

THE INVESTMENT PATTERN AND BANKING NEEDS OF THE HOUSING SOCIETIES.

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ABSTRACT

This study delves into the investment patterns and banking requirements of housing societies, examining their financial management practices for sustainability and growth. Through a comprehensive analysis of market dynamics, company performance, risk assessment, valuation methods, investment strategies, and portfolio management, this research aims to provide insights into effective financial decision-making within the housing society sector.

- **Market Analysis:** The market analysis section explores the macroeconomic factors influencing the housing society sector, including demographic trends, urbanization rates, regulatory environment, and economic indicators. It assesses the demand for residential properties, rental yields, and competition among housing societies. Additionally, it examines the impact of market volatility and economic cycles on investment decisions within the sector.
- **Company Analysis:** Company analysis focuses on the financial performance and operational efficiency of housing societies. It evaluates key metrics such as revenue growth, profit margins, asset utilization, and liquidity ratios to assess the financial health of individual housing societies. Furthermore, it examines governance structures, management capabilities, and strategic initiatives undertaken by housing societies to enhance shareholder value and mitigate risks.
- **Risk Assessment:** Risk assessment involves identifying and evaluating various risks inherent in investing in housing societies. These risks may include market

risk, liquidity risk, credit risk, regulatory risk, and operational risk.

Through

quantitative and qualitative analysis, this section assesses the likelihood and potential impact of these risks on the financial performance and stability of housing societies

- **Valuation Methods:** Valuation methods employed in this study include discounted cash flow (DCF), comparable company analysis (CCA), and net asset value (NAV) analysis. These methods help determine the intrinsic value of housing societies by estimating future cash flows, comparing valuation multiples with peer companies, and assessing the market value of tangible and intangible assets.
- **Portfolio Management:** Portfolio management entails the ongoing monitoring and adjustment of investment portfolios to achieve financial objectives and mitigate risks. It examines portfolio construction techniques, performance measurement metrics, and rebalancing strategies employed by housing societies to optimize portfolio return

CONTENTS

1. Introduction	1
2. Method of study	36
3. Procedure and data collection	37
4. Statistical treatment of data	40
5. Results	47
6. Analysis	54
7. Conclusion	55
8. Suggestions	56
9. Bibliography	57
10. Questionnaire	58

INTRODUCTION

ICICI BANK-COMPANY PROFILE

With over Rs. 1 trillion in assets, over 540 physical locations, and over 1,000 automated teller machines, ICICI Bank is the second biggest bank in India. Investment banking, life and non-life insurance, venture capital, asset management, and information technology are just few of the channels via which ICICI Bank serves its commercial and retail customers. ICICI Bank's American Depositary Receipts (ADRs) may be acquired on the Stock Exchange, Mumbai, the National Stock Exchange of India Limited, the Stock Exchange, Chennai, the Stock Exchange, Delhi, the Stock Exchange, Kolkata, and the Stock Exchange, Vadodara.

In 1994, ICICI Limited, an Indian provider of financial services, created ICICI Bank as a wholly-owned subsidiary. Public offerings in India in fiscal 1998, a listing on the New York Stock Exchange in fiscal 2000, the acquisition of Bank of Madura Limited in fiscal 2001 via an all-stock amalgamation, and secondary market sales by ICICI to institutional investors in fiscal 2001 and fiscal 2002 all contributed to ICICI reducing its 46% stake in ICICI Bank. In 1955, ICICI was founded via a joint effort by the World Bank, the government of India, and eminent Indian businesses. The primary goal was to establish a development financial organisation that could provide Indian firms with access to medium- to long-term project funding. It was in the 1990s that ICICI evolved from a development financial institution supplying just project financing into a diversified financial services company, with ICICI Bank and its subsidiaries providing a broad range of goods and services. When ICICI was listed on the New York Stock Exchange in 1999, it created history as the first Indian corporation and the first non-Japanese Asian financial

institution to do so. The management teams at ICICI and ICICI Bank arrived to this conclusion after taking into account the changing competitive climate in the Indian banking market and the trend towards universal banking. This merger would serve as the best possible legal basis for the ICICI group's universal banking ambition. Access to low-cost deposits, enhanced opportunities for fee-based revenue, participation in the payments system, and the provision of transaction-banking services are just a few ways in which this purchase can benefit ICICI shareholders. ICICI Bank's shareholders would benefit from the merger in several ways, including gaining access to ICICI's strong corporate relationships developed over the past five decades, expanding into new business segments, increasing market share in various business segments (especially fee-based services), and tapping into ICICI's vast talent pool. Both ICICI Personal Financial Services Limited and ICICI Capital Services Limited, both wholly-owned retail financing enterprises, were included into the ICICI Bank merger in October 2001. ICICI and ICICI BANK shareholders accepted the merger in January 2002, while the High Court of Gujarat in Ahmedabad, the High Court of Judicature in Bombay, and the Reserve Bank of India all gave their blessings to the merger in March and April 2002. The united ICICI organisation now provides banking and financing services to both big and small enterprises.

ORIGIN :

The ICICI Bank was established in India by the ICICI Limited. The Bank was incorporated on January 5, 1994, and the Reserve Bank of India granted it a banking licence on May 17, 1994. The first ICICI Bank location, in the city of Chennai, India, opened in June of 1994.

MERGER OF ICICI WITH ICICI BANK

During their time in business, ICICI Bank and the other members of the ICICI group of companies provided what they called a "virtual universal bank" to their clientele. When ICICI and two of its subsidiaries merged to become ICICI Bank, the emerging company benefited from streamlined processes, a unified IT architecture, and synergistic capabilities and services. ICICI Bank has joined with ICICI to get access to ICICI's massive capital base and ICICI Bank's potent deposit raising powers, allowing both companies to effectively compete for banking fees and commissions. Therefore, ICICI Bank will be able to offer its corporate clients a full suite of financial products and services by tapping into ICICI's vast system of powerful corporate alliances. ICICI, the two firms it is merging into, and ICICI Bank are in a stronger position to service retail customers and provide a broader range of asset and liability solutions as a consequence of the merger.

RETAIL BANKING

ICICI Bank puts a high priority on the retail sector as part of its development plan to diversify its assets and build a cost-effective and reliable resource base. We are able to cross-sell our customers the whole range of credit and investment products and other banking services since ICICI Bank provides a comprehensive product suite spanning asset and liability products and a broad variety of banking services. Our retail strategy is built on our products, distribution networks, and operational procedures.

Population migrations and rising incomes have created an era of unprecedented opportunity for the retail banking sector. ICICI Bank's retail assets business is making the most of this potential by quickly expanding its volume in each market segment, investing heavily in marketing and research, maintaining excellent credit controls, and providing great customer service. As of March 31, 2002, ICICI Bank's retail portfolio was over Rs. 76.00 billion, up from roughly Rs. 29.00 billion as of March 31, 2001, thanks to the inclusion of its wholly-owned subsidiary, ICICI Home Finance Company Limited. Mortgages, automobile and motorcycle finance, financing for commercial vehicles and construction equipment, financing for consumer durables, instalment loans, credit cards and prepaid debit cards are just some of the retail asset products they provide.

Mortgages are ICICI Bank's exclusive business at more than 140 branches throughout the nation. They pioneered adjustable-rate mortgages, which fluctuate with the prime lending rate. The unprecedented demand for this service drove the mortgage industry to new heights. Bank loan interest rates were adjusted upward, and asset-liability management improved. Loans secured by existent assets and a variety of value-added features, such as retail property services and mortgage insurance, were among the other products and versions available. The company's fiscal year 2002 saw it emerge as a major force in the mortgage industry.

During the 2002 fiscal year, they dominated the auto loan market to an unprecedented degree. They advocated for it to be sold at 145 more locations. The company's success may be attributed to its excellent distribution abilities, customer service orientation, and established partnerships with key manufacturers. They quickly expanded into other markets in response to this success. Over 140 of their motorcycle dealerships joined their franchise. Since ICICI Bank is a preferred distribution partner for many manufacturers, it receives special treatment from those companies. Their rapid expansion allowed them to take advantage of economies of scale and provide their customers with lower prices.

They increased the number of places you can get their credit cards from to a whopping 36. By the end of the 2002 fiscal year, nearly 650,000 cards were in circulation, an increase of 450,000. Along with HPCL (Hindustan Petroleum Corporation Limited) and BPL Mobile, we released two co-branded cards this year. Throughout the year, they expanded into merchant acquisition.

When it comes to issuing debit and credit cards in India, ICICI Bank is without peer. If you have an account with ICICI Bank, you may use your "Ncash" debit card at any ATM or POS terminal to withdraw cash or make purchases. Anywhere Mastercard is accepted, you can use it to shop and rack up loyalty points. Also, they branched out to offer a domestic debit card service that was tailored to payroll customers. As of March 31, 2002, ICICI Bank had issued approximately 600,000. During the 2002 fiscal year, ICICI Bank launched two different smart card schemes, one for the workplace and one for a school.

They maintained their emphasis on retail deposits in fiscal 2002 as a method of lowering financing costs and establishing a solid financial foundation. The number of paying customers jumped from 3.2 million to more than 5 million. For example, ICICI Bank has seen a meteoric rise in its retail liability base as a result of its life stage segmentation strategy, which targets specific demographics with tailored liability products (kid- e-bank for children, bank@campus for students, PowerPay for salaried workers, ICICI Select for high net worth individuals, and Business Multiplier for business owners).

Mutual funds, Reserve Bank of India relief bonds, and insurance products have been growing in popularity thanks in part to their innovative third- party distribution approach. To maximise distribution potential and generate fee money from third parties, they provide items that complement those they sell directly to customers.

You may also do online trade with them at www.ICICIdirect.com. ICICI direct is the broker with the largest capacity to support broking transactions according to its "TxA1" rating from CRISIL, which indicates

a comprehensive end-to-end link for electronic trading on stock exchanges. Customers may now see and print their contract notes digitally thanks to ICICI direct's introduction of India's first Digitally Signed Contract Notes (DSCN).

ICICI Bank was the first Indian financial institution to provide 24/7/365 service via many platforms. The improved customer service has allowed us to draw in new consumers and shift business from costly brick-and-mortar venues to more cost-effective digital ones. Throughout the course of the year, ICICI Bank made significant headway in expanding the number of non-branch channels it offers and shifting the volume of client transactions to these channels. Unfortunately, only 35% of all customer-initiated transactions currently occur in branches. During the 2002 fiscal year, ICICI Bank added over 500 ATMs to its network, bringing the total to over 1,000. At any of our ATMs, you may use your Mastercard, Visa, Cirrus, or Maestro. These days, you can even pay your bills and top up your prepaid cell phone at an ATM.

More than a million people utilise the Internet banking service at ICICI Bank. ICICI Bank's retail clients may access their accounts, account information, and conduct domestic and international financial transfers using the bank's online banking facility. e-Cheques, India's first Internet-based inter-bank cash transfer tool, is now available to ICICI Bank customers in eight Indian cities. This makes it possible for ICICI Bank customers to send money to loved ones at any Indian bank. Customers may verify the status of a previously written cheque in addition to setting up a one-time or recurring deposit. Customers may talk to their account managers and sign up for paperless account statements using the encrypted connection. More than 120 cities in India may use ICICI

Bank's convenient online utility bill paying service. ICICI Bank's online banking platform is compatible with all of the most popular shopping sites.

ICICI Bank likewise views its contact centre as an important communication hub. Assistance for ICICI Banking Customers. Our main call centre is staffed with helpful people who can answer any questions you may have regarding the products we offer. It allows users to handle all account and product-related transactions and inquiries alone or via direct, customised communication with customer care agents. In addition to handling customer service inquiries, modern contact centres often use inbound client discussions to cross-sell related products and services. Thanks to VoIP and other cutting-edge desktop technologies, the contact centre can acquire a full picture of a customer.

Customers of ICICI Bank may use the bank's mobile banking services to order new chequebooks and account statements, see their credit card balances and payment history, and view their account balances and transaction histories.

CORPORATE BANKING

When it comes to corporate banking, ICICI Bank takes the view that every client should get tailored advice. Corporate banking strives to deliver high levels of customer satisfaction at cheap costs while effectively managing credit risk via risk-based pricing and proactive portfolio management, fast development in fee-based services, and substantial use of technology. In fiscal 2002, they focused on expanding their customer base, expanding their product offerings to current clients, and acquiring new customers. There was still a need for funding for things like working capital, complicated transactions, and distribution networks. ICICI Bank, which has seen sluggish growth in corporate lending and limited traditional choices for financing capital expenditures, has reacted to the public sector disinvestments process by offering structuring and advising services for longer-term loans. Transaction banking services, such as cash management and non-fund-based facilities, such letters of credit and bank guarantees, are where banks may increase their fee and commission share. Their cash management services have been very profitable, bringing in Rs. 1.72 trillion during the 2002 fiscal year. They made an additional effort to save money by selecting high-interest checking accounts. Each customer's prospective earnings are now included into the pricing structure. Because of their pioneering use of securitization, India now has a robust secondary market for corporatedebt.

They spent a lot of money on research, development, and quality

assurance throughout the year for their suite of web-based service delivery platforms. If you are an ICICI Bank business client, you may be able to use the bank's online banking services via the financial website ICICI markets.com. ICICI Markets' Corporate Internet Banking (CIB) platform is a reliable and user-friendly online banking solution for businesses. Customers like the ease with which they can make deposits, withdrawals, and check their account balances online. ICICI Bank's Debt Online allows investors to buy and sell Indian government bonds online.

Corporate banking typically has four primary types of specialist relationships: those with the public sector, with big firms, with rising corporations, and with the agriculture industry. ICICI Bank has developed fruitful relationships with several influential government agencies, which it is using to increase both the breadth and depth of its service offerings to these entities. Through its involvement with in-state businesses, ICICI Bank has established ties to a number of state governments. In addition, eight states have authorised ICICI Bank to collect sales tax. ICICI Bank participates in a wide variety of state government activities and lends support to many federal government initiatives. ICICI Bank is targeting businesses in an effort to broaden its customer base. ICICI Bank has prioritised structured financing arrangements and a liability-led business strategy in order to better serve its clients in the emerging corporate sector. Farmers and the dairy sector in particular have benefited from ICICI Bank's innovative techniques. ICICI Bank has formed strategic alliances with several state governments and agri-business organisations to provide farmers with long-term, reliable finance. The Structured Products & Portfolio Management Group of ICICI Bank uses its knowledge of financial structure and the associated legal, accounting, and tax issues to actively aid the bank's

other business areas in developing novel financial products and solutions. Asset management, including the preparation and implementation of portfolio buyouts and sell-downs, falls within the purview of this Team aswell.

With a larger capital base, ICICI Bank will be better able to serve its corporate clients by providing non-fund-based facilities, trade financing services, and access to its extensive business network. ICICI Bank is leveraging technology to obtain economies of scale in order to manage large quantities of transactions at centralised processing facilities. A Corporate Operations & Technology Group was set up to design, implement, and manage the business's back-end processing and delivery systems.

TREASURY

The Treasury's primary responsibilities include liquidity management, risk exposure analysis, resource mobilisation from local and foreign institutions, and proprietary trading. In addition to its in-house services, the Treasury is also delivering a full range of banking products and services via its broad network of partners in the financial industry. In ICICI Bank, the Treasury is in charge of the capital markets and the custodial services.

ICICI's 2002 fiscal year was mostly consumed by efforts to accumulate the necessary regulatory reserves for pre-merger obligations. When almost Rs. 180.00 billion was invested in Government securities owing to abnormally low interest rates, reserve requirements and interest-rate risk management emerged as major concerns. The Reserve Bank of India's monetary policy of low interest rates and the yields on government bonds. ICICI Bank used a strategy of acquiring shorter-duration assets to reduce mark-to-market risk resulting from increasing interest rates. Primary auctions of floating-rate bonds and short-maturity Treasury bills satisfied a significant share of the demand for government assets.

In the aftermath of the Asian currency crisis, ICICI had previously borrowed USD 75 million in foreign currency from the international markets for a term of five years at a cost of LIBOR + 70 basis points. The German finance organisation Kreditanstalt für Wiederaufbau (KfW) loaned ICICI USD 50 million over 12.5 years. This loan was the first time ICICI borrowed funds from KfW without first securing an Indian government guarantee. ICICI has borrowed USD 80 million from the

Asian Development Bank (ADB) for home finance for a period of 25 years, and USD 25 million from the DEG, Germany, for a duration of 8 years.

Corporate bonds, government securities, and interest rate markets were the primary centres of trading activity. When interest rates dropped significantly, a new opportunity for profit in the fixed-income market via portfolio churning arose..

PROJECT FINANCE AND SPECIAL ASSETS

It finances new projects and capacity improvements in the industrial sector and provides structured financing to the infrastructure and oil, gas and petrochemicals sectors. It has extensive experience funding intricate project finance deals and successfully dispersing the risks therein due to its long history in the industry. Their ability in drafting binding contract models, syndicating the required capital, and addressing complex difficulties resulting from government rules makes them indispensable in the eyes of most project sponsors. The firm employs its expertise to organise and syndicate funding for significant projects, and it routinely rebalances its project finance assets to prevent concentration and maintain a manageable level of risk. It views itself as more than just a provider of project finance; it also acts as an arranger and facilitator, creating financially secure structures that other market participants may utilise as investment and financing vehicles.

INTERNATIONAL BUSINESS

The company has established itself as a leader in many niche global areas, including information technology (IT), investment banking, and the supply of financial services to Non-Resident Indians (NRIs). It has increased its global footprint in preparation for the rapid development of foreign markets. To plan for and execute our global development, we formed the International Business Group in FY2002.

Using established local connections, this business plan aims to enter a targeted group of international markets. A strong domestic distribution network, a deep cultural connection to the home country, and advantageous access to the local currency markets are all strengths that may be used to produce value. Key areas of emphasis will include trade financing, personal financial services for non-resident Indians, international partnerships to promote local firms, and helping Indian corporations secure corporate and project funding for overseas endeavours.

The United States, the United Kingdom, the Middle East, and Southeast Asia will serve as its first global outposts. Representative Offices have been established in New York and London, and licencing applications are now being reviewed in Singapore, Canada, and the United Arab Emirates..

RISK MANAGEMENT

Having financial dealings with banks is always risky. Finding an optimal balance between risk and return is crucial for satisfying investors. ICICI Bank faces credit risk, market risk, and operational risk as a result of the varied nature of its companies and the intense competition in its industry. Their approach to risk management is based on anticipating potential threats, thoroughly evaluating them, and keeping a close eye out for them at all times. The standards and recommendations developed for this function are continually assessed in light of other, more well-established norms.

ICICI Bank's Risk, Compliance, and Audit Group analyses potential threats and works to reduce them. This department is crucial to Corporate Headquarters and reports straight to the Board of Director's Audit Committee. Risk Analytics, Credit Risk Rating, Industry Analysis, CreditPolicy Audits, and Internal Audits of Retail Operations.

INFORMATION TECHNOLOGY

ICICI Bank has relied significantly on IT to increase worker productivity and simplify services for customers in order to maintain a competitive edge. ICICI Bank's technology plan prioritises cost savings via electronic channels, expanding the bank's client base, and enhancing cross-selling possibilities. The TMG is the department inside the ICICI Group that formulates and executes the company's technological strategy. This department reports directly to the MD&CEO.

ICICI Bank is using technology to actively leverage a broad variety of goods via an integrated corporate IT infrastructure. The company's plan for Enterprise Application Integration was first put into motion in January of 2002. By harmonising information about all customers, this initiative hopes to boost satisfaction levels and boost staff output. In the first quarter of the 2002 fiscal year, we modernised the main banking system. The new initiatives include the ability to invest in mutual funds through a bank account that can be operated across the delivery channels (ISWEEP), the ability to receive customer statements electronically via email, and the ability to trade debt instruments online by linking corporate depository accounts with corporate bank accounts. The issuance of cheque books, processing of account openings, creation and printing of statements, issuance of ATM cards, and preparation of MIS and reports have all been centralised thanks to the centralization of branch databases, freeing up substantial resources at branches. The bank currently boasts India's most comprehensive database of its sort.

Currently, the Group's most important retail services are supported by Siebel, a customer relationship management programme. It's a practical

method for service providers to keep tabs on feedback and requests from clients. It's a helpful instrument for keeping tabs on requests and establishing due dates. The solution was gradually implemented over the 2002 fiscal year. The Bank has started a retail data warehouse project to aid in its ultimate goal of back-office client-base integration. This comprehensive customer profile is helping in the quest to upsell and cross-sell to current customers.

HUMAN RESOURCES

The ICICI Bank staff is a major strength of the business. For this reason, we place a premium on personnel management and development. In FY2002, HR made efforts to develop novel methods of staff selection, induction, and assessment in anticipation of the coming merger. Consolidating the four firms' grade and pay structures into one led to the establishment of new jobs within the organisation. On May 3, 2002, the newly unveiled organisational structure went into force. All the way through the placement procedure, efficient competency assessment techniques were applied to guarantee a seamless match between the applicant and the organisation. Using work-based assessment techniques has also been effective in merging grades. As of March 31, 2002, ICICI Bank had little over 7,700 workers, yet it was the second biggest bank in India. This is a prime example of the bank's forward-thinking, technologically-advanced, and fruitful business ethos. The hiring process has been simplified by the united company's adoption of a uniform policy and method of recruitment. Effective ability evaluation and competence profiling approaches are being used by businesses in an effort to enhance college recruitment and better match individual profiles with organisational objectives. Graduates from the best colleges and MBA programmes in the country flock to ICICI Bank for the many chances available in the financial services industry. The rapid expansion of ICICI Bank necessitates the frequent use of internal and external lateral hires. Six Sigma has been used to improve the effectiveness of the lateral hiring process. ICICI Bank may be able to make better use of its people resources and gain from the wider viewpoints of its employees by encouraging them to move around inside the bank's many divisions.

ORGANIZATIONAL EXCELLENCE

The success of ICICI Bank depends on maintaining an exceptionally high level of organisational excellence. The company's success depends on its technological prowess, financial acumen, transaction processing and portfolio management, credit analysis, customer segmentation, product development, and the creation and maintenance of solid, long-lasting relationships of trust with its retail and wholesale clients.

Over the course of the last few months, the entire ICICI group of companies has successfully adopted the Six Sigma methodology with the goal of increasing customer satisfaction and productivity. Turnaround time and operational efficiency have been greatly improved because to the implementation of Six Sigma practises in regional processing centres, branch layout and design, and the home finance and de-mat services industries. The organisation has a dedicated Organisational quality Group led by a Senior General Manager who reports directly to the Managing Director & CEO because of the paramount priority it places on quality in both internal processes and delivery to consumers. Among the team's many duties is the institutionalisation of quality initiatives like Six Sigma, the development of the skillsets that will expedite their rollout, the communication of the initiatives' accomplishments to upper management, and the dissemination of best practises throughout ICICI Bank and its subsidiaries.

PUBLIC RECOGNITION

It received a number of awards during fiscal 2002 for the integrity with which its financial results were reported, as well as for the creativity and success of its business strategies, customer service, and human resource practises.

CNBC Asia-Pacific and TNT's Asian Business Leader Award was given to the bank's managing director and CEO, K.V. Kamath, and Asian Banker named the bank the "Best Retail Bank in India" for the second year running.

The bank has been honoured with the "Asian Banker's Product Innovation Award" for its "Kid-e-bank" account, a top-three finish in ORG-MARG's "Best Employer" study of students from India's top business schools, the "Indian Express Marketing Excellence Award" for its "Most Recalled Advertisement on Television" campaign, and the "Best Presented Accounts Award" from the Institute of Chartered Accountants of India for the third consecutive year.

ABOUT THE TOPIC

In the realm of communal dwellings, I was assigned a really offbeat topic. I assisted in the marketing of a special form of bank savings account in addition to working on the project itself. I tried to sell this product several times but was unsuccessful despite its high quality and the ICICI Bank's great reputation. The product itself or the way it was marketed and sold seemed suspect to me. To get to the bottom of the matter, I investigated the housing societies' banking practises and investment preferences. In my thesis, I analyse the financial needs and spending habits of housing cooperatives. The problems and their remedies in the banking industry are discussed in detail. This research method does not have the resources to conduct a study with a large sample size. This led to 50 organisations being selected to have their appropriate officials respond to the survey. The questionnaire was completed by the president, secretary, treasurer, and/or manager of each housing society.

Clearly, it was a demanding assignment, but the results yielded a plethora of data. And such numbers are invaluable for gauging the scope of social problems.

OBJECTIVES

The project's main purpose is to eliminate the need for the product at hand, the special savings account (SSA), therefore understanding the housing societies' investment patterns and banking needs is vital.

Finding the best, most feasible solution to the problem is why we're doing this research. After conducting a SWOT analysis, this research aims to offer solutions to the following problems that could arise in this situation:

How can ICICI Bank best use its capabilities to increase the value of its premium savings accounts and the satisfaction of its clientele?

What are the bank's shortcomings, and how can they be remedied so that its rivals cannot use them to their advantage?

Where is the most promising market, and how can it be captured?

What are some of ICICI Bank's possible threats? If that's the case, we'll have to find out how to defeat them. How would one go about thwarting the tactics of a competing firm?

The one, overarching purpose of a research study is its beating heart. You might even say that is the guiding theory for the whole research project. Without a clear goal in mind, the project is more likely to go off course, if not completely shift directions. This might potentially derail the whole process and make the conclusion meaningless.

PROCEDURE AND DATA COLLECTION

The next step is to determine the source(s) of your information. The market researcher will have to decide whether or not to rely on secondary sources. Using both secondary and primary sources is not something you see very often in research projects.

Before relying on secondary data in any way, researchers should make sure it is applicable to their research questions. Only when secondary sources are either lacking or unreliable can researchers resort to original data collecting.

Here, secondary resources are both inadequate and nonexistent. This forces me to rely on my own main research instead of relying on secondary sources. Furthermore, the uniqueness of this study makes it noteworthy. Thus, primary data collection is necessary to advance the research. The targeted responders are high-ranking members of the management boards of the chosen housing cooperatives. Obviously, a lot of effort and expertise goes into building data collection forms.

A research design is a plan for conducting a study. The researcher should describe the approach he would use in respect to the proposed study. There are three major categories of study designs: exploratory, descriptive, and causal.

DATA COLLECTION

After deciding that primary data collection is necessary, picking the right method is the next step. In this case, you may either (1) use a purely observational method or (2) conduct a survey.

The word "observation" is used to describe a method of study in which data is collected by simply watching events unfold. The observational approach would be unsuitable for this research since the necessary data cannot be acquired without conducting in-depth interviews with the persons involved.

Surveys: Primary data from respondents is commonly gathered via field surveys in marketing research. Surveys may be conducted via a variety of channels, including in-person meetings, phone calls, written replies, and diaries. Most polls in India are taken either in person or over the mail. It's crucial to choose the optimal strategy for gathering information. There are advantages and disadvantages to doing each sort of survey. A telephone survey is a good choice when just a little quantity of information has to be gathered fast. Responders should have quick and easy access to this information. In this situation, neither time nor information constraints are an issue. As a result, a survey by telephone is inappropriate. The use of personal diaries or letters is likewise not acceptable for this study.

In-person meetings might be useful here. It is common routine to collect data from respondents using structured questionnaires. It is crucial for the researcher to conduct pilot studies of the questionnaire to identify any issues before finalising it. The final, thoroughly tested survey may be found in the appendices.

METHOD OF STUDY

Sampling is a part of the whole research method. Once market researchers decide to conduct a field survey, they must decide whether to use a census survey or a sample survey. In place of complete censuses, sample surveys are often used due to their numerous advantages.

In order to perform a sample survey, it is necessary to first identify the target population. After that, choosing a suitable method of sampling is possible. What kind of sample design is used is decided by how easily obtainable the required sample frame is.

Because of the need for substantial human engagement in the data gathering process, a sample survey was selected as the sampling technique. Their involvement is also unnecessary since every housing cooperative has the same fundamental framework and procedures. In addition, open-ended replies cannot be gathered through census. A lack of benefit would also cause frightened people to lose interest. This is why a survey based on a representative sample is superior than a census.

A random sample does not favour any one segment of the population over any other segment since each individual is picked at random.

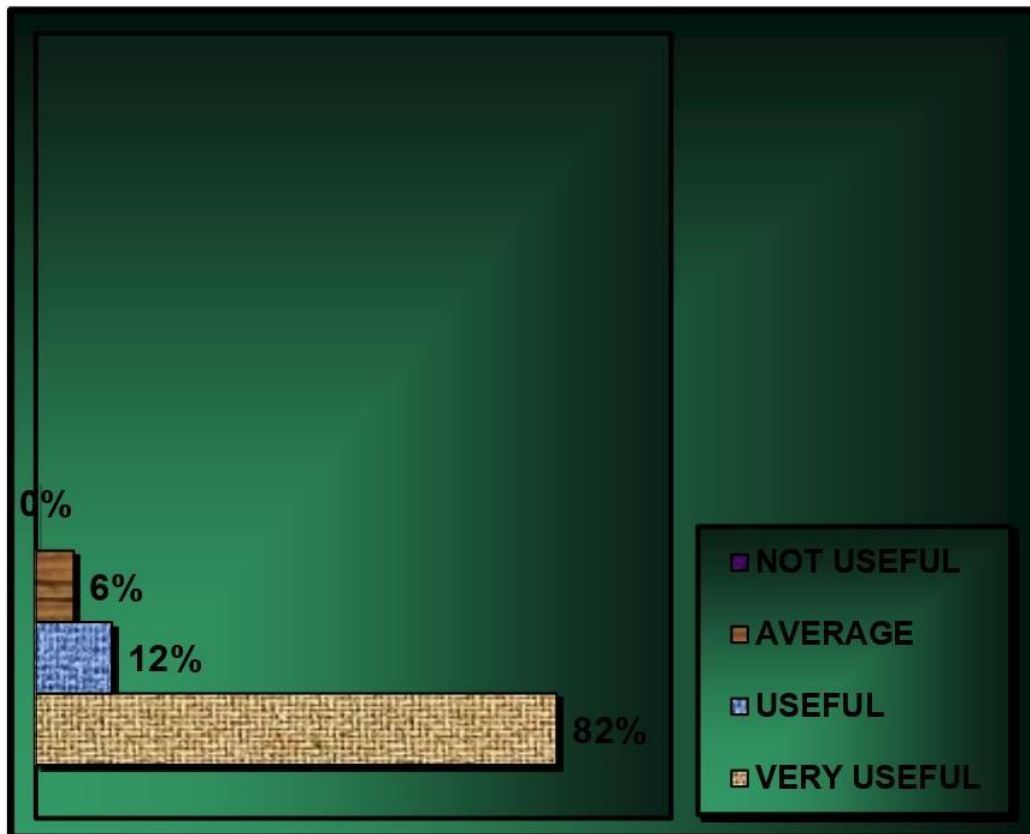
Since all housing cooperatives are bound by the same set of bylaws, it stands to reason that their investment policies, revenue streams, and banking needs are all fairly standard across the board. Therefore, there is no need for a massive sample size. In addition, the time required to complete the project will skyrocket if the sample size is very huge. A community of 50 dwellings is an adequate target for social improvement.

STATISTICAL TREATMENT

OF DATA

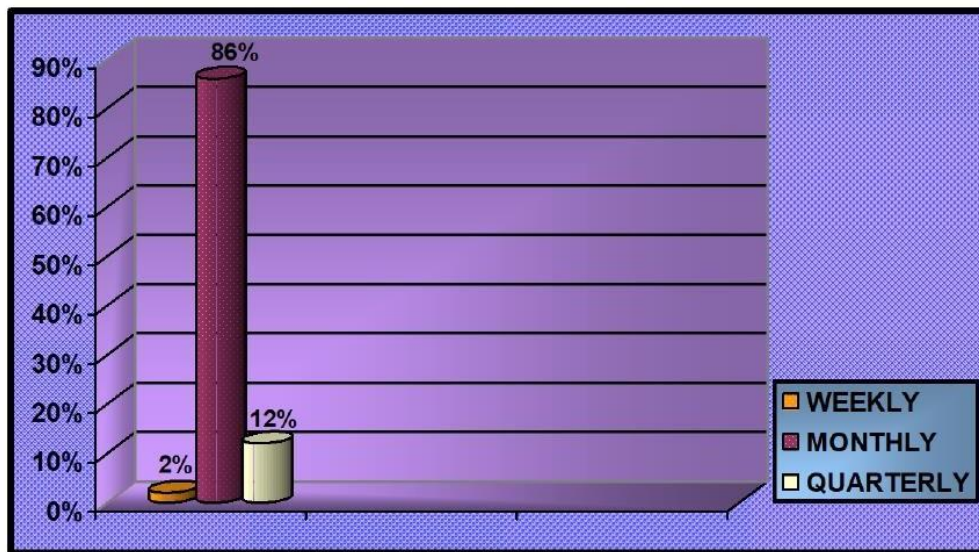
On the basis of survey done on the housing societies located Vikas Puri., I have found many interesting things regarding their investment pattern, needs, preferences and utility value of the services provided by the banks. Sample size was of 50 housing societies. Each questionnaire form was filled up by either the president or secretary or treasurer or manager of the housing society. My findings are as follows:

1. UTILITY OF 'QUANTUM OPTIMA' FACILITY PROVIDED BY ICICI BANK



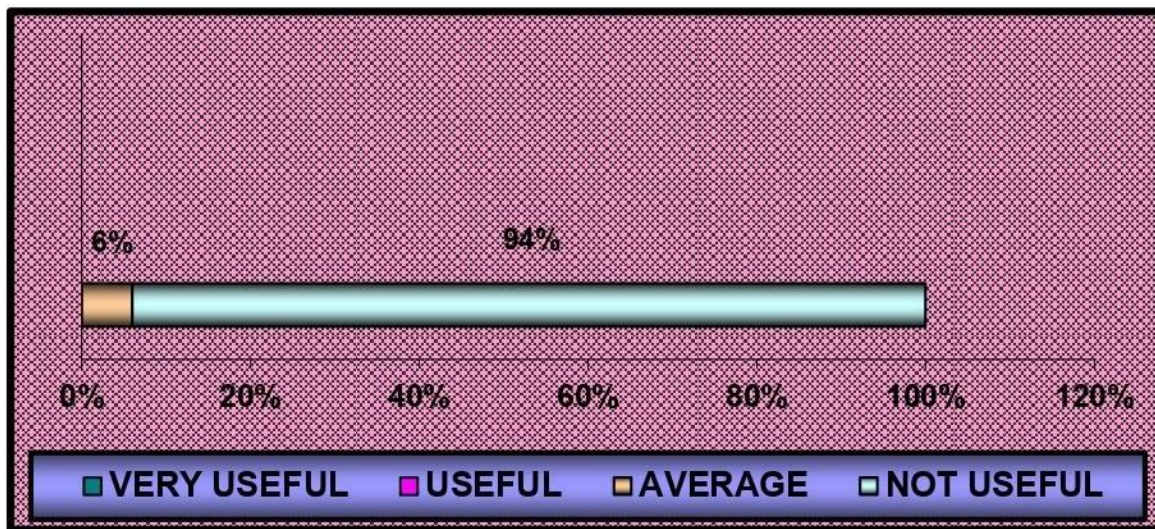
This chart shows the importance of 'quantum optima' facility provided by ICICI Bank. In the survey 82% people opted 'very useful'. Nobody has selected 'not useful' option. So, this facility is very beneficial for the customers.

2. OPTIMUM FREQUENCY OF SENDING ACCOUNT STATEMENT



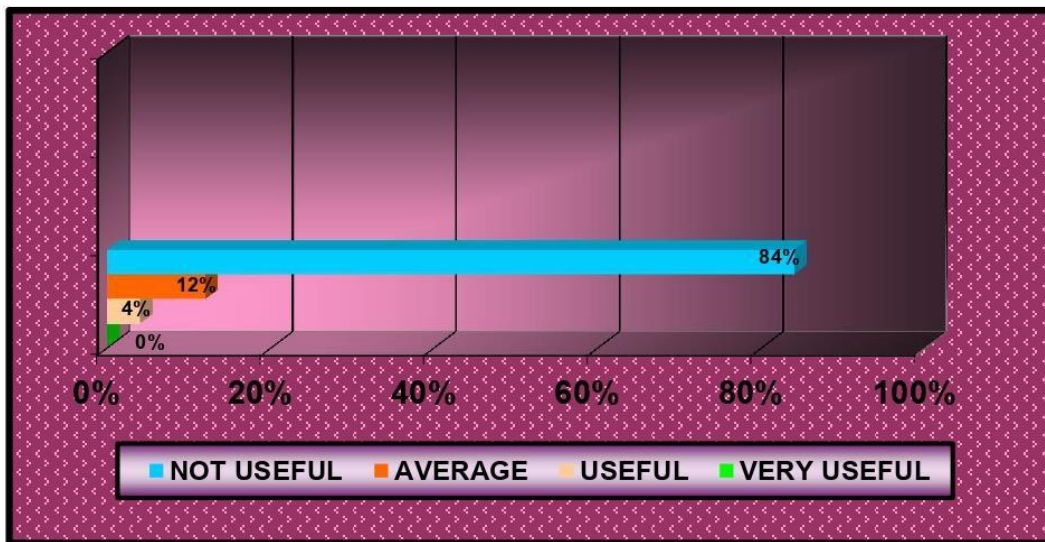
Very few people have given choice for weekly account statement. Maximum number of housing societies needs monthly account statements. Therefore, it is the ideal frequency of sending account statement.

3. INTERNET BANKING



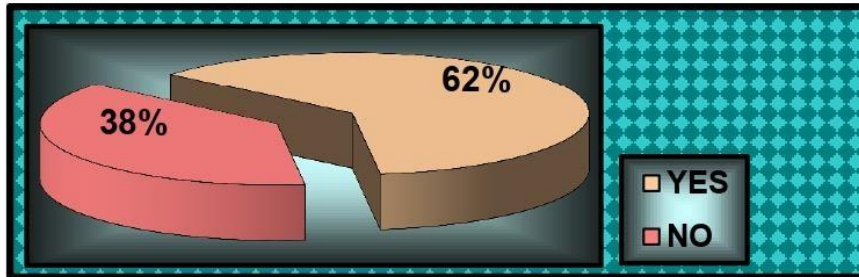
This graph shows that Internet banking is not important for the housing societies. Those who have given it average importance; they actually do not use Internet banking.

4. PHONE BANKING



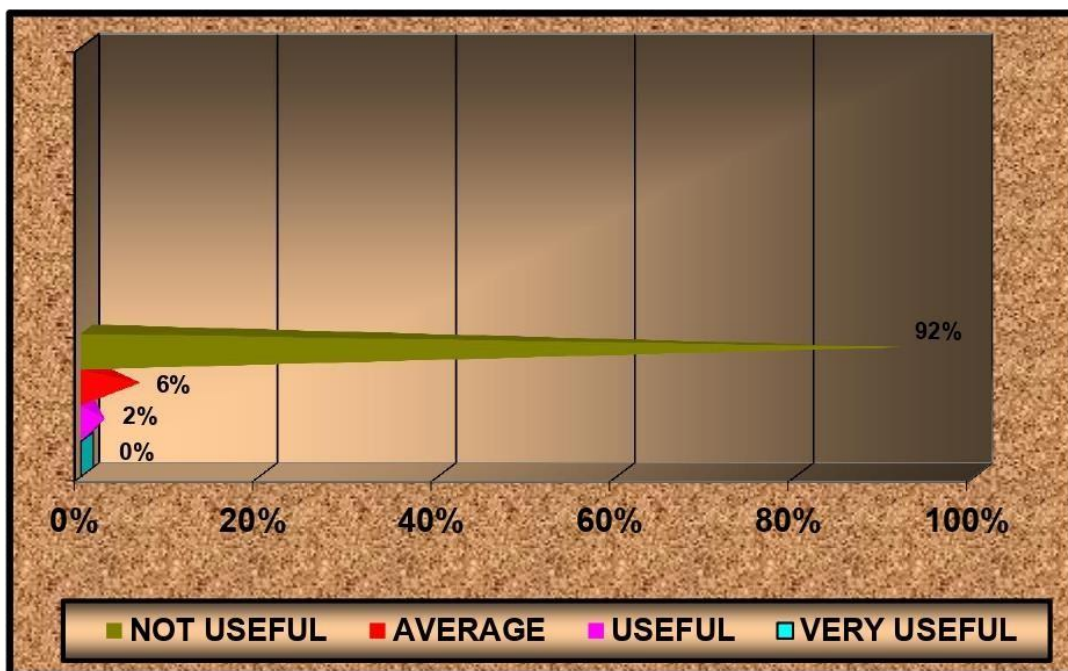
This facility is also not so important for them as 84% people have said it 'not useful'.

1. USEFULNESS OF OUTSTATION DONATION COLLECTION FACILITY



62% people agree with the usefulness of outstation donation collection facility, while 38% disagree. Sometimes, it happens that the residents go outstation for long duration. In those times, this facility provides them great help.

2. USEFULNESS OF PAYROLL PROCESSING FOR EMPLOYEES



Managing committee executive members have given it less importance, as 92% have said it not useful for housing societies. Only 1 person out of 50 has tick marked 'useful' option and 3 out of 50 have tick marked 'average' option.

3. RANKING OF THE FACILITIES PROVIDED BY BANKS ACCORDING TO THE PERCEPTION OF MANAGING COMMITTEE EXECUTIVE MEMBERS

1. Physical proximity of branch
2. Liquidity
3. Rate of interest
4. Ease in operations
5. Monthly account statement
6. Minimum balance clause
7. Door-step banking services
8. Lock-in period in bonds
9. Multi-city cheque book

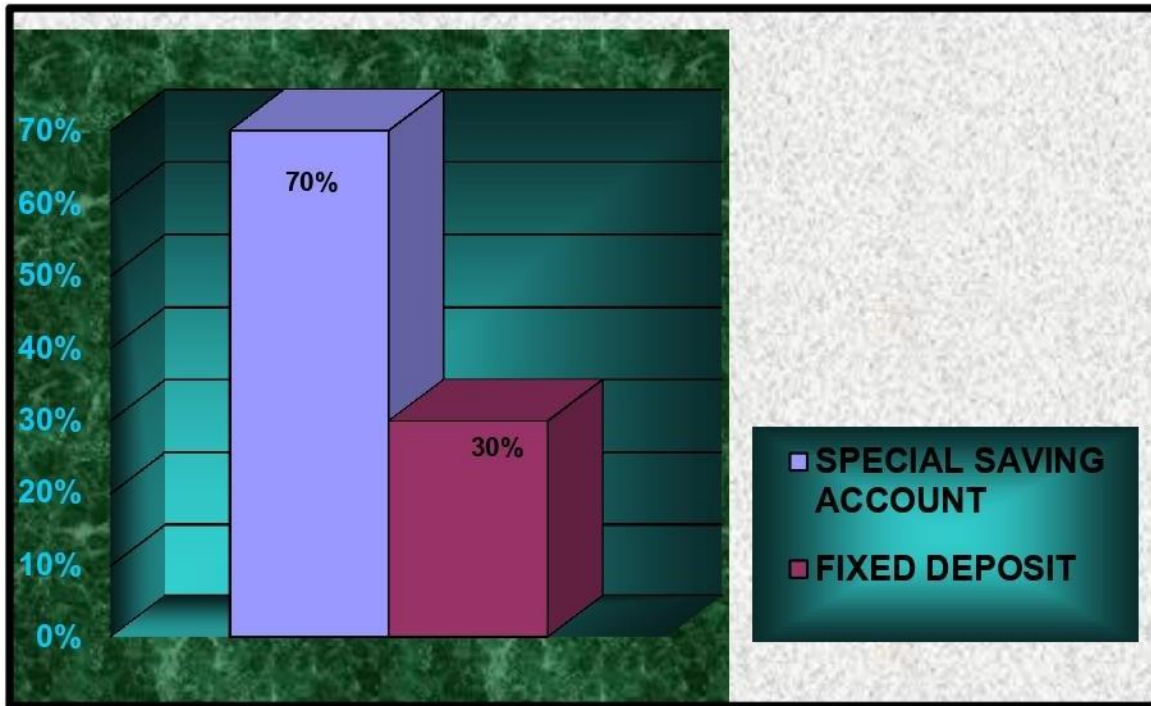
4. SOURCES OF INCOME OF THE SOCIETY

1. Maintenance charges – 95% contribution
2. Sale of parking space inside the apartment to the residents.
3. Auction of kabari materials.
4. Development charges from tenants.



Maintenance charges are the main source of income for the society as the residents on monthly basis deposit it regularly. Other sources are not permanent sources of income. Maximum persons have said that ‘maintenance charges’ contribute 95% to the income of the society.

5. FINANCIAL PRODUCTS IN WHICH THEY INVEST



Average of the values filled by them is calculated and are shown here. It is clear over here that they are actually interested in only two products i.e., **special saving account & fixed deposit**. They have to spend money regularly on the maintenance of the societies. So they keep maximum amount in SSA.

6. CAUSES OF DELAY IN OPENING UP NEW SPECIAL SAVINGS ACCOUNT

Simultaneously with the project, I was selling the special saving account. I felt that by so many causes delays in opening up SSA generally happens. So, I tried to find out the reasons. The main factors or hurdles are as follows:

1. The delays often take place for making consensus among the managing committee executive members, especially in the matters related to finance.
2. Lengthy formalities of paper work.
3. Insincerity of bank employees.

RESULTS

Once the field survey is over and questionnaires have been received, the next task is to aggregate the data in a meaningful manner. A number of tables are prepared to bring out the main characteristics of the data. The analysis & interpretation is given as follows:

1. Usefulness of 'two in one or quantum optima'

Collected data is:

Very useful	41
Useful	6
Average	3
Not useful	0
Total Respondents	50

Analysis:

Respondents have reacted very excitingly to this facility. Nobody has said it 'not useful'. 41 out of 50 respondents have said this facility 'very useful'. And, 6 out of 50 have said it 'useful'. Means 47 out of 50 understands the utility of this facility. They rank its utility high. So, this facility provides strength to the product. There is no need to make any change in this facility in near future.

2. Optimum frequency of sending account statement

Collected data is:

Weekly	1
Monthly	43
Quarterly	6
Total Respondents	50

Analysis:

It is obvious from the data that no respondent want the account statement so frequently as only 1 out of 50 has said that he need it weekly. Maximum have said that they need it monthly as 43 out of 50 have given their consent in this regard. ICICI Bank is providing monthly account statement and that is optimum frequency for sending account statement.

3. Internet Banking

Collected data is:

Very useful	0
Useful	0
Average	3
Not useful	47
Total Respondents	50

Analysis:

Maximum have said Internet banking is 'not useful' for them as 43 out of 50 have said so.

4. Phone Banking

Collected data is:

Very useful	0
Useful	2
Average	6
Not useful	42
Total Respondents	50

Analysis:

43 out of 50 have said it is 'not useful'. So, this facility also doesn't attract customers.

5. Usefulness of outstation donation collection facility

Collected data is:

Yes	31
No	19
Total Respondents	50

Analysis:

As 31 out of 50 respondents say, they need this facility. Sometimes, it happens that some residents of the housing societies go outstation for long period of time. In that case, this facility is very helpful for them. Residents can pay their maintenance charges to their societies from other cities using this facility. So, this facility attracts the customers much.

6. Usefulness of payroll processing for employees facility

Collected data is:

Very useful	0
Useful	1
Average	3
Not useful	46
Total Respondents	50

Analysis:

As employees of the housing societies are not much paid, so they are not able to maintain a saving bank account in which minimum quarterly balance needed is Rs. 5,000/-. Also, they are not used to ATMs. In that case, this facility doesn't attract much.

7. Ranking of the facilities according to the perception of customers

Collected data is:

Ranking According to Respondent's Perception	Facilities
1.	Physical Proximity of branch
2.	Liquidity
3.	Rate of interest
4.	Ease in operations
5.	Monthly account statement
6.	Minimum balance clause
7.	Door-step banking services
8.	Lock-in period in bonds
9.	Multi-city cheque book

Analysis:

Here, from the data given above, at least one thing is clear that physical proximity of branch is the most important facility for the customers. When, I interviewed the respondents, they said that they would like to invest in a branch that is very nearer to their society, because this makes the banking task very easy. If a branch is distant, the banking task becomes hectic. So, before investing in a bank, they decide that which branch is nearer to the society. Obviously, from my point of view also physical proximity of the branch is the most important factor that attracts the customers most. Serious thinking on this matter is very much required. Obviously, this would cause the sale of the product superfluous.

Liquidity is the second area of thrust. They have to withdraw the money time to time. So, they have given it much importance. Under the quantum optima facility, the facility of fixed deposit (FD) is being provided by the ICICI Bank. Also, besides that liquidity remains prevalent. This has given lots of strength to the product. Means they can withdraw the money any time but in a certain limit so that FD could not break.

Besides these two, rate of interest is the next factor that should be always competitive in the market, because the main aim of the society is to multiply their funds.

The respondents gave the next rank to 'ease in operations', because delays in operations such as deposits/withdrawals irritates the customers.

They have given 5th rank to the monthly account statement. Means they actually need this on monthly intervals.

These five facilities are more important for them. Now, it is our task to think that what we lack more in these five facilities.

I was selling SSA and simultaneously doing the project. I found that management committee executive members were used to say that our branch is not near to them so they are unable to invest in our bank. Also, I realized that our Mayur Vihar branch is far away from these housing societies, while branches of other nationalized banks are very near to them. This thing is the biggest hurdle for the sale of SSA.

8. Sources of income of the societies

Collected data is:

Maintenance Charges	95% contribution
Sale of parking space	--
Kabari sales	--
Development charges from tenants	--

Analysis:

Maintenance charges are the biggest contributor to the income of the societies, because they receive it regularly.

9. Where they invest and how much

Collected data is:

SSA	70%
FD	30%

Analysis:

They invest more funds in SSA. So, giving them FD's interest on savings account is quite good idea.

10. Causes of and factors for delay in opening up SSA

Collected data is:

- The delays often take place for making consensus among the managing committee executive members, especially in the matters related to finance.
- Lengthy formalities of paper work.

Analysis:

This is not the headache of the bank, so in these matters bank cannot do anything.

ANALYSIS

1. What are ICICI Bank's strengths, and how can the institution use its resources for the benefit of its high-balance savings-account customers?
 2. Weaknesses: What steps may be taken to strengthen the bank and prevent its competitors from taking advantage of them?
- Third, opportunities, or finding profitable markets to enter and developing strategies for doing so.

Is ICICI Bank threatened by any other major financial institutions? Is that the case, how can we ensure that we continue to be competitive? How would one go about rebutting the rival's plans and procedures?

CONCLUSION

ICICI Bank is now the dominant private banking institution barely two or three years after merging with ICICI Ltd. Its new strategy is booming and rapidly increasing the company's market share. There has been no shift in that 3% market share. Therefore, there is still a lot of work to be done, and the market has a lot of unrealized potential.

For the sake of this series, I've narrowed in on ICICI Bank's special savings account, a product that could use to have its existing features refreshed in order to attract and keep a wider customer base.

According to my findings, ICICI Bank has to increase its presence in promising but underserved regions by opening new branches there. The product's viability in the market has therefore declined.

SUGGESTIONS

It is well known that customers of ICICI Bank who want to access their Special Savings Account must do it in person. There is no way to use an ATM with this gadget. Customers value convenient branch access, as seen by these poll findings. To accommodate this demand, ICICI Bank will need to open additional branches, but doing so would be very costly. The ICICI Bank strives to run with little overhead and a small staff. ICICI Bank might take the following steps with this outlook:

One or two full-time personnel might be permanently stationed at key ATM sites. ATMs would be most useful throughout the city's main thoroughfares.

Putting in ATMs that accept card payments in certain locations. This means that all three officers will use their own ATM cards to withdraw the money at the same time.

Providing financial services through mobile devices is feasible. Customers might use their smartphones to arrange for a staff member on a two-wheeler to pick up and cash their checks.

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QUESTIONNAIRE

1. ICICI Bank is providing 'TWO IN ONE OR QUANTUM OPTIMA' facility.
Do you think it is useful for you?

VERY USEFUL	
USEFUL	
AVERAGE	
NOT USEFUL	

2. How frequently would you need account statement?

WEEKLY	
MONTHLY	
QUARTERLY	

3. Internet banking is how much useful for you?

VERY USEFUL	
USEFUL	
AVERAGE	
NOT USEFUL	

4. Phone banking is how much useful for you?

VERY USEFUL	
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USEFUL	
AVERAGE	
NOT USEFUL	

5. Is 'outstation donation collection' facility is useful for you?

YES	
NO	

6. ICICI Bank is providing 'payroll processing for employees' facility. How much useful is it for you?

VERY USEFUL	
USEFUL	
AVERAGE	
NOT USEFUL	

7. Rank the facilities provided by us according your perception:

S. No.	FACILITIES	RANKING ACCORDING TO YOUR PERCEPTION
1.	Lock-in period in bonds	

2.	Multi-city cheque book	
3.	Minimum balance clause	
4.	Liquidity	
5.	Door-step banking services	
6.	Rate of interest	
7.	Monthly account statement	
8.	Physical proximity of the branch	
9.	Ease in operations	

8. What are the sources of income of the society?

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9. Where do you invest and how much?

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10. There is too much time taken by the societies straight from the introduction of Special Savings Account to actually opening the Special Savings Account. Which factor do you think is the biggest hurdle?

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