the company has to provide guidance to the clients.

✓ Company has to provide market tips through SMS.

✓ Daily alerts should be sent to all clients.

✓ Company has to provide quality recommendations in order to avoid losses and also to increase more volume.

✓ The company shall give the details about IPO's to all the clients.

✓ Company has to give more advertisements about various services to increase more business.

✓ Company should contact clients regularly to develop a network system that makes a better relationship with each other.

✓ Clarification of clients should be cleared immediately.

✓ Company has to arrange more advertisement campaigns for equity shares to increase the number of investors.

The management has to implement compulsory rules to collect the feedback from the clients about their services for continuous improvement.

4.3 CONCLUSION:

Due to volatility in stock market investors are looking for other investment avenues that are available which will maximize their returns. Satisfaction of customers leads the company to heights. In brokerage industry customer satisfaction is an important factor. Through this study company can understand itself much better and serve the customers more effectively.

Appendix

APPENDIX

QUESTIONNAIRE

1. Name:

2. Age group:

☐ Below 25yrs ☐ 26-40yrs ☐ 41-60yrs ☐ above60yrs

3. Educational qualification:

☐ School ☐ Graduate ☐ Post Graduate

☐ Others (specify)................

4. Occupation:

☐ Employed ☐ Business ☐ Student

☐ Others (specify).................

5. Annual income (Rs.)

☐ Below 1 lakh ☐ 1 lakh-3lakhs ☐ 3 lakh-5 lakhs

☐ above 5 lakhs

6. Please select the source of information for your investment?

☐ Television ☐ Reference from peers ☐ Business magazines

☐ Financial consultant ☐ Internet

☐ Others (specify).......................

7. Please tick the periodicity of your investment?

☐ < 1 year ☐ 1-2 years ☐ 2-3 years ☐ > 3 years

50

8. What is your average annual investment (Rs.)?

☐ Below 10,000   ☐ 10,001-30,000   ☐ 30,001-1,00,000

☐ Above 1,00,000

9. What is your expected return on investment?

☐ Less than 8%   ☐   8%-12%   ☐ 12%-16%

☐ 16-20%   ☐   above 20%

10. What is your proportion (in percentage) of investment in various financial assets?

Equity shares	
Mutual funds	
Insurance	
Fixed deposit with banks	
Others(specify)	
Total	100%

11. What is your level of satisfaction on the quality of customer service provided by integrated enterprises?

☐ Highly satisfied   ☐ satisfied   ☐ Neutral

☐ Dissatisfied   ☐ Highly dissatisfied

12. In which mode you receive recommendations/investment advice from integrated enterprises?

☐ By e-mail   ☐ by phone   ☐ By SMS   ☐ By person

☐ Others (specify).............................

13. How do you generally address your grievances or seek clarifications from integrated enterprises?

☐ Calling the branch   ☐ through e-mail   ☐ Personal visit

☐ Writing a letter   ☐ never addressed a grievance

☐ Never had a grievance

14. Please rank the investment modes according to your preference?

Equity shares	
Mutual funds	
Insurance	
Bank fixed deposits	

If share market mode is ranked as 1 by you,

15.1   Select the appropriate reason for preferring this type of investment mode more?

☐ Better return   ☐ Liquidity   ☐ Tax benefits   ☐ Safety

☐ Any others (specify) _____

15.2 What is your level of satisfaction on the web based trading service provided by Integrated Enterprises?

☐ Highly satisfied   ☐ Satisfied   ☐ Neutral

☐ Dissatisfied   ☐ Highly Dissatisfied

15.3 Which of the following if provided will help you to increase your trading volume?
☐ Quality recommendations   ☐ More credit period   ☐ More products

☐ Advertisements   ☐ More exposures

☐ Any other (specify) _____

15.4   Is the brokerage rate charged by integrated enterprise competitive?
15.4.a. Intra day
☐ Yes   ☐ No
15.4.b. Delivery
☐ Yes   ☐ No

If mutual fund mode is ranked as 1 by you,

15.1   Select the appropriate reason for preferring this type of investment mode more?

☐ Better return   ☐ Liquidity   ☐ Tax benefits   ☐ Safety

☐ Any others (specify) _

15.2   How much you are aware of various mutual fund schemes?

☐ Fully aware   ☐ Partially aware

15.3   How frequently you change your mutual fund investment scheme?

☐ Never   ☐ Regularly   ☐ Occasionally

If fixed deposit with banks mode is ranked as 1 by you,

15.1   Select the appropriate reason for preferring this type of investment mode more?

☐ Better return   ☐   Liquidity   ☐ Tax benefits   ☐ Safety

☐ Any others (specify)_ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ .

15.2   Select any one among the following fixed deposit rates you prefer

☐ Term deposit rates

☐ Tax saving fixed deposit rates

☐ others

15.3   What do you consider as the most vital tip while investing in fixed deposits?

☐ Checking the premature withdrawal penalty before investing.

☐ Checking the frequency of compounding of the deposit, when comparing two deposit offerings.

☐ Spliting your Fixed Deposit investments to avoid TDS deduction.

☐ Appointing a nominee.

☐ Taking interest payouts based on your requirements.

If insurance mode is ranked as 1 by you,

15.1 Select the appropriate reason for preferring this type of investment mode more?

☐ Better return ☐ Liquidity ☐ Tax benefits ☐ Safety

☐ Any others (specify)_____

15.2 Which plan you prefer for life insurance?

☐ Pure term plan ☐ Special Endowment plan
☐ Unit link insurance plan

15.3 Do you currently have a policy in force?

☐ Yes ☐ No

If yes, what is the premium range (Rs.) for your policy?

☐ <2000 ☐ 2,001-10,000 ☐ 10,001-25,000

☐ 25,001-50,000 ☐ >50,000

16 Suggestions for improvement in the service of integrated enterprises:

_____
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