

# A Study on Investors Awareness towards Various Saving Schemes Offered By SBI

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## ABSTRACT

Savings Schemes are launched in India either by the government, banks, or public sector financial institutions. Depending on the savings scheme, the interest rates and tax benefits may vary. The main aim of a savings scheme is to provide financial security in case of medical or personal emergencies. This paper outlines the awareness towards various saving schemes provided by SBI. This study has been conducted from SBI customers who have invested in saving scheme, all the feedback has been collected through questionnaire.

**Key words:** Schemes; saving; Bank; Investment.

## I. INTRODUCTION

Savings Schemes are investment options for Indian citizens launched by the government as well as other public sector financial institutions. These saving schemes were introduced as an incentive to cultivate healthy saving and investing habits in India. This is also a way to increase the inflow of money into the Indian economy. Savings schemes cater to a wide demographic and encourage individuals to invest for various milestones of life such as retirement, children's higher education, their marriage etc.

Types of saving schemes in India can be broadly categorised into 2 types based on their popularity, financial security and returns:

- National Savings Certificate (NSC)
- National Savings Scheme (NSS)

## II. RESEARCH GAP

Savings Schemes are savings products administered by the Government of India or public sector financial institutions. They have different rates, tax treatment and tenures. Now a days it is important to choose right bank at right scheme to get the benefits more in future. This study gives the awareness towards the various scheme offered by SBI.

## III. OBJECTIVES

- To analyse the demographic factors of the respondents to invest into SBI saving schemes.
- To find customers perception towards the various schemes provided by SBI.
- To analyse the customers preference in selection of various saving scheme provided by SBI.
- To analyse the level of satisfaction from the respondent who have invested in the various schemes.

## IV. RESEARCH METHODOLOGY

Research Methods is defined as “tools or instruments used to accomplish the goals and attributes of a study

## DATA COLLECTION

- The data collected for this study is primary data and secondary data.
- The actual sample size is 50 were taken conveniently.
- Data analysing tools are Simple percentages, Chi-square test.

## V. LIMITATIONS

- The study has been conducted for SBI consumers who are using SBI products, so the findings cannot be generalized to other banks.
- The data collection has been done from a limited geographical area. Hence the findings and the conclusion have got their own limitations.
- The data is entirely based on the responses given by the respondent which may be biased due to their personal bias in replying the questions.
- Due to time and cost constrains the findings cannot be generalized.

## VI. REVIEW OF LITERATURE

- **Deepak Sood and Dr. Navdeep Kaur (2015)** studied on “A Study of Saving and Investment Pattern of Salaried Class People with Special Reference to Chandigarh” and study analysed that the main objective is to determine the relationship between the savings and investment pattern among the salaried class people of Chandigarh.
- **Dr. Bhawana Bhardwaj, Dr. Nisha Sharma, Dr. Dipanker Sharma(2013)** studied on “ Income, Savings and Investment pattern of employees of Bahra University, Solan and examined that majority of the employees (80) have knowledge about the industrial securities, cross-tabulation of knowledge about securities and income level reveals that as the income of the employee’s increases, awareness about securities also increases. Though 80 percent of the employees are aware of industrial securities but only 8 percent of them are investing in it.
- **Joseph, M.A. (2004)** who had made a study on mobilization of saving through mutual funds highlighted the importance of mutual funds in mobilization of saving from people. The study also analyzed the merits and demerits of mutual funds as a means of mobilization of saving to the investing community
- **Talukdar, Umesh (2003)** in his work on the pattern of rural saving and its investment in the economic development of Assam with special reference to Nalbari District, Assam critically analysed the various aspects of

saving and investment and its role in the economic development of Assam.

## VII. ANALYSIS AND INTERPRETATION

### EDUCATION QUALIFICATION AND ANNUAL INCOME OF THE RESPONDENT

#### Null Hypothesis (H0):

There is no significant relationship between education and income level of the respondent and their satisfaction towards various saving schemes offered by SBI.

#### Alternate Hypothesis (H1):

There is significant relationship between education of the respondent and income level of the respondent and their satisfaction towards various saving schemes offered by SBI.

The Tabulated Value of chi square is 7.50

Calculated Value is 0.38

Thus it is found that  $0.38$  (Calculated Value)  $<$   $7.50$  (Tabulated Value)

#### TEST RESULT

Factor	Degree of Freedom	Chi Square Value	Significant Value	Accepted / Rejected
Income	4	7.50	0.38	Accepted

The null hypothesis is accepted. The alternative hypothesis is rejected. Thus it is found that there is significant relationship between education of the respondent and income level of the respondent and their satisfaction towards various saving schemes offered by SBI.

**AGE GROUP OF THE RESPONDENT AND PRIORITY TO INVEST IN VARIOUS SBI SCHEMES.**

**Null Hypothesis (Ho):**

There is no significant relationship between age group of the respondent and priority to invest in various SBI schemes

**Alternate Hypothesis (H1):**

There is significant relationship between age group of the respondent and priority to invest in various SBI schemes

The Tabulated Value of chi square is 17.50

Calculated Value is 4.83

Thus it is found that 4.83 (Calculated Value) < 17.50 (Tabulated Value)

**TEST RESULT**

Factor	Degree of Freedom	Chi Square Value	Significant Value	Accepted / Rejected
Age	12	17.50	4.83	Accepted

The null hypothesis is accepted. The alternative hypothesis is rejected. Thus it is found that there is significant relationship between age group of the respondent and priority to invest in various SBI schemes.

**VIII. FINDINGS**

1. Majority of 41% respondents said their annual saving is 25001 to 50000 and only 7% of their annual saving is less than 10000.
2. About motivators of savings, Majority of 29% respondents said the factor to be secured at old age and only 9% of them said to meet contingent expenses.
3. About factors to which you give priority when you invest in SBI, Majority of 31% respondents said safety and only 19% of them said low risk.
4. a) About awareness of SBI Tax Savings, Majority of 49% respondent said they fully aware and only 13% of them said they not aware about the saving scheme.  
About awareness of SBI multi option deposit scheme, Majority of 41% respondent said they fully aware and only 24% of them said they not aware about the scheme.  
b) About awareness of SBI Flexi deposit scheme, Majority of 44% respondent said they fully aware and only 19% of them said they not aware about the scheme.  
c) About awareness of SBI reinvestment scheme, Majority of 37% respondent said they fully aware and only 28% of them said they not aware about the scheme.  
d) About awareness of SBI Mutual Fund Scheme, Majority of 43% respondent said they just aware and only 27% of them said they not aware about the scheme.  
e) About awareness of SBI other saving scheme, Majority of 49% respondent said they just aware and only 24% of them said they not aware about the scheme.
5. a) Towards the opinion about high return on investment, Majority of 42% respondents agree this and only 9% of them disagree this.  
b) Towards the customer opinion about Clear details given by the bank about the saving scheme, Majority of 31% respondent agreed and only 7% of them strongly disagreed.  
c) Towards the opinion about wide range of facility offer, Majority of 32%

- respondents agree this and only 5% of them strongly disagree this.
- d) Towards level of satisfaction with paper work processing time, Majority of 39% respondents are neutral and only 5% of them are dissatisfied.
  - e) Towards the level of satisfaction with short term investment opportunity, Majority of 37% respondents are satisfied and only 12% of them are dissatisfied.
  - f) Towards the level of satisfaction with fixed income investment opportunities, Majority of 51% respondents are satisfied and only 7% of them are dissatisfied.
  - g) Towards overall level of satisfaction of the banking service, Majority of 36% respondents are satisfied and only 8% of them are dissatisfied.

#### **IX. SUGGESTION**

- Majority of the respondents owned current A/C, only very less percentage of the respondents owned Saving A/C. So the Saving A/C level of customers should be increased.
- Many of the respondent said the motivators of the saving scheme is to be secured at old age, this can be used as a promotional tool with the help of customer testimonials.
- Only 33% of the SBI account holder having saving scheme, this can be increased easily by giving more awareness to the existing customers.
- Safety factor considered as one of the most important while investing in SBI saving scheme, this has to be maintained by keeping very good relationship with the customers.
- SBI Flexi Deposit Scheme awareness is low comparing with other scheme, this has to be increased in the same way reinvestment scheme awareness also less.

#### **X. CONCLUSION**

Among various saving options offered by banks through tough competition in attracting prospective customers, SBI always sustain its remarkable domain. From the above research work it can be predicted that

,Majority of the respondents invest into the various products of SBI and invest in the old age scheme to meet the contingency in future. Therefore it is concluded that the respondents hailing in Coimbatore city are highly satisfied towards SBI tax saving scheme and SBI multi option deposit scheme (MODS) offered by SBI.

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