

A Comparative Study of Investment Pattern of Investors

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ABSTRACT

This paper examines the investment pattern of investors in private and nationalized bank in Amravati district. This paper comprises the role of bank, their schemes and many policies for investors. All the more explicitly, the investigation means to respond to the a complying exploration question. To start with, which factors influences the investment in nationalized and private bank? Second, what is investment pattern of investors in nationalized and private bank? This study adopted descriptive analysis using secondary data. The paper focuses on role of bank i.e. private and nationalized bank for investor in investment.

Evaluation of financial performance of private and public sector banks

For analyzing financial performance of private and public sector banks all private sector banks (5) as well as all public sector Banks (5) are taken into consideration. Private sector banks include old private sector banks as well a new private sector banks. Public sector banks include SBI as well as all nationalized banks (5).

Keywords: Private, nationalized, investors, investment, comparative, bank

INTRODUCTION

In India, many investment avenues are available where some are marketable and some are non - Marketable. In it some of them are risky while others are almost riskless. Risk has been the focus of much theoretical and practical research for decades for that management. Investing is putting money to

work to start or expand a project or to purchase an asset or interest – where those fund are then put to work, with the goal to income and increased value over time. The term “Investment” can refer to any mechanism used for generating future income. In the financial sense, this includes the purchase of bonds, stocks or real estate property among several others.

An investment is an asset or item acquired with the goal of generating income or appreciation. In an economic sense, an investment is the purchase of goods that are not consumed today but are use in the future to create wealth. In finance, an investment is a monetary asset purchase with the idea that the asset will provide income in the future or will later be sold at higher price for a profit. Investment is putting money to work to start or expand project or to purchase an asset or interest where those fund are then put to work, with the goal to income and increase value over time. The term “investment” can refer to any mechanism use for generating future income. In the financial sense, these include the purchase

of bonds, stock or real estate property among several others. Additionally, a constructed building or other facility used to purchase good can be seen as an investment. The production of goods required to produce other goods may also be seen as investing.

Investment avenues on Nationalized and Private Bank

Investment avenues are the different ways that a person can invest his money. It also called investment alternatives or investment schemes. Investment scenario as a banyan tree which growing day by day, by the way of introducing new investment avenues with unique features to attract investors in to the world of investment.

Physical Investment:

Physical investment is the investment in physical or capital goods such as plant and machinery, motor cars, ships, buildings, etc.

Real Estate:

Real estate is basically defined as immovable property such as land and everything permanently attached to it like building. It is true that real estate offer a rate of return which is superior to avenues such as company deposit on a long term basis. The investment in real estate essentially depends on the risks associated with it, and the alternative investment opportunities.

Gold and Silver:

For ages, gold and silver have been considered as a form of investment. They are considered as

best hedge against inflation. This is a form of investment amongst the rural and semi-urban population. Besides, investors tend to invest in jewelry instead of pure gold. Gold has been used throughout history as money and has been a relative standard for currency equivalents specific to economic regions or countries, until recent times.

Financial Investments:

It means employment of funds in the form of assets with the object of earning additional income or appreciation in the value of investment in the future.

Assets which are the subject matter of investment may be varying between safe and risky ones.

LITERATURE REVIEW

1. **Singh** , in his research study titled, "Productivity in Indian Banking Industry", discussed the trends and changes in the productivity with particular attention on employee and branch productivity in the Indian banking industry.
2. **Amandeep** , in her thesis titled, "Profits and Profitability of Indian Nationalized Banks" opined that the banks have become an instrument to meet effectively the needs of the development of the economy to effect the total socioeconomic transformation. It has adversely affected the profitability of the bank operations.

3. **Richa Sharma Vyas and Nijaguna Rudrayya Bhusnur** , in their paper “A comparative study of cross-selling practices in public and private sector banks in India”, trace that the differences emerge mainly from their different philosophy, background and distinct target customer segments.

However, both sectors can learn from each other; public sector banks can introduce specialized training and incentives, whereas private sector banks need to introduce appropriate control mechanisms and avoid indiscriminate cross-selling. The paper also brings out the elements of successful cross-selling in India.

4. **Ram Mohan** evaluated the performance of public sector banks (PSBs) since deregulation in both absolute and relative terms and also highlighted the reason

underlying the improved performance of PSBs. The author mentioned that the banking system has neither

collapsed nor there has been any banking crisis. One important point that advocates the improved performance of PSBs is the improvement in declining spreads of PSBs.

5.R.A. Ravi in his article “User Perception of Retail Banking Services: A Comparative Study of Public and Private Sector Banks” describes that due to increasing competition in retail banking, understanding the customer perception about service quality is becoming indispensable. The private sector banks are posing a very stiff competition to the public sector banks through their initiatives for meeting customer expectations and gaining a cutting edge

investors.

RESEARCH OBJECTIVES

1. To study the investment pattern of investors in nationalized and private sector bank.
2. To analyze the level and extent of investment in nationalized and private sector bank.
3. To study the factors which influence investments in nationalized and private bank.

RESEARCH HYPOTHESIS

H0: There is no significant difference between private and nationalized bank for investors.

H1: There is significant difference between private and nationalized bank for

SOURCES OF DATA

Study is based on both primary data and secondary data.

1. Primary data is collected from survey on the basis of responses.

2. Secondary data is collected through books, magazines, journals.

RESEARCH METHODOLOGY

SAMPLE DESIGN AND AREA

OFSTUDY

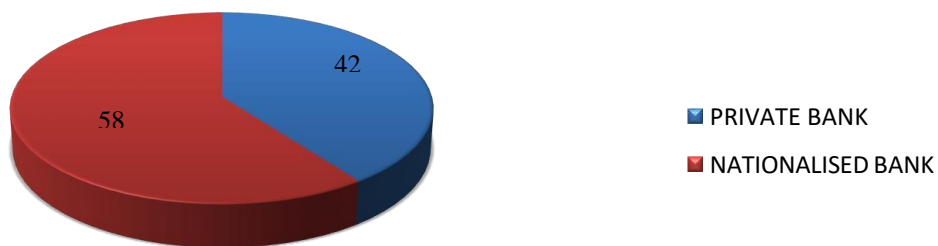
This study covers the investment pattern of investor in nationalized and

private banking. Secondary data covers and helps in analysis of the major part of study. For the assessment of role of investment banking in Amravati district.

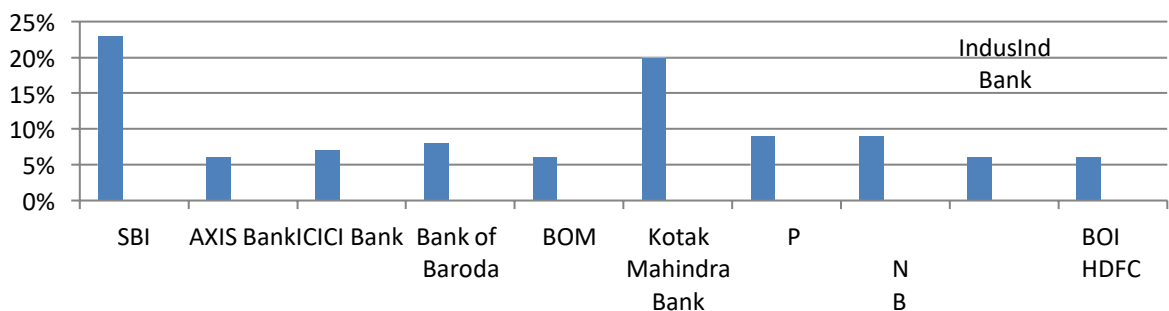
Sample size in nationalized and private bank

Nationalized Bank			Private Bank		
Sr.No.	Bank name	Sample	Sr.No.	Bank name	Sample
1	SBI	10	1	Axis bank	10
2	BOB	10	2	ICICI bank	10
3	BOM	10	3	Kotak Mahindra	10
4	BOI	10	4	HDFC bank	10
5	PNB	10	5	IndusInd bank	10
Total sample		50	Total sample		50

Percentage of Investors in Private Bank and Nationalised Bank



Percentage of investors



FINDINGS OF STUDY

To formulate the best policies and schemes for investors in banking and comparative study between them. It analyses the level and extent of investment in nationalized and private sector bank.

CONCLUSIONS

Investors prefer mostly to invest in State Bank Of India and Kotak Mahindra Bank but investors chosen SBI over Kotak Mahindra due to trustworthiness of SBI as a nationalized bank.

SUGGESTIONS

1. The study also found that individual investors of both nationalized and private are interested to invest in safe/low-risk investment avenues even also move towards moderate risk investment avenues but have less courage to invest in highly risky investment avenues.
2. Financial advisor should guide individual investors in blunt terms so that they able to invest in securities in a very convenient manner .

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