

A  
RESEARCH PROJECT REPORT

ON

**A COMPARITIVE STUDY ON PUBLIC & PVT. MERCHANT BANK IN INDIA**

UNDER THE GUIDANCE OF

Dr. TEJ SINGH



**SUBMITTED BY-**

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## **DECLARATION**

I, Shivam Paliwal Student of MBA(FM) School of Finance & Commerce, Galgotias University, Greater Noida, confirm that the work for the following term paper with the title: "**A Comparative study on Public & Pvt. Merchant Bank in India**". This research is undertaken by myself ,that no help was provided from other sources as those allowed. All sections of the research paper that use quotes or describe an argument or concept developed by another author have been referenced, including all secondary literature used, to show that this data has been adopted to help my thesis.

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## **ACKNOWLEDGEMENT**

The Research project report is play important role for MBA(FM) School of Finance & Commerce, which has helped me to get a lot of experience & knowledge, which will beneficial in my succeeding carrier for understand the different- different factors. For this with an ineffable spirit of gratitude I take this occasion to express my deep sense of ineptness and gratitude to Dr. TEJ SINGH, for her encouragement, support and guidance in carrying out the project .It has been my great privilege to work under her inspiring guidance.I am also thankful to my parents and my friends for their indelible co-operation for achieving the goal of this study.

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**CHAPTER – 1**  
**INTRODUCTION**

## INTRODUCTION

**DEFINITION** : “A Merchant Bank is a British word for a bank providing various types of financial services like accepting bills arising out of trade, providing advice on acquisitions, mergers, foreign exchange, underwriting new issues, and portfolio management , etc.”

This type of public related bank plays game changer role because of the merchant, They can provide the various type of offers to increase the no. of the client, which can attract by the different- different bundle offers. That is helpful for the clients also because they can use this bundle offer for gaining the profit, that is depend on the types of the various clients.

It is working like a financial brocker , The activities related to MB in India are as follows -

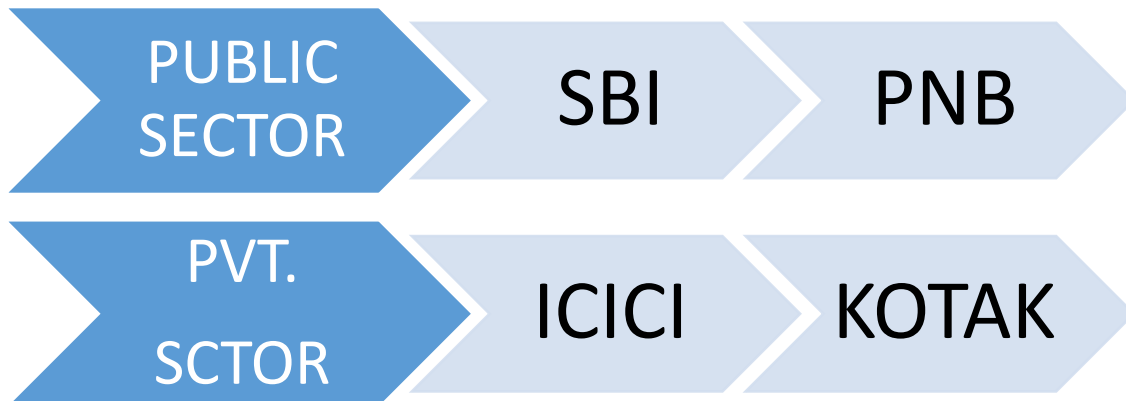
1. The management of the customers securities
2. The management of the portfolio
3. The management of projects and counseling as well as appraisal.
4. The management of underwriting of shares and debentures.
5. The circumvention of the syndication of loans.
6. The management of the interest and dividend etc.

## PROCESS OF MERCHANT BANKERS IN INDIA

That was the procedure of the MB registration in our country, with some rules & conditions. The conditions are as follows :

- The client related or part of the body corporate.
- That client can't add or run another business in that market.
- They have the basic things like worker&field.
- There is the condition of atleast 2 pre-experienced people related to the market.
- The client not consider protection scam.

## SECTORS OF MERCHANT BANKERS IN INDIA





We all are know about the SBI bank,& that bank is the most trustable bank in by users.n INDIA SBI works with 24000 branches and 59200 ATM which is the sufficient no. for the largest bank, Because of the Most trustable and large bank of INDIA many people prefer to invest& deposit in SBI. It provide many different-different services for the users to make easy to use system. The history of SBI is very long, there is so many changes from beigning to INDIA largest bank.

They can orchestrating Foreign Currency credits through:

- Commercial loans
- Syndicated loans
- Loans from Foreign Banks and Financial Institutions
- Credit from Exportation Credit Agencies
- Credid of Imports



This bank wrk with 6,900 branches or 10680 ATM's. It is also provide the different-different services. This bank also have large no. of users which makes PNB. This bank also provide the deposit and other services. Day by day the no. of PNB branches & ATM are increases.

The PNB journey start in 1895, Then the bank improve day by day by providing better experience & services to the customers. The Punjab National Bank have the facility of locker, investment & deposit services. In 1985 the bank start with only deposit service and work on the different base.





After the SBI in India, ICICI Bank is the largest bank in India. ICICI works with 5000 branches and 15500 ATMs in INDIA.

The ICICI Bank is comes in the list of large Banks in INDIA. This bank is always use latest technology for attract the customers & make easier to provide the better services to the customers, which makes ICICI Bank better than the other banks in the field of technology. In last year ICICI Bank use the Robots in the head branch, which is the example of the new technology. This banks also provides the fund transfer and investments services and many other important services. The technical management and latest technology makes work more easy to provide better services to more customers.



This Bank provide all bank related services to the customers as well as it is also provide the advisory services related to the different – different fields.

Merger & Acquisition advisory

Raising capital from debt & Equity capital market

Raising Capital from financial sponsor. Infrastructure financing advisory.

#### **OBJECTIVES OF THE BANK:**

Offer a large suite of capital advisory and capital market solution to client covering both type of cooperation (leading domestic & multinational cooperation), banks, financial institutions, & govt. companies across major industry sector.

## **FOCUS OF THE STUDY**

The main motive of the research is examine the different-different sectors of merchant banking in India. I take four merchant bank for this analysis to Know about the services given by the Merchant bank and then compare with each other after the Analysis of the percentage of public & private sector bank, And in the last of the research difference between two sectors with the help of the respondent.

## **CHAPTER-2**

### **LITERATURE REVIEW**

## **REVIEW OF EXISTING LITERATURE**

The Merchant Bank work in both sector public & private. It can helps to increase both sectors. They can provide the services to the customers for better use of the services they can also provide the advisory services through bank.

Collect the data of the customer to open the merchant account, then verify the all details which are important. the banks apply charges against to the customers for the services and the process to open the merchant account in the bank. They can cover the market risk, sell loan for use for cooperate purpose.

Create a chart of provider, where you can fill the all information partner company, charge, benefit any other information. That type of all data fill for the Merchant banking, In India the number of merchant is increases day by day and the banks also provide the better offers and better services so the user are attracted by the banks to open the Merchant account.

Watch and verify again the contract, with mini print and explained terms. Do not sign anything during you are full confident that you know and clear whole fees, minimums, termination clauses, and some other details.

Financial services given by the bank are fully covered & the licence of the Merchant bank are created by the security exchange board of India, which can handle the all merchant bank activities . and the important part is that you are very clear about fees and other informations.

## **CHAPTER-3**

### **OBJECTIVES & RESEARCHMETHODOLOGY**

## **OBJECTIVES OF THE STUDY**

- To know about the increment percentage of the Public & Private sector Merchant Bank.
- To know about the services and functions of the Merchant Bankers.
- To know about its capacity and the comparison.
- To compare the percentage criteria of the both sectors of Merchant Banker are done through analysis.
- To know about the working capability and the difference of both sectors of the merchant bank.

## **RM OF RESEARCH**

### **RESEARCH STRUCTURE:**

- Sample size 100 responded
- Convenience sampling has been used
- This study is based on secondary analysis
- Statistical too frequency & percentage sample area greater noida
- Statistical Tools- Diagram ,Table,graphs & charts

### **METHODS OF DATA COLLECTION**

**Primary Data** through self observation.

**Secondary Data** are collected by the information related to the Merchant bank, which is already covers by other earlier. It consider these various sources-

- Newspapers
- Websites
- Books

**CHAPTER-4**  
**RESEARCH PRESENTATION & ANALYSIS**



## ANALYSIS&INTERPRETATION

Q 1 Are you satisfied with the Fin. services that banks provide you?

No.	Satisfied with Services	Respondent	% of Respondent
1	Yes	46	46
2	No	54	54
	Total	100	100

### **EXPLANATION -**

46% respondent are satisfied & 54% respondent are not satisfied with the services that banks provide.

Q 2 Are you aware about the Merchant Banking?

No.	Know about Merchant	Respondent	% of Respondent
1	Yes	42	42
2	No	58	58
	Total	100	100

### **EXPLANATION –**

42% respondent are aware about the Merchant banking & rest 58% respondent are not aware about that.

Q 3 The services provided by bank are easy to use or not ?

No.	Agree	Respondent	% of Respondent
1	Yes	45	45
2	No	55	55
	Total	100	100

**EXPLANATION –**

45% Respondent are agree that the services provided by bank are easy to use & 55% respondent are not agree with that.

Q4 which bank give you better service?

No.	Bank	%
1	ICICI	20
2	SBI	35
3	PNB	20
4	KOTAK	15
5	Other	10

**EXPLANATION -**

Huge no. of organizations takes budgetary administrations from SBI.

Q 5 According to you where stand Pvt. Sector Merchant bank ?

No	Criteria	%
1	Good	50
2	Normal	35
3	Bad	15
	Total	100

**EXPLANATION**

According to the respondent the Pvt. Sector merchant in good position by 50% , 35% normal & 15% bad.

Q 6 According to you where stand Public Sector Merchant bank ?

No	Criteria	%
1	Good	40
2	Normal	55
3	Bad	5
	Total	100

**EXPLANATION -**

According to the respondent the public sector merchant bank in Normal position by 55% , good by 40% & bad by 5%.

Q7 which type of deposit you prefer in bank?

No.	Deposits	Respondent	%
1.	Bank Security (F.D.)	28	28
2.	Gold	0	0
3.	Land Papers	50	50
4.	Third person security	22	22
	Total:	100	100

**EXPLANATION –**

Land papers is the 1<sup>st</sup> choice of the 50% respondent, rest can prefer the FD by 28% & third person security by 22%.

Q 8 Personally you are agree to pay certain amount of security amount of bank?

No.	Agree to pay amount	Respondent	%
1.	Yes	70	70
2.	No	30	30
	Total:	100	100

**EXPLANATION -**

According to the respondent 70% are agree to pay this amount & rest 30% are not agree with that.

Q 9 Can banks handle all operation & services timely?

No.	Agree	Respondent	%
1	Yes	66	66
2	No	34	34
	Total	100	100

**EXPLANATION -**

66% respondent are agree & rest 34 % are not agree o that.

Q1o Is Merchant bank & Investment bank are same?

No.	Agree	Respondent	%
1	Yes	30	30
2	No	70	70
	Total	100	100

**INTERPRETATION**

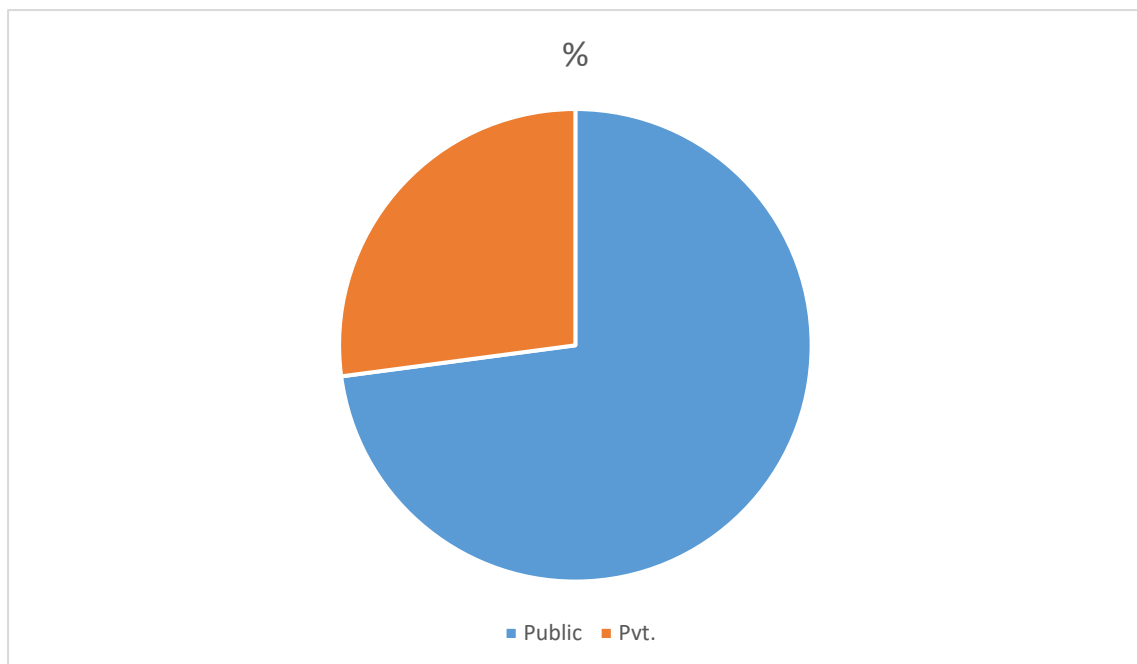
70% respondent are not agree that it is same & rest 30% agree that it is same.

## COMPARISION BETWEEN PUBLIC & PRIVATE SECTORS

The public sector and the private sector both are the important part of the Merchant banking. According to the latest data the popularity of public and private sector bank, the public sector are higher percentage of the share in compare to the private sector merchant bank. Both sectors merchant bank are doing well. But mostly respondent are prefer to the public sector because of the many factors like trust, safety and others. The public sector MB is the first choice that's the reason that it capture the higher percentage of share than the private sector share.

**Public Sector Share % = 72.9%**

**Private Sector Share % = 27.1%**



## **CHAPTER-5**

### **FINDINGS & CONCLUSIONS**

## **FINDINGS**

- Most of the people are know that the merchant bank is differ from the investment bank.
- The percentage of the market share of Public sector is much higher than the private sector.
- The Private sector banks are stands in the much good position than the Public sector bank.
- The public sector bank give better service than the private sector bank. And SBI is stand in the top of the list.
- The banks can handle all the operations timely.
- Most of the respondent are prefer to deposit in the land paper.
- The services provided by the banks are easy to use, there is he approximate same think of the most of the respondent.



## **CONCLUSION**

- The Market share of Public sector is increases day by day.
- Mostly people trust on the Public sector bank because of the services and history of the bank.
- The bond plays very important role to attachment with any bank.
- The banks are facing competition day by day. So, it is very difficult for the bank to handle the customers.
- Implement of the new technology is also affect the all the situation of the bank.
- SME's are also connected with the bank for the financial services provided by the Merchant banks.

### **LIMITATIONS OF THE STUDY**

- Due to shortage of time only limited data can be collected.
- There can be a probability of “individual biasness” on the part of respondents.
- Sample size to be taken may not be the exact representative of the population.

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## QUESTIONNAIRE

Hello Sir/Madam,

I SHIVAM PALIWAL, here to conduct a research on the topic “**A COMPARITIVE STUDY ON PUBLIC & PVT. MERCHANT BANK IN INDIA**” Please give your honest opinion and be understood that this information collected will be purely confidential and not to be shared for any purpose other than research.

Thank You.

### RESPONDENT'S PROFILE

**Name** : \_\_\_\_\_

**Age** : 20-35 ( )                      36-50 ( )                      51-60 ( )

**Gender** : Male ( )                      Female ( )

**Occupation** : \_\_\_\_\_

Q 1 Are you satisfied with the Fin. services that banks provide you?

(a) Yes ( ) (b) NO ( )

Q 2 Are you aware about the Merchant Banking?

(a) Yes ( ) (b) No ( )

Q 3 The services provided by bank are easy to use or not ?

(a) Yes ( ) (b) No ( )

Q4 which bank give you better service?

(a) ICICI ( ) (b) SBI ( )

(c) PNB ( ) (d) KOTAK ( )

(e) OTHER ( \_\_\_\_\_ )

Q 5 According to you where stand Pvt. Sector Merchant bank?

(a) Good ( ) (b) Normal ( )

(c) Bad ( )

Q 6 According to you where stand Public Sector Merchant bank?

(a) Good ( ) (b) Normal ( )

(c) Bad ( )

Q7 which type of deposit you prefer in bank?

- (a) Bank security ( ) (b) Gold ( )  
(c) Land paper ( ) (d) Third party security ( )

Q 8 Personally you are agree to pay certain amount of security amount of bank?

- (a)Yes ( ) (b)No ( )

Q 9 Can banks handle all operation & services timely?

- (a) Yes ( ) (b) No ( )

Q10 Is Merchant bank & Investment bank are same?

- (a)Yes ( ) (b)No ( )