

A Study on Depositors Perception about Deposit Schemes of IOB and KVB

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ABSTRACT:

The study is to about the depositors perception towards deposit schemes of Indian Overseas Bank and Karur Vysya Bank. For this study we had taken 100 respondents to know the depositors opinion. Depositors have equal trust on both Indian Overseas Bank and Karur Vysya Bank. The tool taken for the study is rank analysis method.

KEYWORD: Depositors, Perception.

INTRODUCTION

Karur vysya bank was set up in the year 1916 by two great visionaries and illustrious sons of karur, the late shri athi Krishna chettiar and shri M A venkatarama chettiar. The bank has spread its wings across the country with 782 branches in 20 states and 3 union territories. Indian overseas Bank was founded on 10th February 1937 by shri.M.Ct.M. Chidambaram chettyar, a pioneer in many fields. bank was founded by him with the main objective of specializing in foreign exchange business in banking to take the bank across the globe. At the time of independence Indian Overseas Bank had 38 branches in india and 7 branches abroad and deposits stood at rs.6.64 crores and advances at rs.3.23 crores at that time.

LITERATURE REVIEW

Praveeth (2007) in his study the “perception of customers on retail banking” points out that the customers of both public and private sector banks are satisfied on many factors but are dissatisfied on areas like holiday period granted by banks and insurance coverage.

Mohammed Hossain and Shirley leo (2009) in their study find that the perception of customers changes in accordance with the nature of service. They view that in this competitive environment, all banks are offering the same or similar products and the only factor to differentiate them is the service quality. Thus retail banks must ensure better service to their customers to become successful.

Mittal and pachauri (2013) in their study on promotional tools and techniques adopted for retail banking compared the public sector banks and private sector banks. Their finding is that the perception of customers with regard to the type of promotional tools and the techniques adopted significantly vary between public sector and private sector banks.

Velouston and cleopatra (2004) in their study have analysed the relative role of certain drivers of bank loyalty. Their study shows the links between image, perceived quality satisfaction, commitment and loyalty in Greek retail banking. The result of the study is that the image has a positive impact on perceived quality and satisfaction.

Uppal (2008) in his study finds that the banks are not following the cardinal principles of lending in distributing the retail credit. Banks can succeed only through aggravating and emphasizing various retail credit activities.

STATEMENT OF THE PROBLEM

The sample size of the study is only 100. The samples are very much limited. The samples were distributed among the depositors of a particular branch. The samples were given to the depositors of karur vysya bank at varadharaja mills branch and Indian overseas bank at peelamedu branch. Convenient sampling method is also used in this study. The study contains both the primary and secondary

OBJECTIVE

Study on depositor's perception towards deposit schemes of Indian Overseas Bank and Karur Vysya Bank.

METHODOLOGY

For finding the level of depositor's perception towards deposit schemes and to get the knowledge about deposit schemes, the descriptive research method is used. In this study convenient sampling method is also used. The study contains both the primary and secondary data. Tools used for the study is simple percentage analysis and rank analysis.

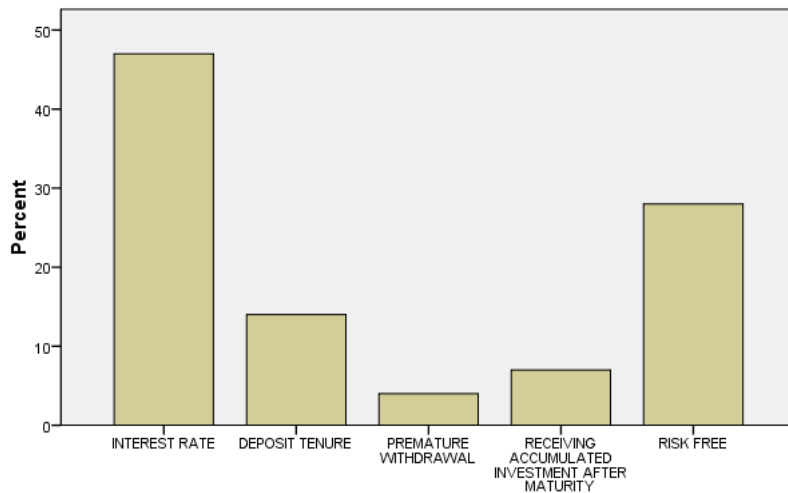
ANALYSIS AND FINDINGS

(I) SIMPLE PERCENTAGE ANALYSIS:

REASON FOR DEPOSITING IN PARTICULAR SCHEME

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid INTEREST RATE	47	47.0	47.0	47.0
DEPOSIT TENURE	14	14.0	14.0	61.0
PREMATURE WITHDRAWAL	4	4.0	4.0	65.0
RECEIVING ACCUMULATED INVESTMENT AFTER MATURITY	7	7.0	7.0	72.0
RISK FREE	28	28.0	28.0	100.0
Total	100	100.0	100.0	

REASON FOR DEPOSITING IN PARTICULAR SCHEME



REASON FOR DEPOSITING IN PARTICULAR SCHEME

INTERPRETATION

From the above study Interest rate is 47%, deposit tenure is 14%, premature withdrawal is 4%, receiving accumulated investment after maturity is 7% and risk-free is 28%. The maximum level of the reason for depositing in particular scheme is Interest rate(47%).

RANK ANALYSIS:**Friedman Test****Ranks**

	Mean Rank
RANK THE SERVICE OF THE BANK	2.58
RANK THE TRUST ON BANK	2.82
RANK THE INTEREST RATE	2.62
RANK THE SPECIAL DEPOSITE SCHEMES	3.54
RANK THE GOVERNMENT SCHEMES	3.44

Test Statistics^{a,b}

N	100
Chi-Square	33.635
Df	4
Asymp. Sig.	.000

From the above study, depositors rank the special deposit schemes as first perception and rank the government schemes as second perception and rank the trust on the bank as third perception and rank the interest rate as fourth perception and rank the service as last perception. The maximum level of perception is seen in the special deposit scheme.

FINDINGS OF THE STUDY:

- The maximum level in the reason for depositing in particular deposit scheme is Interest rate (47%).
- The least level in the reason for depositing in particular deposit scheme is Premature withdrawal.
- In the ranking analysis, Rank for the Special Deposit scheme is maximum compared to the other reasons.

CONCLUSION:

This study finally concludes that the depositors perception towards deposit schemes of Indian Overseas Bank and Karur Vysya Bank. The level of depositors perception is observed by collecting the views from the depositors related to the deposit schemes.

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