

A PROJECT REPORT ON  
**“ FINANCIAL ANALYSIS OF ICICI BANK WITH THE YEAR  
REFERENCE OF 2020-2023”**

A Project Submitted to  
University of Mumbai for Partial Completion of the Degree  
of Bachelor in Commerce (Accounting and finance)

Under the Faculty of Commerce

By

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**‘ASST. PROF. DR. KISHOR CHAUHAN’**

**JNAN VIKAS MANDAL’S**

**Mohanlal Raichand Mehta College of Commerce**

**Diwali Maa College of Science**

**Amritlal Raichand Mehta College of Arts**

**Dr. R.T. Doshi College of Computer Science**

**NAAC Re-Accredited Grade 'A+' (CGPA : 3.31) (3rd Cycle)**

**Sector-19, Airoli, Navi Mumbai, Maharashtra 400708**



***FEBRUARY, 2024.***

***JNAN VIKAS MANDAL'S***



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**CERTIFICATE**

This is to certify that **MR. ' AVINASH BABAN SINGH'** has worked and duly completed his Project work for the degree Of Bachelor in Commerce (Accounting and Finance) under the Faculty of Commerce in the subject of Accounting and Finance and his project is entitled, "***FINANCIAL ANALYSIS OF ICICI BANK WITH THE YEAR REFERENCE OF 2020-2023***". Under my supervision.

I further certify that the entire work has been done by the learner under my guidance and that no part of it has been submitted previously for any Degree or Diploma of any University.

It is his own work and fact reported by her personal finding and investigations.

Guiding Teacher,

**ASST. PROF. DR. KISHOR CHAUHAN.**

**Date of submission:**

## **DECLARATION**

I the undersigned **MR. AVINASH BABAN SINGH** here by, declare that the work embodied in this project work titled “***FINANCIAL ANALYSIS OF ICICI BANK WITH THE YEAR REFERENCE OF 2020-2023***”, forms my own contribution to the research work carried out by me under the guidance of **ASST. PROF. DR. KISHOR CHAUHAN** is a result of my own research work and has been previously submitted to any other University for any other Degree/ Diploma to this or any other University.

Wherever reference has been made to previous works of others, it has been clearly indicated as such and included in the bibliography.

I, here by further declare that all information of this document has been obtained and presented in accordance with academic rules and ethical conduct.

**AVINASH BABAN SINGH**

Certified by:

**ASST. PROF. DR. KISHOR CHAUHAN.**

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I would like to acknowledge the following as being idealistic channels and fresh dimensions in the completion of this project.

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“Financial analysis”  
of



## *Preface*

In any organization, the two important financial statements are the Balance Sheet and Profit & Loss Account of the business. Balance Sheet is a statement of financial position of an enterprise at a particular point of time. Profit & Loss account shows the net profit or net loss of a company for a specified period of time. When these statements of the last few year of any organization are studied and analyzed, significant conclusions may be

arrived regarding the changes in the financial position, the important policies followed and trends in profit and loss etc. Analysis and interpretation of financial statement has now become an important technique of credit appraisal. The investors, financial experts, management executives and the bankers all analyze these statements. Though the basic technique of appraisal remains the same in all the cases but the approach and the emphasis in the analysis vary. A banker interprets the financial statement so as to evaluate the financial soundness and stability, the liquidity position and the profitability or the earning capacity of borrowing concern. Analysis of financial statements is necessary because it helps in depicting the financial position on the basis of past and current records. Analysis of financial statements helps in making the future decisions and strategies. Therefore it is very necessary for every organization whether it is a financial or manufacturing, to make financial statement and to analyze it.

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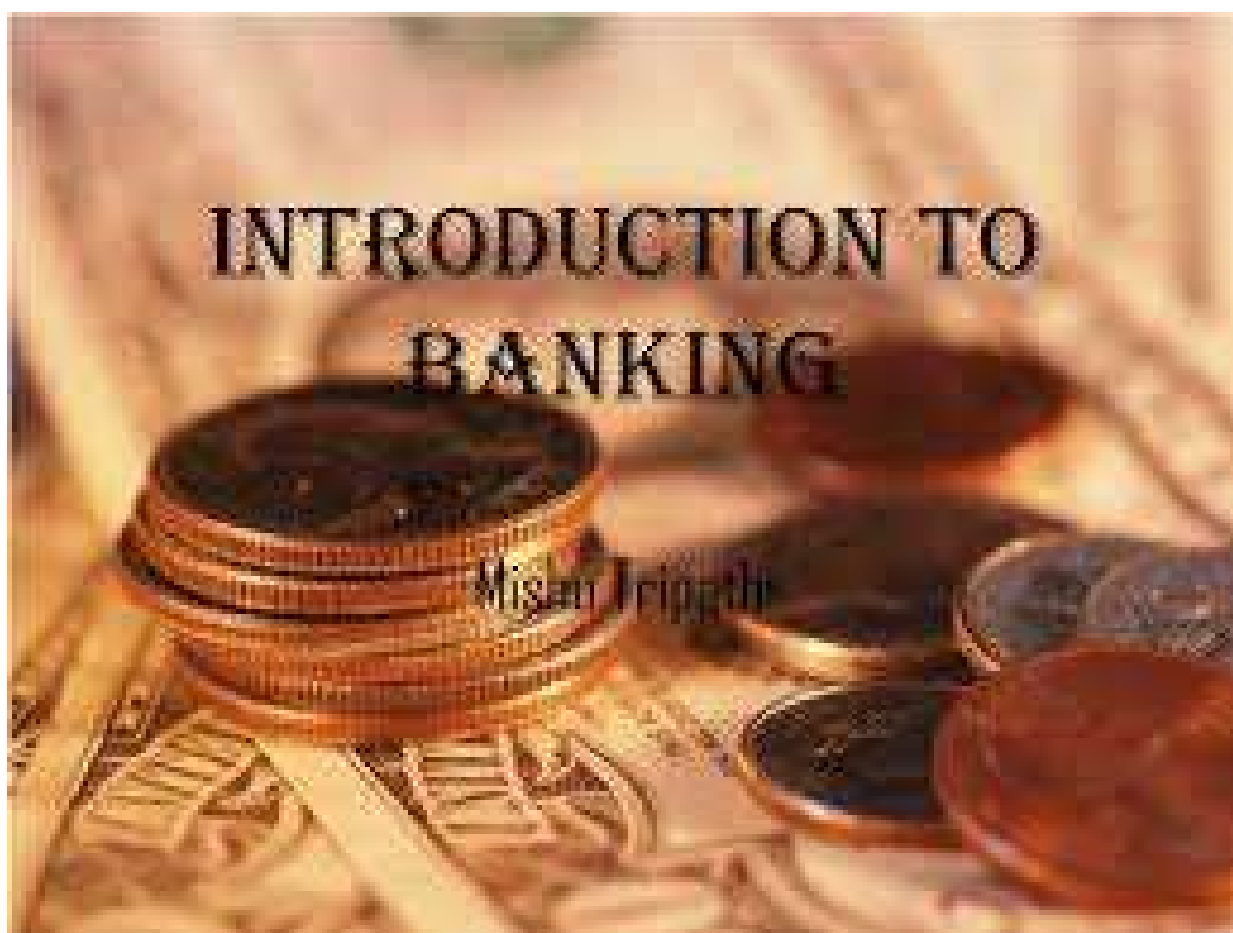
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Chapter 1

# INTRODUCTION OF BANKING



# INTRODUCTION OF BANKING

## Definition of bank

Banking Means "Accepting Deposits for the purpose of lending or Investment of deposits of money from the public, repayable on demand or otherwise and withdraw by cheque, draft or otherwise.

-Banking Companies (Regulation) Act,1949

## ORIGIN OF THE WORD “ BANK ” :-

The origin of the word bank is shrouded in mystery. According to one view point the Italian business house carrying on crude form of banking were called "banchi bancheri". According to another viewpoint banking is derived from German word "Branck" which mean heap or mound. In England, the issue of paper money by the government was referred to as a raising a bank.

### ORIGIN OF BANKING :

Its origin in the simplest form can be traced to the origin of authentic history. After recognizing the benefit of money as a medium of exchange, the importance of banking was developed as it provides the safer place to store the money. This safe place ultimately evolved in to financial institutions that accepts deposits and make loans i.e., modern commercial banks.

### Banking system in India

Without a sound and effective banking system in India it cannot have a healthy economy. The banking system of India should not only be hassle free but it should be able to meet new challenges posed by the technology and any other external and internal factors. For the past three decades India's banking system has several outstanding achievements to its credit. The most striking is its extensive reach. It is no longer confined to only metropolitans or cosmopolitans in India. In fact, Indian banking system has reached even to the remote corners of the country. This is one of the main reasons of India's growth process

### HISTORY OF BANKING IN INDIA

Banking in India has its origin as early or Vedic period. It is believed that the transitions from many lending to banking must have occurred even before Manu, the great Hindu furriest, who has devoted a section of his work to deposit and advances and laid down rules relating to the rate of interest. During the mogul period, the indigenious banker played a very important role in lending money and financing foreign trade and commerce.

During the days of the East India Company it was the turn of agency house to carry on the banking business. The General Bank of India was the first joint stock bank to be established in the year 1786. The other which followed was the Bank of Hindustan and Bengal Bank. The Bank of Hindustan is reported to have continued till 1906. While other

two failed in the meantime. In the first half of the 19th century the East India Company established there banks, The bank of Bengal in 1809, the Bank of Bombay in 1840 and the Bank of Bombay in 1843. These three banks also known as the Presidency banks were the independent units and functioned well. These three banks were amalgamated in 1920 and new bank, the Imperial Bank of India was established on 27th January, 1921.

With the passing of the State Bank of India Act in 1955 the undertaking of the Imperial Bank of India was taken over by the newly constituted SBI. The Reserve Bank of India (RBI) which is the Central bank was established in April, 1935 by passing Reserve bank of India act 1935. The Central office of RBI is in Mumbai and it controls all the other banks in the country.

In the wake of Swadeshi Movement, number of banks with the Indian management were established in the country namely, Punjab National Bank Ltd., Bank of India Ltd., Bank of Baroda Ltd., Canara Bank. Ltd. on 19th July 1969, 14 major banks of the country were nationalized and on 15th April 1980, 6 more commercial private sector banks were taken over by the government.

The first bank in India, though conservative, was established in 1786. From 1786 till today, the journey of Indian Banking System can be segregated into three distinct phases. They areas mentioned below:

Early phase from 1786 to 1969 of Indian Bank.

Nationalization of Indian Banks and up to 1991 prior to Indian banking sector Reforms.

New phase of Indian Banking System with the advent of Indian Financial & Banking Sector Reforms after 1991.

To make this write-up more explanatory, I prefix the scenario as Phase I, Phase II and Phase III

#### Phase I

The General Bank of India was set up in the year 1786. Next came Bank of Hindustan and Bengal Bank. The East India Company established Bank of Bengal (1809), Bank of Bombay (1840) and Bank of Madras (1843) as independent units and called it Presidency Banks

These three banks were amalgamated in 1920 and Imperial Bank of India was established which started as private shareholders banks, mostly Europeans shareholders.

In 1865 Allahabad Bank was established and first time exclusively by Indians, Punjab National Bank Ltd. was set up in 1894 with headquarters at Lahore. Between 1906 and 1913, Bank of India, Central Bank of India, Bank of Baroda, Canara Bank, Indian Bank, and Bank of Mysore were set up. Reserve Bank of India came in 1935.

During the first phase the growth was very slow and banks also experienced periodic failures between 1913 and 1948. There were approximately 1100 banks, mostly small. To streamline the functioning and activities of commercial banks, the Government of India came up with The Banking Companies Act, 1949 which was later changed to Banking Regulation Act 1949 as per

amending Act of 1965 (Act No. 23 of 1965). Reserve Bank of India was vested with extensive powers for the supervision of banking in India as the Central Banking Authority.

During those days public has lesser confidence in the banks. As an aftermath deposit mobilization was slow. Abreast of it the savings bank facility provided by the Postal department was comparatively safer. Moreover, funds were largely given to traders.

## Phase II

Government took major steps in this Indian Banking Sector Reform after independence. In 1955, it nationalized Imperial Bank of India with extensive banking facilities on a large scale especially in rural and semi-urban areas. It formed State Bank of India to act as the principal agent of RBI and to handle banking transactions of the Union and State Governments all over the country.

Seven banks forming subsidiary of State Bank of India was nationalized in 1960 on 19th July, 1969, major process of nationalization was carried out. It was the effort of the then Prime Minister of India, Mrs. Indira Gandhi.

14 major commercial banks in the country was nationalized. Second phase of nationalization Indian Banking Sector Reform was carried out in 1980 with seven more banks. This step brought 80% of the banking segment in India under Government ownership

The following are the steps taken by the Government of India to Regulate Banking Institutions in the Country:

- ⌘ 1949: Enactment of Banking Regulation Act.
- ⌘ 1955: Nationalization of State Bank of India.
- ⌘ 1959: Nationalization of SBI subsidiaries.
- ⌘ 1961: Insurance cover extended to deposits.
- ⌘ 1969: Nationalization of 14 major banks.
- ⌘ 1971: Creation of credit guarantee corporation.
- ⌘ 1975: Creation of regional rural banks.
- ⌘ 1980: Nationalization of seven banks with deposits over 200 crore

After the nationalization of banks, the branches of the public sector bank India rose to approximately 800% in deposits and advances took a huge jump by 11,000%. Banking in the sunshine of Government ownership gave the public implicit faith and immense confidence about the sustainability of these institutions

### Phase III

This phase has introduced many more products and facilities in the banking sector in its reforms measure. In 1991, under the chairmanship of M Narasimham, a committee was set up by his name which worked for the liberalization of banking practices

The country is flooded with foreign banks and their ATM stations. Efforts are being put to give a satisfactory service to customers. Phone banking and net banking is introduced. The entire system became more convenient and swift. Time is given more importance than money

The financial system of India has shown a great deal of resilience. It is sheltered from any crisis triggered by any external macroeconomics shock as other East Asian Countries suffered. This is all due to a flexible exchange rate regime, the foreign reserves are high, the capital account is not yet fully convertible, and banks and their customers have limited foreign exchange exposure.

## BANKS IN INDIA

In India the banks are being segregated in different groups. Each group has their own benefits and limitations in operating in India. Each has their own dedicated target market. Few of them only work in rural sector while others in both rural as well as urban. Many even are only catering in cities. Some are of Indian origin and some are foreign players.

All these details and many more is discussed over here. The banks and its relation with the customers, their mode of operation, the names of banks under different groups and other such useful information's are talked about.

One more section has been taken note of is the upcoming foreign banks in India. The RBI has shown certain interest to involve more of foreign banks than the existing one recently. This step has paved a way for few more foreign banks to start business in India

## BANKING STRUCTURE IN INDIA

### SCHEDULED BANKS IN INDIA

### (1) Scheduled Commercial Banks

Public Sector Banks	Private Sector Banks	Foreign Banks In India	Regional Rural Banks
(26)	(25)	(29)	(95)
<input type="checkbox"/> <u>Nationalized Bank</u> <input type="checkbox"/> <u>Other Public Sector Banks (IDBI)</u> <input type="checkbox"/> <u>SBI And Its Associates</u>	<input type="checkbox"/> <u>Old Private Banks</u> <input type="checkbox"/> <u>New Private Banks</u>		

### (2) Scheduled Cooperative Banks

Scheduled Urban Cooperative Banks	Scheduled State Cooperative Banks

### **Public Sector Banks**

Public sector banks are those banks which are owned by the Government. The Govt. runs these Banks. In India 14 banks were nationalized in 1969 & in 1980 another 6 banks were also nationalized. Therefore in 1980 the number of nationalized bank 20. At present there are total 26 Public Sector Banks in India (As on 26-09-2009). Of these 19 are nationalised banks, 6 (STATE BANK OF INDORE ALSO MERGED RECENTLY) belong to SBI & associates group and 1 bank (IDBI Bank) is classified as other public sector bank. Welfare is their primary objective.

<u><b>Nationalised banks</b></u>	<u><b>Other Public Sector Banks</b></u>	<u><b>SBI &amp; its Associates</b></u>
<ul style="list-style-type: none"> <li>• Allahabad Bank</li> <li>• Andhra Bank</li> <li>• Bank Of Baroda</li> <li>• Bank Of India</li> <li>• Bank Of Maharashtra</li> <li>• Canara Bank</li> <li>• Central Bank Of India</li> <li>• Corporation Bank</li> <li>• Dena Bank</li> <li>• Indian Bank</li> <li>• Indian Overseas Bank</li> <li>• Oriental Bank Of Commerce</li> <li>• Punjab &amp; Sind Bank</li> <li>• Punjab National Bank</li> <li>• Syndicate Bank</li> <li>• UCO Bank</li> <li>• Union Bank Of India</li> <li>• United Bank Of India</li> <li>• Vijaya Ban</li> </ul>	<p style="text-align: center;"><u>IDBI</u> <u>(Industrial</u> <u>Development</u> <u>Bank Of</u> <u>India)Ltd.</u></p>	<ul style="list-style-type: none"> <li>• <u>State Bank of India</u></li> <li>• <u>State Bank of Hyderabad</u></li> <li>• <u>State Bank of Mysore</u></li> <li>• <u>State Bank of Patiala</u></li> <li>• <u>State Bank of Travancore</u></li> <li>• <u>State Bank of Bikaner</u> <u>And</u> <u>Jaipur</u></li> </ul>

**Private Sector Banks**



These banks are owned and run by the private sector. Various banks in the country such as ICICI Bank, HDFC Bank etc. An individual has control over there banks in preparation to the share of the banks held by him.

Private banking in India was practiced since the beginning of banking system in India. The first private bank in India to be set up in Private Sector Banks in India was IndusInd Bank. It is one of the fastest growing Bank Private Sector Banks in India. IDBI ranks the tenth largest development bank in the world as Private Banks in India and has promoted world class institutions in India.

The first Private Bank in India to receive an in principle approval from the Reserve Bank of India was Housing Development Finance Corporation Limited, to set up a bank in the private sector banks in India as part of the RBI's liberalization of the Indian Banking Industry. It was incorporated in August 1994 as HDFC Bank Limited with registered office in Mumbai and commenced operations as Scheduled Commercial Bank in January 1995. ING Vysya, yet another Private Bank of India was incorporated in the year 1930.

Private sector banks have been subdivided into following 2 categories:-

<b><u>Old Private Sector Banks</u></b>	<b><u>New Private Sector Banks</u></b>
<p><u>Bank of Rajasthan Ltd.</u>  <u>Catholic Syrian Bank Ltd.</u>  <u>City Union Bank Ltd.</u>  <u>Dhanalakshmi Bank Ltd.</u>  <u>Federal Bank Ltd.</u>  <u>ING Vysya Bank Ltd.</u>  <u>Jammu and Kashmir Bank Ltd.</u>  <u>Karnataka Bank Ltd.</u>  <u>Karur Vysya Bank Ltd.</u>  <u>Lakshmi Vilas Bank Ltd.</u>  <u>Nainital Bank Ltd.</u>  <u>Ratnakar Bank Ltd.</u>  <u>SBI Commercial and International Bank Ltd.</u>  <u>South Indian Bank Ltd.</u>  <u>Tamilnad Mercantile Bank Ltd.</u>  <u>United Western Bank Ltd</u></p>	<ul style="list-style-type: none"> <li>• <u>Bank of Punjab Ltd. (since merged with Centurian Bank)</u></li> <li>• <u>Centurian Bank of Punjab (since merged with HDFC Bank)</u></li> <li>• <u>Development Credit Bank Ltd.</u></li> <li>• <u>HDFC Bank Ltd.</u></li> <li>• <u>ICICI Bank Ltd.</u></li> <li>• <u>IndusInd Bank Ltd.</u></li> <li>• <u>Kotak Mahindra Bank Ltd.</u></li> <li>• <u>Axis Bank (earlier UTI Bank)</u></li> <li>• <u>Yes Bank Ltd</u></li> </ul>

## Foreign Banks In India

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li><u>□ABN AMRO Bank N.V.</u></li><li><u>□Abu Dhabi Commercial Bank Ltd</u></li><li><u>□American Express Bank</u></li><li><u>□Antwerp Diamond Bank</u></li><li><u>□Arab Bangladesh Bank</u></li><li><u>□Bank International Indonesia</u></li><li><u>□Bank of America</u></li><li><u>□Bank of Bahrain &amp; Kuwait</u></li><li><u>□Bank of Ceylon</u></li><li><u>□Bank of Nova Scotia</u></li><li><u>□Bank of Tokyo Mitsubishi UFJ</u></li><li><u>□Barclays Bank</u></li><li><u>□BNP Paribas</u></li><li><u>□Calyon Bank</u></li><li><u>□ChinaTrust Commercial Bank</u></li><li><u>□Citibank</u></li><li><u>□DBS Bank</u></li><li><u>□Deutsche Bank</u></li></ul> | <ul style="list-style-type: none"><li><u>□HSBC (Hongkong &amp; Shanghai Banking Corporation)</u></li><li><u>□JPMorgan Chase Bank</u></li><li><u>□Krung Thai Bank</u></li><li><u>□Mashreq Bank</u></li><li><u>□Mizuho Corporate Bank</u></li><li><u>□Oman International Bank</u></li><li><u>□Shinhan Bank</u></li><li><u>□Société Générale</u></li><li><u>□Sonali Bank</u></li><li><u>□Standard Chartered Bank</u></li><li><u>□State Bank of Mauritius</u></li></ul> |
|---|---|

The Cooperative bank is an important constituent of the Indian Financial System, judging by the role assigned to co operative, the expectations the co operative is supposed to fulfil, their number, and the number of offices the cooperative bank operate. Though the co operative movement originated in the West, but the importance of such banks have assumed in India is rarely paralleled anywhere else in the world. The cooperative banks in India plays an important role even today in rural financing. The businessness of cooperative bank in the urban areas also has increased phenomenally in recent years due to the sharp increase in the number of primary co-operative banks. Co operative Banks in India are registered under the Co-operative Societies Act. The cooperative bank is also regulated by the RBI. They are governed by the Banking Regulations Act 1949 and Banking Laws (Co-operative Societies) Act, 1965.

## **Rural banks in India**

Rural banking in India started since the establishment of banking sector in India. Rural Banks in those days mainly focussed upon the agro sector. Regional rural banks in India penetrated every corner of the country and extended a helping hand in the growth process of the country.

SBI has 30 Regional Rural Banks in India known as RRBs. The rural banks of SBI is spread in 13 states extending from Kashmir to Karnataka and Himachal Pradesh to North East. The total number of SBI's Regional Rural Banks in India branches is 2349 (16%). Till date in rural banking in India, there are 14,475 rural banks in the country of which 2126 (91%) are located in remote rural areas.

Apart from SBI, there are other few banks which functions for the development of the rural areas in India. Few of them are as follows.

## **Haryana State Cooperative Apex Bank Limited**

The Haryana State Cooperative Apex Bank Ltd. commonly called as HARCOBANK plays a vital role in rural banking in the economy of Haryana State and has been providing aids and financing farmers, rural artisans, agricultural labourers, entrepreneurs, etc. in the state and giving service to its depositors

## **NABARD**

National Bank for Agriculture and Rural Development (NABARD) is a development bank in the sector of Regional Rural Banks in India. It provides and regulates credit and gives service for the promotion and development of rural sectors mainly agriculture,

small scale industries, cottage and village industries, handicrafts. It also finance rural crafts and other allied rural economic activities to promote integrated rural development. It helps in securing rural prosperity and its connected matters.

### **Sindhanur Urban Souharda Co-operative Bank**

Sindhanur Urban Souharda Co-operative Bank, popularly known as SUCO BANK is the first of its kind in rural banks of India. The impressive story of its inception is interesting and inspiring for all the youth of this country.

### **United Bank of India**

United Bank of India (UBI) also plays an important role in regional rural banks. It has expanded its branch network in a big way to actively participate in the developmental of the rural and semi rural bank of india.

### **Syndicate Bank**

Syndicate Bank was firmly rooted in rural India as rural banking and have a clear vision of future India by understanding the grassroot realities. Its progress has been abreast of the phase of progressive banking in India especially in rural banks.

<b>The first Bank in India to be given an ISO certification</b>	<b>Canara Bank</b>
<b>The first Bank in Northern India to get ISO 9002 certification</b>	<b>Punjab and Sind</b>

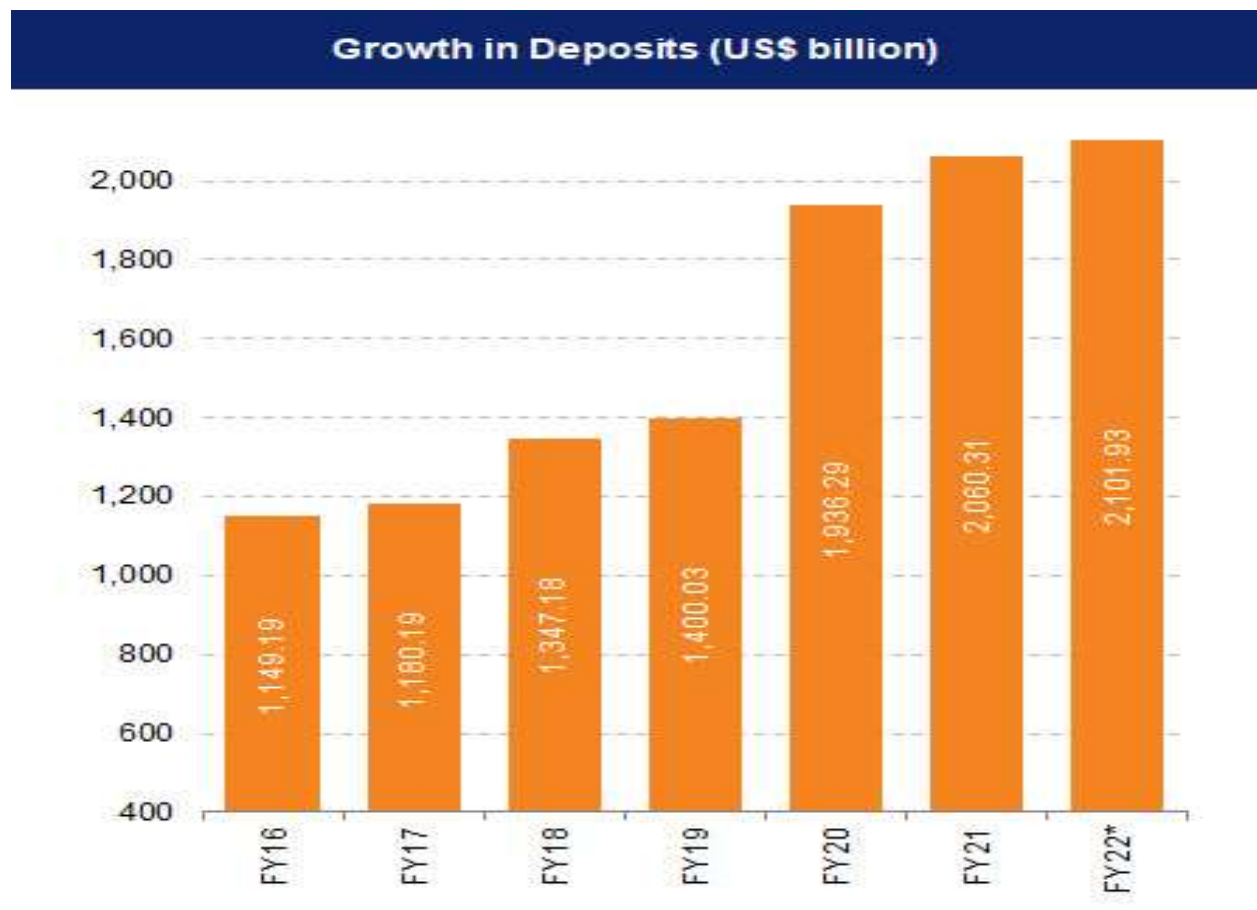
<b>for their selected branches</b>	<b>Bank</b>
------------------------------------	-------------

<b>The first Indian Bank to have been started solely with Indian capital.</b>	<b>Punjab National Bank</b>
<b>The first among the Private Sector Banks in Kerala to become Scheduled Bank in 1946 under the RBI act.</b>	<b>South Indian Bank</b>
<b>India's oldest, largest and the most successful commercial bank offering the widest possible range of domestic, international and NRI products and services, through its vast network in India and overseas</b>	<b>State Bank of India</b>
<b>India's second largest Private Sector Bank and is now the largest scheduled commercial bank in India</b>	<b>The Federal Bank Limited</b>
<b>Bank which started as Private Shareholders Banks, mostly European shareholders</b>	<b>Imperial Bank of India</b>
<b>The first Indian Bank to open a branch outside India in London in 1946 and the first to open a branch in continental Europe at Paris in 1974</b>	<b>Bank of India, founded in 1906 in Mumbai</b>
<b>The oldest Public Sector Bank in India having branches all over India and serving the customers for the last 132 years</b>	<b>Allahabad Bank</b>
<b>The first Indian Commercial Bank which was wholly owned and managed by Indians.</b>	<b>Central Bank of India</b>

## INDIAN BANKING INDUSTRY

The Indian banking market is growing at an astonishing rate, with Assets expected to reach US\$1 trillion by 2010. An expanding economy, middleclass, and technological innovations are all contributing to this growth.

The country's middle class accounts for over 320 million People. In correlation with the growth of the economy, rising income levels, increased standard of living, and affordability of banking products are promising factors for continued expansion



The Indian banking Industry is in the middle of an IT revolution, Focusing on the expansion of retail and rural banking. Players are becoming increasingly customer -centric in their approach, which has resulted in innovative methods of offering new banking products and services. Banks are now realizing the importance of being a big player and are beginning to focus their attention on mergers and acquisitions to take advantage of economies of scale and/or comply with Basel II regulation. “Indian banking industry assets are expected to reach US\$1 trillion by 2010 and are poised to receive a greater infusion of foreign capital,” says Prathima Rajan, analyst in Celent's banking group and author of the report. “The banking industry should focus on having a small number of large players that can compete globally rather than having a large number of fragmented players.

# Chapter 2

## company profile







<u>Formerly</u>	<u>Industrial Credit and Investment Corporation of India (as a Government Organization)</u> <u>Company type</u> <u>Public</u>
<u>Company type</u>	<u>Public</u>
<u>Traded as</u>	<u>BSE: 532174</u> <u>NSE: ICICIBANK</u> <u>NYSE: IBN</u> <u>Constituent</u> <u>NSE NIFTY 50 Constituent</u>
<u>ISIN</u>	<u>INE090A01021</u>
<u>Industry</u>	<u>Financial services</u>
<u>Founded</u>	<u>5 January 1994; 30 years ago</u>

<u>Headquarters</u>	<u>Mumbai , Maharashtra, India, (Registered Office at Vadodara, Gujarat)</u>
<u>Number of locations</u>	<u>5,900[1] (March 2023)</u>
<u>Revenue</u>	<u>Increase ₹186,178.80 crore (US\$23 billion)[3] (2023)</u>
<u>Number of employees</u>	<u>130,542(2022)[5]</u>
<u>Total assets</u>	<u>Increase ₹1,958,490.50 crore (US\$250 billion)[4] (2023)</u>
<u>Website</u>	<u><a href="http://www.icicibank.com">www.icicibank.com</a></u>

## INTRODUCTION TO ICICI BANK

History Of ICICI ♠1955:

♠ 1955: The Industrial Credit and Investment Corporation of India Limited (ICICI) was incorporated at the initiative of World Bank, the Government of India and representatives of Indian industry, with the objective of creating a development financial institution for providing medium-term and long-term project financing to Indian businesses. Mr.A.Ramaswami Mudaliar elected as the first Chairman of ICICI Limited. ICICI emerges as the major source of foreign currency loans to Indian industry. Besides funding from the World Bank and other multi-lateral agencies, ICICI was also among the first Indian companies to raise funds from international markets.

♠ 1956 : ICICI declared its first dividend of 3.5%.

♠ 1958 : Mr.G.L.Mehta appointed the second Chairman of ICICI Ltd.

♠ 1960 : ICICI building at 163, Backbay Reclamation, inaugurated.

♠ 1961 : The first West German loan of DM 5 million from Kredianstalt obtained.

♠ 1967 : ICICI made its first debenture issue for Rs.6 crore, which was oversubscribed.

♠ 1969 : The first two regional offices in Calcutta and Madras set up.

♠ 1972 : The second entity in India to set up merchant banking services. : Mr. H. T. Parekh appointed the third Chairman of ICICI.

♠ 1977 : ICICI sponsored the formation of Housing Development Finance Corporation. Managed its first equity public issue.

♠ 1978 : Mr. James Raj appointed the fourth Chairman of ICICI. ♠ 1979 : Mr.Siddharth Mehta appointed the fifth Chairman of ICICI.

♠ 1982 : 1982 : ICICI became the first ever Indian borrower to raise European Currency Units. : ICICI commences leasing business.

♠ 1984 : Mr. S. Nadkarni appointed the sixth Chairman of ICICI.

♠ 1985 : Mr. N.Vaghul appointed the seventh Chairman and Managing Director of ICICI.

♠ 1986 : ICICI became the first Indian institution to receive ADB Loans. : ICICI, along with UTI, set up Credit Rating Information Services of India Limited, India's first professional credit rating agency. : ICICI promotes Shipping Credit and Investment

Company of India Limited. : The Corporation made a public issue of Swiss Franc 75 million in Switzerland, the first public issue by any Indian entity in the Swiss Capital Market.

♠ 1987 : ICICI signed a loan agreement for Sterling Pound 10 million with Commonwealth Development Corporation (CDC), the first loan by CDC for financing projects in India.

♠ 1988 : Promoted TDICI - India's first venture capital company

In the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services group, offering a wide variety of products and services, both directly and through a number of subsidiaries and affiliates like ICICI Bank. ICICI Bank launched Internet Banking operations in 1998.[21]

ICICI's shareholding in ICICI Bank was reduced to 46% through a public offering of shares in India in 1998, followed by an equity offering in the form of American depositary receipts on the NYSE in 2000.[22] ICICI Bank acquired the Bank of Madura Limited in an all-stock deal in 2001 and sold additional stakes to institutional investors during 2001–02.[23] In 1999, ICICI become the first Indian company and the first bank or a financial institution from non-Japan Asia to be listed on the NYSE.[24]

ICICI, ICICI Bank, and ICICI subsidiaries ICICI Personal Financial Services Limited and ICICI Capital Services Limited merged in a reverse merger in 2002.[25] During the financial crisis of 2007–2008, customers rushed to ICICI ATMs and branches in some locations due to rumors of bank failure. The Reserve Bank of India issued a clarification on the financial strength of ICICI Bank to dispel the rumours.[26]

In 2015, ICICI unveiled an outward remittance platform called 'Money2World'. The first of its kind, it enabled fully online outward remittance transactions for non-ICICI and ICICI customers alike.[27] In March 2020, the board of ICICI Bank Ltd. approved an investment of ₹10 billion (US\$130 million) in Yes Bank, resulting in a 5% ownership interest in Yes.

## ICICI BANK TODAY

ICICI Bank (BSE: ICICI) (formerly Industrial Credit and Investment Corporation of India) is India's largest private sector bank by market capitalisation and second largest overall in terms of assets. Total assets of Rs. 3,562.28 billion (US\$ 77 billion) at December 31, 2009 and profit after tax Rs. 30.19 billion (US\$ 648.8 million) for the nine months ended December 31, 2009. The Bank also has a network of 1,640+ branches (as on February 11, 2010) and about 4,721 ATMs in India and presence in 18 countries, as well as some 24 million customers (at the end of July 2007). ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and specialised subsidiaries and affiliates in the areas of investment banking, life and non-life insurance, venture capital and asset management. (These data are dynamic.) ICICI Bank is also the largest issuer of credit cards in India. ICICI Bank has got its equity shares listed on the stock exchanges at Kolkata and

Vadodara, Mumbai and the National Stock Exchange of India Limited, and its ADRs on the New York Stock Exchange (NYSE). The Bank is expanding in overseas markets and has the largest international balance sheet among Indian banks. ICICI Bank now has wholly-owned subsidiaries, branches and representatives offices in 18 countries, including an offshore unit in Mumbai. This includes wholly owned subsidiaries in Canada, Russia and the UK (the subsidiary through which the HiSAVE savings brand is operated), offshore banking units in Bahrain and Singapore, an advisory branch in Dubai, branches in Belgium, Hong Kong and Sri Lanka, and representative offices in Bangladesh, China, Malaysia, Indonesia, South Africa, Thailand, the United Arab Emirates and USA. Overseas, the Bank is targeting the NRI (Non-Resident Indian) population in particular.

ICICI reported a net profit of Rs. 3,758 crore (US\$ 741 million) for FY2009. The bank's Current and savings account (CASA) ratio increased to 28.7% at March 31, 2009 from 26.1% at March 31, 2008. Increase of Rs. 5,286 crore in CASA deposits in quarter ended March 31,2009. ICICI Bank is one of the Big Four Banks of India with State Bank of India, Axis Bank and HDFC Bank.

ICICI Bank Group



## **BUSINESS PROFILE**

### Products & Services

#### **Personal Banking**

- Deposits
- Loans
- Cards
- Investments
- Insurance
- Demat Services
- Wealth Management

#### **NRI Banking**

- Money Transfer
- Bank Accounts
- Investments
- Property Solutions
- Insurance
- Loans

#### **Business Banking**

- Corporate Net Banking
- Cash Management
- Trade Services
- FXOnline
- SME Services
- Online Taxes
- Custodial Services.

## Head Office

ICICI Bank

9th Floor, South Towers

ICICI Towers Bandra Kurla Complex

Bandra (E)

Mumbai.

Phone: 91-022-653 7914

Website: www.icicibank.com

## **Capital structure**

The Authorized Capital of ICICI Bank is 214.75 Crores. The Issued, Subscribed and Paid Up Capital is divided into 1113250642 equity shares @ Rs.10/- each.

## **Board of Directors**

### **Board members:-**

**Girish Chandra Chaturvedi. Non-Executive (part-time) Chairman.**

**Hari L. Mundra. Independent Director.**

**S. Madhavan. Independent Director.**

**Neelam Dhawan. Independent Director.**

**Radhakrishnan Nair. Independent Director.**

**B. Sriram. ...**

**Uday Chitale. Independent Director.**

**Vibha Paul Rishi. Independent Director.**

### **Board committee**

<b><u>Board Audit Committee</u></b>	<b><u>Board Customer Service &amp; Policyholders' Protection Committee</u></b>
<b><u>Mr. R. K. Nair (Chairman)</u></b>	<b><u>Ms. Vibha Paul Rishi, Chairperson</u></b>
<b><u>Mr. Dileep Choksi</u></b>	<b><u>Mr. Dilip Karnik</u></b>
<b><u>Mr. Dilip Karnik</u></b>	<b><u>Mr. Dileep Choksi</u></b>
<b><u>Ms. Vibha Paul Rishi</u></b>	<b><u>Mr. Anuj Bhargava</u></b>
<b><u>Mr. Sandeep Batra</u></b>	<b><u>Mr. Solmaz Altin</u></b>
<b><u>Mr. Solmaz Altin</u></b>	
<b><u>Board Sustainability And Corporate Social Responsibility Committee</u></b>	<b><u>Board Investment Committee</u></b>
<b><u>Mr. Dilip Karnik (Chairman)</u></b>	<b><u>Mr. M. S. Ramachandran, Chairman</u></b>
<b><u>Mr. Dileep Choksi</u></b>	<b><u>Mr. Sandeep Batra</u></b>
<b><u>Mr. Solmaz Altin</u></b>	<b><u>Mr. R. K. Nair</u></b>
	<b><u>Mr. Solmaz Altin</u></b>
	<b><u>Mr. Anup Bagchi</u></b>
	<b><u>Mr. Dhiren Salian</u></b>
	<b><u>Mr. Manish Kumar</u></b>



<b><u>Board Nomination &amp; Remuneration Committee</u></b>	<b><u>Board Risk Management Committee</u></b>
<b><u>Mr. Dilip Karnik (Chairman)</u></b>	<b><u>Mr. M. S. Ramachandran, Chairman</u></b>
<b><u>Mr. M. S. Ramachandran</u></b>	<b><u>Mr. R. K. Nair</u></b>
<b><u>Mr. Dileep Choksi</u></b>	<b><u>Mr. Anuj Bhargava</u></b>
<b><u>Ms. Vibha Paul Rishi</u></b>	<b><u>Mr. Solmaz Altin</u></b>
<b><u>Mr. Sandeep Batra</u></b>	
<b><u>Mr. Solmaz Altin</u></b>	

## **BUSINESS OBJECTIVE**

### **□ Vision**

To be the leading provider of financial services in India and a major global bank.

### **□ Mission**

- We will leverage our people, technology, speed and financial capital to: be the banker of first choice for our customers by delivering high quality, world-class service.
- Expand the frontiers of our business globally.
- Play a proactive role in the full realisation of India's potential.
- Maintain a healthy financial profile and diversify our earnings across businesses and geographies.
- Maintain high standards of governance and ethics.
- Contribute positively to the various countries and markets in which we operate.
- Create value for our stakeholders.

## **PRODUCTS AND SERVICES**

**□ PERSONAL BANKING**

<b>Loan Product</b>	<b>Deposit Product</b>	<b>Investment &amp; Insurance</b>
<p><u>Auto loan</u>  <u>Loan against security</u>  <u>Loan against property</u>  <u>Personal loan</u>  <u>Credit card</u>  <u>2- wheeler loan</u>  <u>Commercial vehicles finance</u>  <u>Home loans</u>  <u>Retail business banking</u>  <u>Tractor loan</u>  <u>Working capital finance</u>  <u>Construction</u>  <u>Equipment finance</u>  <u>Health care finance</u>  <u>Education loan</u>  <ul style="list-style-type: none"> <li>• <u>Gold loan</u></li> </ul> </p>	<ul style="list-style-type: none"> <li>• <u>Savings A/C</u></li> <li>• <u>Current A/C</u></li> <li>• <u>Fixed Deposits</u></li> <li>• <u>Demat A/C</u></li> <li>• <u>Safe Deposit Locker</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Mutual Funds</u></li> <li>• <u>Bonds</u></li> <li>• <u>Knowledge Centre</u></li> <li>• <u>Insurance</u></li> <li>• <u>General And Health Insurance</u></li> <li>• <u>Equity And Derivatives</u></li> <li>• <u>Mudra Gold Bar</u></li> </ul>
<b><u>Cards</u></b>	<b><u>Payment Services</u></b>	<b><u>Access To Bank</u></b>

<ul style="list-style-type: none"> <li>• <u>Credit Card</u></li> <li>• <u>Debit Card</u></li> <li>• <u>Prepaid Card</u></li> </ul> <hr style="border-top: 1px dashed black;"/> <p style="text-align: center;"><u>Forex services</u></p>	<ul style="list-style-type: none"> <li>• <u>Net Safe</u></li> <li>• <u>Merchant</u></li> <li>• <u>Prepaid Refill</u></li> <li>• <u>Bill Pay</u></li> <li>• <u>Visa Bill Pay</u></li> <li>• <u>InstaPay</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Net Banking</u></li> <li>• <u>One View</u></li> <li>• <u>InstaAlert Mobile</u></li> <li>• <u>Banking</u></li> <li>• <u>ATM</u></li> <li>• <u>Phone Banking</u></li> </ul>
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<hr style="border-top: 1px dashed black;"/> <ul style="list-style-type: none"> <li>• <u>Product And Services</u></li> <li>• <u>Trade Services</u></li> <li>• <u>Forex Service</u></li> <li>• <u>Branch Locator</u></li> <li>• <u>RBI Guideline</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Direct Pay</u></li> <li>• <u>VisaMoney Transfers</u></li> <li>• <u>E-Monies Electronic Funds Transfer</u></li> <li>• <u>Online Payment Of Direct Tax</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Email Statements</u></li> <li>• <u>Branch Network</u></li> </ul>
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**□ WHOLESALE BANKING**

Corporate	Small and Medium Enterprises	Financial Institutions and Trusts
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<ul style="list-style-type: none"> <li>• <u>Funded Services</u></li> <li>• <u>Non Funded Services</u></li> <li>• <u>Value Added Services</u></li> <li>• <u>Internet Banking</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Funded Services</u></li> <li>• <u>Non Funded Services</u></li> <li>• <u>Specialized Services</u></li> <li>• <u>Value Added Services</u></li> <li>• <u>Internet Banking</u></li> </ul>	<p style="text-align: center;"><u>BANKS</u></p> <ul style="list-style-type: none"> <li>• <u>Clearing Sub-Membership</u></li> <li>• <u>RTGS Sub-Membership</u> <ul style="list-style-type: none"> <li>• <u>Fund Transfer</u></li> <li>• <u>ATM Tie- Ups</u></li> </ul> </li> <li>• <u>Corporate Salary A/C</u> <ul style="list-style-type: none"> <li>• <u>Tax Collection</u></li> </ul> </li> </ul> <p style="text-align: center;"><u>Financial Institutions</u></p> <p style="text-align: center;"><u>Mutual Funds</u></p> <p style="text-align: center;"><u>Stock Brockers</u></p> <p style="text-align: center;"><u>Insurance Companies</u></p> <p style="text-align: center;"><u>Commodities Business</u></p> <p style="text-align: center;"><u>Trusts</u></p>
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**□ NRI SERVICES**

<b>Accounts &amp; Deposits</b>	<b>Remittances</b>
<ul style="list-style-type: none"> <li>• <u>Rupee Saving A/C</u></li> <li>• <u>Rupee Current A/C</u></li> <li>• <u>Rupee Fixed Deposits</u></li> <li>• <u>Foreign Currency Deposits</u></li> <li>• <u>Accounts For Returning Indians</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>North America</u> <ul style="list-style-type: none"> <li>• <u>Uk</u></li> <li>• <u>Europe</u></li> </ul> </li> <li>• <u>South East Asia</u> <ul style="list-style-type: none"> <li>• <u>Middle East</u></li> <li>• <u>Africa</u></li> <li>• <u>Others</u></li> </ul> </li> <li>• <u>Quick Remit</u></li> <li>• <u>India Link</u></li> <li>• <u>Check Lock Box</u></li> <li>• <u>Telegraphic/ Wire Transfer</u></li> <li>• <u>Fund Transfer Cheques/Dds/Tcs</u></li> </ul>

<b>Investment &amp; Insurances</b>	<b>Loans</b>
<ul style="list-style-type: none"> <li>• <u>Mutual Funds</u></li> <li>• <u>Insurance</u></li> <li>• <u>Private Banking</u></li> <li>• <u>Portfolio Investment Scheme</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Home Loans</u></li> <li>• <u>Loans Against Securities</u></li> <li>• <u>Loans Against Deposits</u></li> <li>• <u>Gold Card Credit</u></li> </ul>
<b>Payment Services</b>	<b>Access To Bank</b>
<ul style="list-style-type: none"> <li>• <u>Net Safe</u></li> <li>• <u>Bill Pay</u></li> <li>• <u>InstaPay</u></li> <li>• <u>DirectPay</u></li> <li>• <u>VisaMoney</u></li> <li>• <u>Online Donation</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Net Banking</u></li> <li>• <u>One View</u></li> <li>• <u>InstaAlert</u></li> <li>• <u>ATM</u></li> <li>• <u>Phone Banking</u></li> <li>• <u>Email Statements</u></li> <li>• <u>Branch Networks</u></li> </ul>

### □ PRODUCTS

ICICI Bank offers wide variety of Deposit Products to suit your requirements. Coupled with convenience of networked branches/ ATMs and facility of E-channels like Internet and Mobile Banking, ICICI Bank brings banking at your doorstep. Select any of its deposit products and provide your details online and their representative will contact you for Account Opening.

### **SAVING ACCOUNTS**

ICICI Bank offers customers a power packed Savings Account with a host of convenient features and banking channels to transact through. So now customers can bank at their convenience, without the stress of waiting in queues.



### **Special Savings Account:**

The Special Savings Account has been designed keeping in mind the specific needs of organizations such as Trusts, Associations, Societies, Councils, Clubs etc. It provides organizations solutions with added value and is ideal for tax exempted entities.

### **“LIFE PLUS”Senior citizens savings account**

LIFE PLUS,a special savings account for senior citizens from ICICI Bank is packed with a host of benefits,designed keeping your unique financial requirements in mind.

- Special senior citizens desk to cater to all banking transactions, so that you don't wait in queues.
- Higher interest rate on FD/RD:avail the combined benefits of safety,felexibility and attractive returns with ICICI Bank Fixed Deposit and Recurring Deposit.
  - Free special senior citizen LIFE PLUS debit card.
  - Money multiplies facility
- . • Extended banking hours allows you to visit our branches,as per convenience.



- Anywhere banking access to various services,ICICI Bank has to offer – anytime,anywhere and from any place,including branches,ATMs and phone banking.
  - Nomination facility available.
  - Quarterly average balance(QAB) requirement of Rs.5000.

- Quarterly physical statements are delivered to your doorstep to absolutely free of cost
- . • Passbook on request.

### **Young Stars Account:-**

Young Stars is a banking service for children, aged 1 day -18 years, brought to you by ICICI Bank to help the parents meet the present and future aspirations that they hold for their child. It offers various savings and investment options to the parent along with teaching the child to manage his/her personal finance in a more responsible and independent manner. Young Stars will guide your child through the world of banking -through checking the account balance, fun zones and special pages on the internet. It makes banking a pleasure and of course teaches your child to manage their personal finances. With the pocket money that you transfer to your child's account, you can even shop with him / her at Young Stars very own shopping page. You can even open a recurring deposit in your child's name.



Once you are done with your 'banking', you can access your child's account with all the fun links to special zones designed to suit your child's area of interests and also impart knowledge on the current events of the world.

### **Advantage woman savings account**

The ICICI Bank Advantage Woman Account enables today's independent women to enjoy hassle-free banking services. Besides the core ICICI Bank advantage, the Advantage Woman Savings Account is packed with special benefits for our women customers. Enjoy your present and plan for the future with ICICI Bank's Advantage Woman Savings Account. Advantage Woman offers a specially designed woman's debit card which helps you shop and save simultaneously, manages your household expenditures and comes with a bag full of offers attached to it.



- Special International Woman’s Debit Card with lots of offers.
- Free unlimited access to any bank’s ATM.
- Bill Pay facility & Multi Channel Access.
- Payable-at-par cheque book.
- Nomination facility available.
- Zero balance facility with an RD of Rs.2000 or Quarterly Average Balance (QAB) requirement of Rs. 10,000.

### Current Accounts:

Every business requires efficient banking facilities to support its business activities. ICICI Bank offers premium quality service, unfolding a wide array of class products. With technology leadership and service the bank is able to meet some of the most challenging financial needs of clients. A Current Account is one that is required by Businessman, Joint stock companies, Institutions, Public authorities, public corporations etc. Any business that has numerous banking transactions need a current account as it

- Allows running account supporting unlimited withdrawals and deposits.
- Is meant for convenience and not to save money.

### Roaming Current Account

Only Roaming Current Account from ICICI Bank travels the distance with customers business. With advanced technological features such as MCC and LCC, banking needs are well taken care of, customers can access their accounts at over 500 networked branches across the country. So while customers take care of their business, ICICI Bank’s Roaming Current Account simplifies banking for them.



## Salary Accounts

Salary Account is a feature rich corporate payroll account with benefits for both corporates and its employees.

- The process of drawing cheques for salaries is replaced by sending a single ASCII file to the bank and the amount is directly credited into the employees salary account
- Cuts down payroll processing workload • Salary Account can be opened with minimum 10 employees
- Instant credit of salaries ICICI Bank Salary Account is a benefit-rich payroll account for Employers and Employees.As an organization, you can opt for our Salary Accounts to enable easy disbursements of salaries and enjoy numerous other benefits too.With ICICI Bank Salary Accounts your employees will enjoy the convenience of :
- Having the largest network of ATMs at their command,
- Free 24 hour Phone Banking
- Free Internet Banking. All that the organization would require to do is to send ICICI Bank an advice (in form of a cheque/debit instruction, ecs, etc) for the total salary amount along with the salary details of the designated employees in a soft and hard copy format and we will credit the respective employees' accounts as per your statement of advice.ICICI Bank Salary Accounts benefits you in more than one ways:-
- Reduces paperwork.
- Saves remittance costs.

Employees receive instant credit of salaries. More convenient than ECS. Besides all of the above, employees automatically become ICICI Bank account holders with special benefits and privileges of 8-8 banking, Investment advisory and much more..

## Fixed deposits:

Fixed deposits are options which help you grow your money thus creating wealth in a safer and secure way. ICICI provides its customers with various kinds of Fixed deposit facilities that are flexible and cater to customers who have different needs and wants in their fixed deposits. ICICI provides a Fixed Deposit that allows customers to deposit their money for just as long as you wish.

- Wide range of tenures – 15 days to 10 years.

- Choice of investment plan – traditional and cumulative deposits.
- Partial withdrawal allowed.
- Loan facility available – you can avail loan up to 90% of principal and accrued interest.
- Auto renewal facility – you can choose this option so that the deposit can be renewed on maturity.
- Interest compounded quarterly.
- Additional interest rate of 0.5% for senior citizens



### Recurring Deposits:

ICICI Bank Recurring Deposits are an ideal way to invest small amounts of money every month and end up with a large kitty on maturity. High recurring billing and recurring payments can be a drain on your finances and hence large investments may seem a plan away.

Recurring deposits aims to encourage savings without putting any stress on customers finances by making them to put a lump sum amount in fixed deposit in one go.

The recurring deposit also attracts high rate of return that are identical to the fixed deposit rates and most importantly no TDS is applicable in it .

the minimum balance of deposit is of Rs.500 and thereafter in multiples of Rs.100 the minimum period is 6 months and thereafter in multiples of 3 months,nomination facility is also available



### Security Deposits:

A few Corporates stipulate to their new employees to provide Security Deposit to reduce attrition. ICICI Bank's proposal for the employee is to keep the Security Deposit in the form of a Fixed Deposit (FD) with the Bank. The employee cannot withdraw such FDs without the consent of the company and the company has the right to withdraw the FD in the event of employee leaving the organization before a certain stipulated period. ICICI Bank Tax-Saver Fixed Deposit

### **ICICI Bank's Tax-Saver**

Fixed Deposit enables you to save tax and earn high returns. A dual benefit option structured to maximise your advantage. ICICI Bank's Tax Saver FD is the perfect solution for your investment needs.

### **EEFC Account**

Indian exports have surged over the last decade owing to an unprecedented boom in sectors like software, biotechnology, gems, jewellery, textiles etc. As a result of this, the volume of inward remittances has also increased significantly. To shield the firms engaged in regular export and import from the exchange rate fluctuations RBI has allowed parking of foreign currency by exporters in an account designated as Exchange Earners Foreign Currency Account (EEFC). EEFC accounts are Current Accounts held in foreign currency with authorized dealers of foreign exchange in the country.

### **Family banking:**

Superior product benefits of privilege banking, wealth management and global private client (GPC) available to all the members of your family while the required minimum balance can be maintained in any of the accounts.

- Access to superior benefits for the entire family.
- Flexibility to maintain balances across account.
- Lower minimum balance requirement at individual customer level.
- Single family bank – convenience for the entire family and easier funds management.

### **Advantage Deposit**

Advantage Deposit is a combination of fixed deposit and mutual fund investment, offering you the safety of a fixed deposit and the returns of an equity fund. Advantage Deposit counters equity market fluctuations through Systematic Investment Plans.

- Combination of a Fixed Deposit (with monthly interest payout) and Systematic Investment Plan (SIP) of a Mutual Fund.
- Re-investment of monthly interest payout of Fixed Deposit into systematic investment plan of Mutual Fund

- Automatic debits to account through Standing Instruction / ECS debit mandate.

## □ LOANS

### HOME LOAN

Interest rates on home loans have come down considerably in the last few years. Individuals who opted for housing loans in the years gone by, are still servicing them at 17% to 21% per annum. Quite a price to pay, since one can get a loan today for around 8.75% per annum. In such a case, you can opt for a balance transfer. Under this scheme, customers can replace their existing old high interest loan by a cheaper (equal to applicable current rates) loan. ICICI Home Finance will not only finance the balance amount of outstanding loan but also your prepayment charges to the old housing finance company. The result:

- A lower EMI with the same tenure
- A reduced tenure with the same EMI.
- A reduced tenure and EMI .
- The same EMI and tenure but an additional amount as a loan



### PERSONAL LOANS

ICICI Bank Personal Loans are easy to get and absolutely hassle free. With minimum documentation you can now secure a loan for an amount up to Rs. 50 lakhs.

- Loans for salaried & self employed individuals.
- Loans are available from Rs. 50,000 to Rs. 50Lakhs.
- Repayment tenures from 12 - 72 months.
- No Security,Collateral or Guarantors required.
- Loans can be used for any purpose with no questions asked regarding the end use of the loan.
- A balance transfer facility available for those who want to retire any higher debt.
- All loan repayments are done via equated monthly instalments (EMI).

## CAR LOAN

The NO. 1 financier for car loans in the country. Network of more than 1500 channel partners in over 780 locations. Tie-ups with all leading automobile manufacturers to ensure the best deals. Flexible schemes & quick processing. Hassle-free application process on the click of a mouse.



## COMMERCIAL VEHICLE LOAN

- Reaches you through more than 700 locations across the country.
  - Range of products under one umbrella.
  - Funding of various products like HCVs, Buses, MCVs, LCVs, 3 wheelers & used vehicle.
- Gaurav Narang B.B.A

## FARM EQUIPMENT LOANS:

- ICICI is the preferred financier for almost all leading tractor manufacturers in the country.
- ICICI finances farm equipments in over 381 locations spread across the country.
- Provides fast processing of files with easy documentation.
- Flexible repayment options in tandem with the farmer's seasonal liquidity.
- Monthly, Quarterly and Half-yearly repayment patterns to choose from. Comfortable repayment tenures from 3 year to 4years.



## LOAN AGAINST SECURITIES

Loans against Securities enables customers to obtain loans against their securities. So they get instant liquidity without having to sell their securities. All customers have to do is pledge your

securities in favour of ICICI Bank The Bank will then grant them an overdraft facility upto a value determined on the basis of the securities pledged by them.

A current account will be opened and customer can withdraw money as and when they require. Interest will be charged only on the amount withdrawn and for the time span utilised. ICICI offer loans against:

- Demat Shares
- RBI Relief Bonds
- Mutual Funds Units
- India Millennium Deposits (IMDs)
- ICICI Bank Bonds
- Life Insurance Policies (Single Premium)

### CREDIT CARDS:

ICICI Bank Credit Cards give you the facility of cash, convenience and a range of benefits, anywhere in the world. These benefits range from life timefree cards, Insurance benefits, global emergency assistance service, discounts, utility payments, travel discounts and much more.



### DEBIT CARDS:

The ICICI Bank Debit Card is a revolutionary form of cash that allows customers to access their bank account around the clock, around the world. The ICICI Bank Debit Card can be used for shopping at more than 100,000 merchants in India and 13 million merchants worldwide.



## TRAVEL CARD:

Presenting ICICI Bank Travel Card. The Hassle Free way to Travel the world. Traveling with US Dollar, Euro, Pound Sterling or Swiss Francs; Looking for security and convenience; take ICICI Bank Travel Card. Issued in duplicate. Offers the Pin based security. Has the convenience of usage of Credit or Debit card



## INVESTMENTS

ICICI Bank cares about all needs. Along with Deposit products and Loan offerings, ICICI Bank assists people to manage their finances by providing various investment options ranging from ICICI Bank Tax Saving Bonds to Equity Investments through Initial Public Offers and Investment in Pure Gold. ICICI Bank facilitates following investment products:

- ICICI Bank Tax Saving Bonds
- Government of India Bonds
- Investment in Mutual Funds
- Initial Public Offers by Corporate
- Investment in "Pure Gold"
- Foreign Exchange Services
- Senior Citizens Savings Scheme, 2004 Customers can invest in above products through any of ICICI bank branches. For select products ICICI Bank also provides the ease of investing through electronic channels like ATMs and Internet (ICICIdirect.com)

## ICICI BANK BONDS

All ICICI Bank Bonds have been rated "AAA" by CARE and "LAAA" by ICRA indicating the highest degree of safety for your money.

Investment in ICICI Bank Bonds are eligible for tax rebate under Sec 88 to the full extent possible.

Bonds are listed on BSE, NSE.

## Mutual Funds

Mutual Funds pool money of various investors to purchase a wide variety of securities while pursuing a specific goal. Selection of Securities for the purpose is done by specialists from the field. Returns generated are distributed to the Investors. Mutual Fund Companies offer various schemes. Investors can choose any particular Fund/Scheme or mix of Funds/Schemes depending upon their perception towards risk. Investment is done on the basis of prevailing Net Asset Values of various schemes.

Mutual Funds Investments are subject to Market Risks. Types of Funds Sold ICICI Bank helps investor determine which types of funds you need to meet your investment goals. This may include the following types of funds: Debt: Liquid schemes, Income schemes, G-sec schemes, Monthly Income Schemes etc. Equity: Diversified Equity Schemes, Sector Schemes, Index Schemes etc. Hybrid Funds: Balanced Schemes, Special Schemes - Pension Schemes, Child education Schemes etc. ICICI Bank helps investors identify an appropriate mix of Mutual Fund schemes for their portfolio using asset allocation strategies.

Through ICICI Bank investor can invest in various schemes of multiple mutual funds with decent performance record. investor can take the aid of ICICI Bank's various research reports on mutual funds and their schemes before choosing a scheme for investment.

ICICI Bank offers investment in Mutual Funds through Multiple Channels. With ICICI Bank, investor can invest in Mutual Funds through following channels.

- ICICI Bank Branches
- ICICI Bank ATM'S
- ICICIdirect.com And provide a Dedicated workforce to serve clients.
- Before being deputed, our officers complete a comprehensive training program and, once deputed, they receive thorough instructions in financial planning skills and techniques
- Throughout their careers officers also attend programs to update their skills. All officers in charge of Mutual Funds are certified professionals by AMFI (Association of Mutual Funds in India)
- Many of these officers also hold professional degrees like - MBA, CA, ICWA, and CFA etc



ICICI keeps the investors updated on the latest happenings in the Mutual Fund industry and the various financial markets through regular electronic updates (daily & weekly) through Emails. ICICI also send out a monthly magazine on investments to their customers.

### Initial public offerings (IPO)

Investor can invest in IPOs online through [www.icicidirect.com](http://www.icicidirect.com) with same convenience of investing in equities - hassle-free and with zero paper work. Also, get in-depth analyses of new IPOs issues (Initial Public Offerings) which are about to hit the market. IPO calendar, recent IPO listings, prospectus/offer documents and live prices will help you keep on top of the IPO markets.

### PRIVATE BANKING

Benefits:

Comprehensive range of products and services-

Savings Account, Fixed Deposits, Recurring Deposits, Quantum Optima, Current Accounts,

-Resident Foreign Currency (Domestic) Accounts etc.

-Asset Products- Home Loans, Car & Personal Loans, Loan Against Securities etc.

-Investments

- Government of India Bonds, Mutual Funds, Capital Gain Bond etc.

-Insurance

-Web Trade and Demat Accounts

-Gold Coins & Bureau de Change.

-And many more....

### **Exclusivity and Convenience**

-Dedicated Officer

-Separate interaction area in the branch

-Anywhere Banking facility

-Exclusive Phone Banking service

### **-Competitive Pricing**

- Reduced rates for products and services
- Several Complimentary Offers
- Value-linked benefits Competitive Pricing
- Reduced rates for products and services
- Several Complimentary Offers
- Value-linked benefits.

## **SERVICES**

### INVESTMENT SERVICES

- DematServices A Demat Account allows employees transact in shares instantaneously in a safe and secure manner.
- ReliefBonds/MutualFunds/Insurance Salary Account customers can now invest in Government of India relief and savings bonds, a basket of mutual funds, foreign exchange facilities and Insurance products through ICICI Bank.
- GoldCoin Employees can buy 24 karats Pure Gold, which ICICI Bank brings to you. Each coin comes to you straight from Switzerland. Refined to 99.99% fine gold and sealed with a unique Certificate of Authenticity- guaranteeing you its purity

### **FOREX SERVICES.**

ICICI Bank's Foreign Exchange Services will help you organize your foreign exchange in the most hassle free manner. Whether its Foreign Currency, Travelers Cheques or Travel Card, ICICI Bank Foreign Exchange Services is a one-stop solution to your foreign exchange requirement.



# Chapter 3

## RESEARCH METHODOLOGY



 Pearson

S. S. VINOD CHANDRA  
S. ANAND HARINDRAN

## Research methodology

The procedure adopted for conducting the research requires a lot of attention as it has direct bearing on accuracy, reliability and adequacy of results obtained. It is due to this reason that research methodology, which we used at the time of conducting the research, needs to be elaborated upon. It may be understood as a science of studying how research is done scientifically. So, the research methodology not only talks about the research methods but also considers the logic behind the method used in the context of the research study. Research Methodology is a way to systematically study and solve the research problems. If a researcher wants to claim his study as a good study, he must clearly state the methodology adapted in conducting the research the research so that it way be judged by the reader whether the methodology of work done is sound or not.

The Research Methodology here includes:

- ♠ Objective of study
- ♠ Meaning of Research.
- ♠ Research Problem.
- ♠ Research Design.
- ♠ Data Collection method.
- ♠ Analysis and interpretation of Data
- ♠ Limitation of study

### OBJECTIVE OF THE STUDY

Objectives are the ends that states specifically how goal be achieved. Every study must have an objective for which all the efforts have been done.

Without objective no research can be conducted and no result can be obtained. On the basis of objective all the research process is followed.

Objectives are the main aspect of every study. The objective of the study gives direction to go through the research problem.

It guides the researcher and keeps him on track. I have two objectives regarding my research project. These are shown below :

1. Primary objective
2. Secondary objective

**1. Primary objective :**

- 1) To study the software used in ICICI Bank.
- 2) To analyse the financial statements of the corporation to assess it's true financial position by the use of ratios.

**2. Secondary objective :**

- 1) To find out the shortcomings in ICICI Bank.
- 2) To see whether ICICI Bank is going well or not in different areas.

## **IMPORTANCE OF THE STUDY**

- By “FINANCIAL PERFORMANCE ANALYSIS OF ICICI Bank” we would be able to get a fair picture of the financial position of ICICI Bank.
- By showing the financial performance to various lenders and creditors it is possible to get credit in easy terms if good financial condition is maintained in the company with assets outweighing the liabilities.
- Protecting the property of the business.
- Compliances with legal requirement.

### **Meaning of Research:**

Research is defined as “a scientific and systematic search for pertinent information on a specific topic”. Research is an art of scientific investigation. Research is a systematized effort to gain new knowledge. It is a careful investigation or inquiry especially through search for new facts in any branch of knowledge. Research is an academic activity and this term should be used in a technical sense. Research comprises defining and redefining problems, formulating hypothesis or suggested solutions. Making deductions and reaching conclusions to determine whether they if the formulating hypothesis. Research is thus, an original contribution to the existing stock of knowledge making for its advancement. The search for knowledge through objective and systematic method of finding solutions to a problem is research.

## **Research Problem**

The first step while conducting research is careful definition of Research Problem. “To ERR IS THE HUMAN” is a proverb which indicates that no one is perfect in this world. Every researcher has to face many problems which conducting any research that’s why problem statement is defined to know which type of problems a researcher has to face while conducting any study. It is said that,

“Problem well defined is problem half solved.”

Basically, a problem statement refers to some difficulty, which researcher experiences in the context of either a theoretical or practical situation and wants to obtain the solution for the same.

The problem statement here is:

“TO MAKE A FINANCIAL ANALYSIS OF FINANCIAL STATEMENTS OF ICICI BANK”

## **Research Design**

A research designs is the arrangement of conditions for collection and analysis data in a manner that aims to combine relevance to the research purpose with economy in procedure. Research Design is the conceptual structure with in which research in conducted. It constitutes the blueprint for the collection measurement and analysis of data. Research Design includes and outline of what the researcher will do form writing the hypothesis and it operational implication to the final analysis of data. A research design is a framework for the study and is used as guide in collection and analyzing the data. It is a strategy specifying which approach will be used for gathering and analyzing the data. It also include the time and cost budget since most studies are done under these two cost budget since most studies are done under theses tow constraints. The design is such studies must be rigid and not flexible and most focus attention on the following:

- } What is the study about?
- } Why is the study being made?
- } Where will the study be carried out?
- } What type of data is required?
- } Where can be required data be found?
- } What period of time will the study include?
- } What will be sample design?
- } What techniques of data collection will be used?
- } How will the data be analyzed?
- } In what style will the report be prepared?

## **Data Collection Method**

The process of data collection begins after a research problem has been defined and research design has been chalked out. There are two types of data

**PRIMARY DATA** It is first hand data, which is collected by researcher itself. Primary data is collected by various approaches so as to get a precise, accurate, realistic and relevant data. The main tool in gathering primary data was investigation and observation. It was achieved by a direct approach and observation from the officials of the company.

**SECONDARY DATA** - it is the data which is already collected by someone else. Researcher has to analyze the data and interprets the results. It has always been important for the completion of any report. It provides reliable, suitable, adequate and specific knowledge.

## **TYPE OF DATA USED IN THE STUDY**

The required data for the study are basically secondary in nature and the data are collected from

- ♣ The audited reports of the company.
- ♣ INTERNET – which includes required financial data collected from ICICI Bank's official website i.e www.icici.com and some other websites on the internet for the purpose of getting all the required financial data of the bank and to get detailed knowledge about ICICI Bank for the convenience of study.
- ♣ Brouchers of ICICI Bank.
- ♣ The valuable cooperation extended by staff members and the branch manager of ICICI bank, dharmshala contributed a lot to fulfill the requirements in the collection of data in order to complete the project.

## **Methods of data analysis**

The data collected were edited, classified and tabulated for analysis. The analytical tools used in this study are:

### **ANALYTICAL TOOLS APPLIED:**

The study employs the following analytical tools:

1. Comparative statement.
2. Trend Percentage.
3. Ratio Analysis.
4. Cash Flow Statement.

## **Limitations of study**

- ♣ Difficulty in data collection.
- ♣ Limited knowledge about the bank in the initial stages.
- ♣ Branch manager was reluctant for giving financial data of the bank.
- ♣ The analysis and interpretation are based on secondary data contained in the published annual reports of ICICI Bank for the study period.
- ♣ Due to the limited time available at the disposable
- ♣ Ratio itself will not completely show the company's good or bad financial position.
- ♣ Inter firm comparison was not possible due to the non availability of competitors data.
- ♣ The study of financial performance can be only a means to know about the financial condition of the company and cannot show a through picture of the activities of the company.



## Chapter 4

# FINANCIAL ANALYSIS



## **INTRODUCTION OF THE TOPIC**

### Meaning Of Financial Statements

Financial statements refer to such statements which contains financial information about an enterprise. They report profitability and the financial position of the business at the end of accounting period. The team financial statement includes at least two statements which the accountant prepares at the end of an accounting period. The two statements are:

- The Balance Sheet
- Profit And Loss Account

They provide some extremely useful information to the extent that balance Sheet mirrors the financial position on a particular date in terms of the structure of assets, liabilities and owners equity, and so on and the Profit And Loss account shows the results of operations during a certain period of time in terms of the revenues obtained and the cost incurred during the year. Thus the financial statement provides a summarized view of financial positions and operations of a firm.

### Meaning Of Financial Analysis

The term financial analysis is also known as ‘analysis and interpretation of financial statements’ refers to the process of determining financial strength and weakness of the firm by establishing strategic relationship between the items of the Balance Sheet, Profit and Loss account and other operative data. The first task of financial analysis is to select the information relevant to the decision under consideration to the total information contained in the financial statement. The second step is to arrange the information in a way to highlight significant relationship. The final step is interpretation and drawing of inference and conclusions. Financial statement is the process of selection, relation and evaluation.

### **Features of Financial Analysis**

To present a complex data contained in the financial statement in simple and understandable form.

To classify the items contained in the financial statement in convenient and rational groups.

To make comparison between various groups to draw various conclusions.

### **Purpose of Analysis of financial statements**

- ♣ To know the earning capacity or profitability.
- ♣ To know the solvency. ♣ To know the financial strengths.
- ♣ To know the capability of payment of interest & dividends.
- ♣ To make comparative study with other firms.
- ♣ To know the trend of business.
- ♣ To know the efficiency of mgt.
- ♣ To provide useful information to mgt.

### **Procedure of Financial Statement Analysis**

The following procedure is adopted for the analysis and interpretation of financial statements:

⊖ The analyst should acquaint himself with principles and postulated of accounting. He should know the plans and policies of the management so that he may be able to find out whether these plans are properly executed or not.

⊖ The extent of analysis should be determined so that the sphere of work may be decided. If the aim is find out. Earning capacity of the enterprise then analysis of income statement will be undertaken. On the other hand, if financial position is to be studied then balance sheet analysis will be necessary.

⊖ The financial data be given in statement should be recognized and rearranged. It will involve the grouping similar data under same heads. Breaking down of individual components of statement according to nature. The data is reduced to a standard form.

⊖ A relationship is established among financial statements with the help of tools & techniques of analysis such as ratios, trends, common size, fund flow etc.

⊖ The information is interpreted in a simple and understandable way. The significance and utility of financial data is explained for help in decision making.

⊖ The conclusions drawn from interpretation are presented to the management in the form of reports.

## **Types Of Financial Analysis**

There are different ways of analysis the financial statements:

### **1. On The Basis Of Process Of Analysis**

a) Horizontal Analysis : This is used when the financial statement of a number of years are to be analysed. Such analysis indicates the trends and the increase or decrease in various items not only in absolute figures but also in percentage form. This analysis indicates the strengths and weaknesses of the firm. This analysis is also called as dynamic analysis because it also shows the trend of the business.

b) Vertical Analysis : This is used when financial statements of a particular year or on a particular date are analyzed. For this type of analysis we generally use common size statements and the ratio analysis. It involves a study of quantitative relationship among various items of balance sheet and profit and loss account. This type of analysis is static analysis because this is based on the financial results of one year. Vertical analysis is useful when we have to compare the performance of different departments of the same company.

Among these two types of analysis, horizontal analysis is more useful because it brings out more clearly the trends of working of a firm. This gives us more concrete bases for future planning.

### **2. On The Basis Of Information Available**

a) Internal Analysis : This analysis is based on the information available to the business firm only .Hence internal analysis is made by the management. Internal analysis is more reliable and helpful for financial decisions.

b) External Analysis : This analysis is made on the basis of published statements,reports and informations. This analysis is made by external parties such as creditors,investors,banks,financial analysis etc. external analysis is less.reliable in comparison to internal analysis because of limited and often incomplete information.

### **3. On The Basis Of Number Of Firms**

c) Inter-Firm Analysis : When financial analysis of two or more companies or firms are analyzed and compared over a number of accounting period, it is called inter-firm analysis.

b) Intra -Firm Analysis : intra-firm analysis is concerned with the analysis of financial performance of different units or departments or segments of the same enterprise or company. Similarly when financial statements of two or more years of the same firm are analyzed and compared it is also called as intra-firm analysis.

#### **4. On The Basis Of Objectives**

a) Accounting Analysis: Accounting analysis is analysis of past financial performance and involves examining how generally accepted accounting principles and conventions have been applied in arriving at the values of assets, liabilities, revenues and expenses.

b) Prospective Analysis : Prospective analysis involves developing forecasted financial statements keeping in view the changes that are likely to shape and affect the business given the assumptions about these changes and the limitation of the forecasting technique used. This is quite complicated analysis.

#### **Methods/Tools Of Financial Analysis**

A number of methods can be used for the purpose of analysis of financial statements. These are also termed as techniques or tools of financial analysis. Out of these, an enterprise can choose those techniques which are suitable to its requirements. The principal techniques of financial analysis are:

- a. Comparative financial statements
- b. Common-size statements
- c. Trend analysis
- d. Ratio analysis
- e. Funds flow analysis
- f. Cash flow analysis
- g. Break even point analysis

#### **a. Comparative Financial Statements:**

When financial statements figures for two or more years are placed side-side to facilitate comparison, these are called 'comparative Financial Statements'. Such statements not only show the absolute figures of various years but also provide for columns to indicate .

to increase or decrease in these figures from one year to another. In addition, these statements may also show the change from one year to another on percentage form. Such comparative statements are of great value in forming the opinion regarding the progress of the enterprise.

#### **Objectives purpose or significance of comparative financial statements**

- 1.To simplify data
- 2.To make inter period/inter-firm comparison
- 3.To indicate the trends
- 4.To enable forecasting

- 5.To indicate the strengths and weaknesses of the firm
- 6.To compare the performance
- 7.To analyse expenses
- 8.To analyse profits

### **Tools for comparison of financial statements**

Comparative financial statement is a tool of financial analysis that depicts change in each item of the financial statement in both absolute amount and percentage term, taking the item in preceding accounting period as base.

Comparison and analysis of financial statements may be carried out using the following tools:

1.Comparative Balance Sheet : The comparative balance sheet shows increase and decrease in absolute terms as well as percentages ,in various assets ,liabilities and capital. A comparative analysis of balance sheets of two periods provides information regarding progress of the business firm.

The main purpose of comparative balance sheet is to measure the short- term and long term solvency position of the business.

2. Comparative Income Statement : Comparative income statement is prepared by taking figures of two or more than two accounting periods,to enable the analyst to have definite knowledge about the progress of the business.Compartative income statements facilitate the horizontal analysis since each accounting variable is analysed horizontally.

### **b. Common- Size Statements:**

Common size statements are such statements in which the items of financial statements are covered into percentage of common base. In common-size income statement, by assuming net sales as 100(i.e %)and other individual items are converted as percentage of this. Similarly, in common –size balance sheet ,total assets are assumed to be 100 (i.e %) and individual assets are expressed as percentage.

### **Objectives of common size statements**

1. Presenting the change in various items in relation to total assets or total liabilities or net sales.

2. Establishing a relationship.
3. Providing a common base for comparison.

### **Types of common size statements**

1. **Common-Size Balance Sheet** : A common –size balance sheet is a statement in which total of assets or liabilities is assumed to be equal to 100 and all the figures are expressed as percentage of the total. That is why it is known as percentage balance sheet.

Common-size balance sheet facilitate the vertical analysis since each item of the Balance Sheet is analyzed vertically.

2. **Common-Size Income Statement** : Common-size income statement is a statement in which the figures of net sales is assumed to be equal to 100 and all other figures of “profit and loss A/c” are expressed as percentage of net sales.this statement facilitate the vertical analysiss since each accounting variable is analyzed vertically. One can draw conclusion, regarding the behaviour of expenses over period of time by examining these percentages.

### **c. Trend Analysis:**

Trend percentage are very useful is making comparative study of the financial statements for a number of years. These indicate the direction of movement over a long tine and help an analyst of financial statements to form an opinion as to whether favorable or unfavorable tendencies have developed. This helps in future forecasts of various items. For calculating trend percentages any year may be taken as the ‘base year’. Each item of bease year is assumed to be equal to 100 and on that basis the percentage of item of each year calculated.

### **d. Ratio Analysis:**

#### **Meaning :**

Absolute figures expressed in financial statements by themselves are meaningfulness. These figures often do not convey much meaning unless expressed in relation to other figures. Thus, it

can be say that the relationship between two figures, expressed in arithmetical terms is called a ratio.

“According to R.N. Anthony.”

“A ratio is simply one number expressed in terms of another. It is found by dividing one number into the other.”

## **TYPES OF RATIOS**

1. Proportion or Pure Ratio or Simple ratio.
2. Rate or so many Times.
3. Percentage
4. Fraction.

## **OBJECTS AND ADVANTAGES OR USES OF RATIO ANALYSIS**

1. Helpful in analysis of financial statements.
2. Simplification of accounting data.
3. Helpful in comparative study.
4. Helpful in locating the weak spots of the business.
5. Helpful in forecasting
6. Estimate about the trend of the business
7. Fixation of ideal standards
8. Effective control
9. Study of financial soundness.

## **LIMITATION OF RATIO ANALYSIS**

1. False accounting data gives false ratios
2. Comparisons not possible of different firms adopt different
3. accounting policies.
4. Ratio analysis becomes less effective due to price level
5. change 6. Ratios may be misleading in the absence of absolute data.
7. Limited use of a single Ratio.
8. Window-Dressing
9. Lack of proper standards.
10. Ratio alone are not adequate for proper conclusions.
11. Effect of personal ability and bias of the analyst.



## CLASSIFICATION OF RATIOS

In view of the financial management or according to the tests satisfied, various ratios have been classified as below:

**Liquidity Ratios :** These are the ratios which measure the short-term solvency or financial position of a firm. These ratios are calculated to comment upon the short-term paying capacity of a concern or the firm's ability to meet its current obligations.

**Long –Term Solvency and Leverage Ratios :** Long-term solvency ratios convey a firm's ability to meet the interest cost and repayment schedules of its long-term obligation e.g. Debt Equity Ratio and Interest Coverage Ratio. Leverage Ratios.

**Activity Ratios:** Activity ratios are calculated to measure the efficiency with which the resource of a firm have been employed. These ratios are also called turnover ratios because they indicate the speed with which assets are being turned over into sales e.g. debtors turnover ratio.

**Profitability Ratios:** These ratios measure the results of business operations or overall performance and effective of the firm e.g. gross profit ratio, operating ratio or capital employed. Generally, two types of profitability ratios are calculated.

(a) In relation to Sales, and

(b) In relation in Investment.

## FUNCTIONAL CLASSIFICATION IN VIEW OF FINANCIAL MANAGEMENT OR CLASSIFICATION ACCORDING TO TESTS

<b>Liquidity Ratios</b>	<b>Long-term Solvency and Leverage Ratios</b>	<b>Activity Ratios</b>	<b>Profitability Ratio</b>
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<p>Current Ratio          -Liquid Ratio (Acid) Test or Quick Ratio          .-Absolute liquid or          -Cash Ratio.          -Debtors Turnover Ratio          -Creditors Turnover Ratio          -Inventory Turnover ratio</p>	<p>Financial Operating Composite          -Debt. Equity Ratio          Debt to Total Capital Ratio          -Interest Coverage Ratio          -Capital Gearing Ratio</p>	<p>Inventory Turnover Ratio. Debtors Turnover Ratio Fixed Assets Turnover Ratio Total Asset Turnover Ratio          Working Capital Turnover Ratio.          Payables Turnover Ratio Capital Employed Turnover Ratio</p>	<p>In Relation to Sales. Gross Profit Ratio. Operating Ratio. Operating Profit Ratio. Net Profit Ratio. Expenses Ratio In relation to investments Return on Investments. Return on capital. Return on Equity Capital. Return on total Resources Earning per share. Price Earning Ratio.</p>
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## **CASH-FLOW STATEMENT**

A cash – flow statement is a statement showing inflows (receipts) and outflows (payments) of cash during a particular period. In other words, it is a summary of sources and applications of each during a particular span of time.

### **Objectives of Cash Flow Statement :**

1. Useful for Short-Term Financial Planning.
2. Useful in Preparing the Cash Budget.
3. Comparison with the Cash Budget.
4. Study of the Trend of Cash Receipts and Payments.
5. It explains the Deviations of Cash from Earnings.
6. Helpful in Ascertaining Cash Flow from various Separately.
7. Helpful in Making Dividend Decisions.

## **BALANCE SHEET OF ICICI BANK LTD.**

**As on 2021,2022,2023**

	Schedule	At 31.03.2021	At 31.03.2022	At 31.03.2023
<b>CAPITAL AND LIABILITIES</b>				
Capital	1	13,834,104	13,899,662	13,967,750
Employees stock option outstanding	1A	31,010	2,664,141	7,608,859
Reserve and surplus	2	1,461,226,736	1,688,555,941	1,985,577,170
deposits	3	9,325,221,605	10,645,716,132	11,808,406,972
borrowing	4	916,309,56	1,072,313,597	1,193,254,936
Other liabilities and provision	5	587,703,739	689,827,947	833,250,836
<b>TOTAL CAPITAL AND LIABILITIES</b>		12,304,326,758	14,112,977,420	15,842,066,523
<b>ASSETS</b>				
Cash and balances with Reserve Bank of India	6	460,311,902	1,095,228,198	685,261,721

Balances with banks and money at call and short notice	7	870,970,599	582,995,434	509,121,002
Investments	8	2,812,865,399	3,102,410,024	3,623,297,355
Advances	9	7,337,290,904	8,590,204,390	10,196,383,053
Fixed assets	10	88,775,806	93,738,159	95,998,412
Other assets	11	734,112,148	648,401,215	732,004,980
<b>TOTAL ASSETS</b>		<b>12,304,326,758</b>	<b>14,112,977,420</b>	<b>15,842,066,523</b>
Contingent liabilities	12	26,486,406,690	38,676,758,717	42,831,654,487
Bills for collection		546,434,215	751,508,328	864,547,740
Significant accounting policies and notes to accounts	17&18			

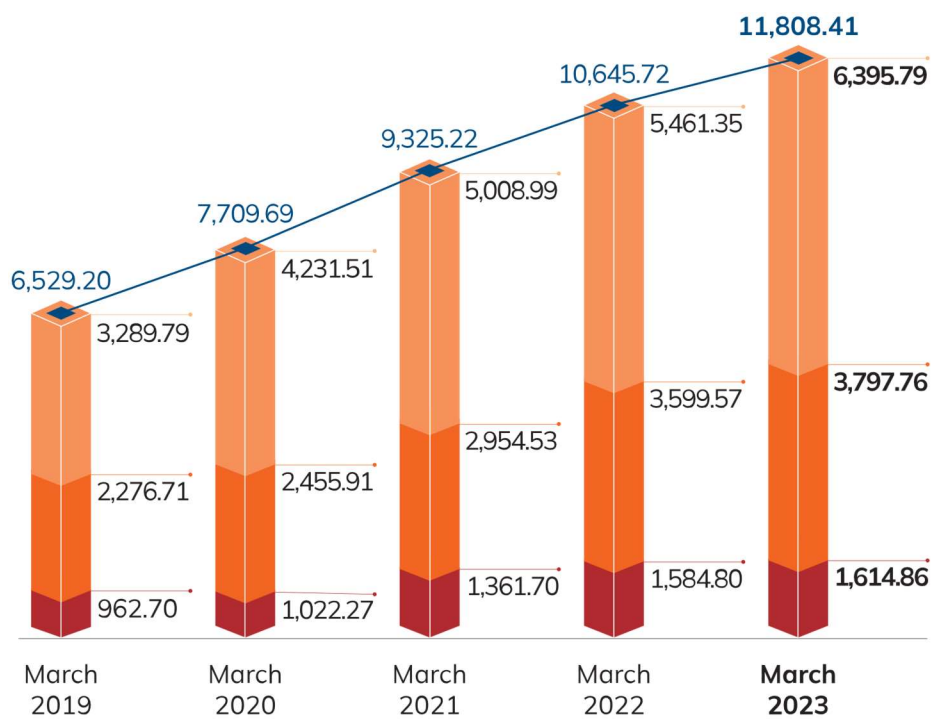
	Schedule	Year ended	Year ended	Year ended
		31.03.2021	31.03.2023	31.03.2022
<b>I. INCOME</b>				
Interest earned	13	79,11,82,710	1,09,23,13,380	86,37,45,452
Other income	14	18,96,85,274	19,83,14,479	18,51,75,299
<b>TOTAL INCOME</b>		<b>98,08,67,984</b>	<b>1,29,06,27,859</b>	<b>1,04,89,20,751</b>
<b>II. EXPENDITURE</b>				
Interest expended	15	40,12,88,374	47,10,27,360	38,90,84,507
Operating expenses	16	21,56,08,340	32,87,32,391	26,73,33,160
Provisions and contingencies (refer note 18.41)		20,20,44,429	17,19,03,146	15,91,08,177
<b>TOTAL EXPENDITURE</b>		<b>81,89,41,143</b>	<b>97,16,62,897</b>	<b>81,55,25,844</b>
<b>III. PROFIT/(LOSS)</b>				
		161926841		
Net profit/(loss) for the year		21,32,74,679	31,89,64,962	23,33,94,907
Profit brought forward		37,52,01,520	43,67,13,394	31,00,90,657
<b>TOTAL PROFIT/(LOSS)</b>			<b>75,56,78,356</b>	<b>54,34,85,564</b>
<b>IV. APPROPRIATIONS/TRANSFERS</b>				
		40482000		
Transfer to Statutory Reserve		-77,638	7,97,42,000	5,83,49,000
Transfer to/(from) Reserve Fund		1302300	-	-
Transfer to Capital Reserve		-	8,78,200	1,57,42,037
Transfer to Capital Redemption Reserve		-	-	-
Transfer to/(from) Investment Reserve Account		-2495799	-	-
Transfer to/(from) Investment Fluctuation Reserve		1,50,00,000	10,43,810	38,28,798
Transfer to Revenue and other reserves		1,09,00,000	50000000	-
Transfer to Special Reserve		-	2,56,50,000	1,50,00,000
Dividend paid during the year		31,00,90,657	3,47,94,463	1,38,52,335
Balance carried over to balance sheet		37,52,01,520	56,35,69,883	43,67,13,394
<b>TOTAL</b>			<b>75,56,78,356</b>	<b>54,34,85,564</b>
Significant accounting policies and notes to account 17 & 18				
Earnings per share (refer note 18.1)		24.01		
Basic (₹)		23.67	45.79	33.66
Diluted (₹)		2	44.89	32.98
Face value per share (₹)				

## 1.RATIO ANALYSIS

### CURRENT RATIO:

An indication of a company's ability to meet short-term debt obligations; the higher the ratio, the more liquid the company is. Current ratio is equal to current assets divided by current liabilities. If the current assets of a company are more than twice the current liabilities, then that company is generally considered to have good short-term financial strength. If current liabilities exceed current assets, then the company may have problems meeting its short-term obligations.

CURRENT RATIO = CURRENT ASSETS / CURRENT LIABILITY



## 2.TREND ANALYSIS

### Trend Percentage Of ICICI Bank From 2019,2020,2021,2022,2023

KEY FINANCIAL RATIOS OF ICICI BANK (in Rs. Cr.)	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>PER SHARE RATIOS</b>					
Basic EPS (Rs.)	45.79	33.66	24.01	12.28	5.23
Diluted EPS (Rs.)	44.89	32.98	23.67	12.08	5.17
Cash EPS (Rs.)	47.57	35.27	24.96	13.72	6.42
Book Value [Excl. Reval Reserve]/Share (Rs.)	283.01	240.75	208.78	175.15	163.36
Book Value [Incl. Reval Reserve]/Share (Rs.)	287.4	245.35	213.25	179.96	168.08
Dividend/Share (Rs.)	8	5	2	0	1
Operating Revenue / Share (Rs.)	156.41	124.28	114.38	115.54	98.34
Net Profit/Share (Rs.)	45.67	33.58	23.41	12.25	5.22

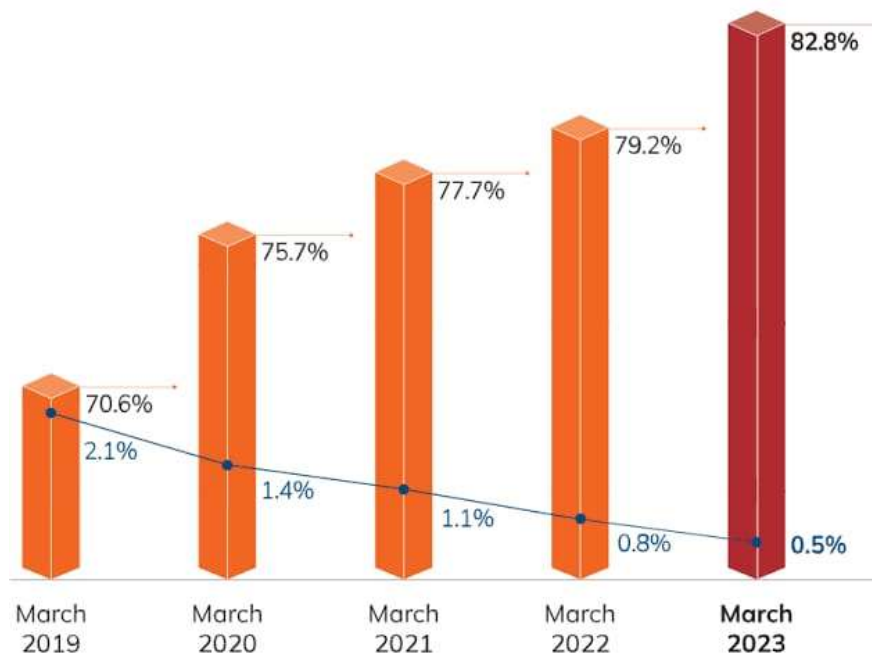
## 3.LIQUID RATIO:

Liquid ratio is also known as ‘Quick’ or ‘Acid Test ‘Ratio. Liquid assets refer to assets which are quickly convertible into cash. Current Assets other stock and prepaid expenses are considered as quick assets

$$\text{Quick Ratio} = \text{Total Quick Assets} / \text{Total Current Liabilities}$$

$$\text{Quick Assets} = \text{Total Current Assets} - \text{Inventory}$$





## **EARNING PER SHARE:**

In order to avoid confusion on account of the varied meanings of the term capital employed, the overall profitability can also be judged by calculating earning per share with the help of the following formula:

$$\text{Earning Per Equity Share} = \frac{\text{Net Profit after Tax} - \text{Preference Dividend}}{\text{No. of Equity shares}}$$

The earning per share of the company helps in determining the market price of the equity shares of the company. A comparison of earning per share of the company with another will also help in deciding whether the equity share capital is being effectively used or not. It also helps in estimating the company's capacity to pay dividend to its equity shareholders.

	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>KEY FINANCIAL RATIOS OF ICICI BANK (in Rs. Cr.)</b>					
PER SHARE RATIOS					
Basic EPS (Rs.)	45.79	33.66	24.01	12.28	5.23
Diluted EPS (Rs.)	44.89	32.98	23.67	12.08	5.17
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Operating Revenue / Share (Rs.)	156.41	124.28	114.38	115.54	98.34
<b>Net Profit/</b>	<b>45.67</b>	<b>33.58</b>	<b>23.41</b>	<b>12.25</b>	<b>5.22</b>

### **Cash flow statement**

**Cash flow statement is a statement which states the cash inflows and outflows of cash. A statement of cash flow reports cash receipts and payments classified according to the major activities: operating, investing and financing during the period.**

	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>CASH FLOW OF ICICI BANK (in Rs. Cr.)</b>					
	12 mths	12 mths	12 mths	12 mths	12 mths
<b>NET PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAX</b>	<b>42,421.23</b>	<b>30,608.89</b>	<b>20,182.72</b>	<b>14,048.04</b>	<b>3,776.76</b>
Net CashFlow From Operating Activities	7,690.32	55,046.93	1,24,093.36	78,449.44	38,418.79
Net Cash Used In Investing Activities	-65,751.32	-35,035.45	-53,491.40	-37,107.40	-23,875.31
Net Cash Used From Financing Activities	9,426.38	14,868.04	-55,935.32	-2,644.55	-18,251.09
Foreign Exchange Gains / Losses	250.53	-185.4	-694.13	161.97	-165.48
<b>NET INC/DEC IN CASH AND CASH EQUIVALENTS</b>	<b>-48,384.09</b>	<b>34,694.11</b>	<b>13,972.51</b>	<b>38,859.45</b>	<b>-3,873.09</b>
Cash And Cash Equivalents Begin of Year	1,67,822.36	1,33,128.25	1,19,155.74	80,296.29	84,169.38
Cash And Cash Equivalents End Of Year	1,19,438.27	1,67,822.36	1,33,128.25	1,19,155.74	80,296.29

## Chapter 5

# FINDINGS, SUGGESTIONS & CONCLUSION



## **FINDINGS**

□ The profit after tax of Q2-2023 included reversal of tax provisions of ₹ 128 crore (US\$15 million). The profit after tax of ICICI Prudential Asset Management Company, as per Ind AS, grew by 23.5% year-on-year to ₹ 501 crore (US\$ 60 million) in Q2-2024 from ₹ 406 crore (US\$ 49 million) in Q2-2023

□ ICICI Bank Ltd's revenue jumped 24.23% since last year same period to ₹59,739.72Cr in the Q3 2023-2024. On a quarterly growth basis, ICICI Bank Ltd has generated 3.66% jump in its revenue since last 3-months.

□ ICICI Bank operating income for the twelve months ending December 31, 2023 was \$6.075B, a 22.12% increase year-over-year. ICICI Bank annual operating income for 2023 was \$4.433B, a 24.65% increase from 2022. ICICI Bank annual operating income for 2022 was \$3.556B, a 29.35% increase from 2021

□ During the year, the Bank has pursued a strategy of prioritizing capital conservation, liquidity management and risk containment given the challenging economic environment. This is reflected in the Bank's strong capital adequacy and its focus on reducing its wholesale term deposit base and increasing its CASA ratio. The Bank is maintaining excess liquidity on an ongoing basis. The Bank has also placed strong emphasis on efficiency improvement and cost rationalization. The Bank continues to invest in expansion of its branch network to enhance its deposit franchise and create an integrated distribution network for both asset and liability products.

In line with the above strategy, the total deposits of the Bank were Rs. 218,348 crore (US\$ 43.0 billion) at March 31, 2023, compared to Rs. 244,431 crore (US\$ 48.2 billion) at March 31, 2022. The reduction in term deposits by Rs. 24,970 crore (US\$ 4.9 billion) was primarily due to the Bank's conscious strategy of paying off wholesale deposits. During Q4-2023 total deposits increased by Rs. 9,283 crore (US\$ 1.8 billion), of which Rs. 5,286 crore (US\$ 1.0 billion), or about 57%, was in the form of CASA deposits. The

CASA ratio improved to 28.7% of total deposits at March 31, 2009 from 26.1% at March 31, 2022.

□ Visit our customer support center : <https://www.icicibank.com/help/support-center.page>? The Bank has a network of 6,371 branches and 17,037 ATMs and cash recycling machines across India, as at December 31, 2023.

## **Conclusion**

On the basis of various techniques applied for the financial analysis of ICICI Bank we can arrive at a conclusion that the financial position and overall performance of the bank is satisfactory. Though the income of the bank has increased over the period but not in the same pace as of expenses. But the bank has succeeded in maintaining a reasonable profitability position.

The bank has succeeded in increasing its share capital also which has increased around 50% in the last 5 years. Individuals are the major shareholders. The major achievement of the bank has been a tremendous increase in its deposits, which has always been its main objective. Fixed and current deposits have also shown an increasing trend.

Equity shareholders are also enjoying an increasing trend in the return on their capital. Though current assets and liabilities (current liquidity) of the bank is not so satisfactory but bank has succeeded in maintaining a stable solvency position over the years. As far as the ratio of external and internal equity is concerned, it is clear that bank has been using more amount of external equity in the form of loans and borrowings than owner's equity. Bank's investments are also showing an increasing trend. Due to increase in advances, the interest received by the bank from such advances is proving to be the major source of income for the bank

## Suggestions

In general, some improvements that could benefit ICICI Bank customers may include:

- 1.Improved Customer Support: ICICI Bank can enhance its customer support by providing quicker response times, more personalized assistance, and a variety of support channels such as chatbots, phone, and email support.
- 2.Enhanced Digital Banking Experience: ICICI Bank can improve its digital banking experience by making its mobile app more user-friendly, offering more services, and simplifying the navigation process.
- 3.Reduced Fees and Charges: ICICI Bank can review its fees and charges to make them more competitive and transparent, which can improve customer satisfaction and loyalty.
- 4.Better Security Measures: ICICI Bank can enhance its security measures to ensure that customer data and transactions are safe and secure and provide customers with more control over their account security.
- 5.Enhanced Product Offerings: ICICI Bank can introduce new products and services that cater to customer needs and preferences, such as customized investment options, attractive loan offerings, and innovative payment solutions.
- 6.Higher trend of credit deposit ratio reveals that the bank has performed satisfactorily as regard to granting loans and advances to generate income. It suggests that the credit performance of bank is good and it is performing its business well by fulfilling the major objective of granting credit and accepting deposit. So in order to have more creditability in the market the bank should maintain its credit deposit ratio.
- 7.Though the bank has been successful in increasing it's deposits but to further improve upon such situation it can introduce some new and attractive schemes for public. Such schemes can be in the form of higher rate of interest and shorter maturity period for FD's etc.
- 8.Bank should try to finance more and more projects. Financing will help it to earn higher amount of profits.
- 9.The bank is having a greater reliance on debt capital. The increasing reliance on external equities may prove hazardous in the long run. So in order to remedy this

situation bank should increase its focus on internal equities and other sources of internal financing.

10. Bank can also think for improving its day-to-day service to its clients. Such service can be improved by providing prompt service and showing an attitude of co-operation to its clients. It will help to give a kind of confidence to the public and build a better public image.

11. To achieve the objective of Rural development it should open more and more branches in different rural areas of the country. It will facilitate in providing help to rural poor farmers and other living below the poverty line. Bank can appoint commission agents for different area who can encourage general public to invest in the capital of the bank and make more deposits in ICICI Bank.

12. The bank should simplify the procedure of advances for quick disbursement.

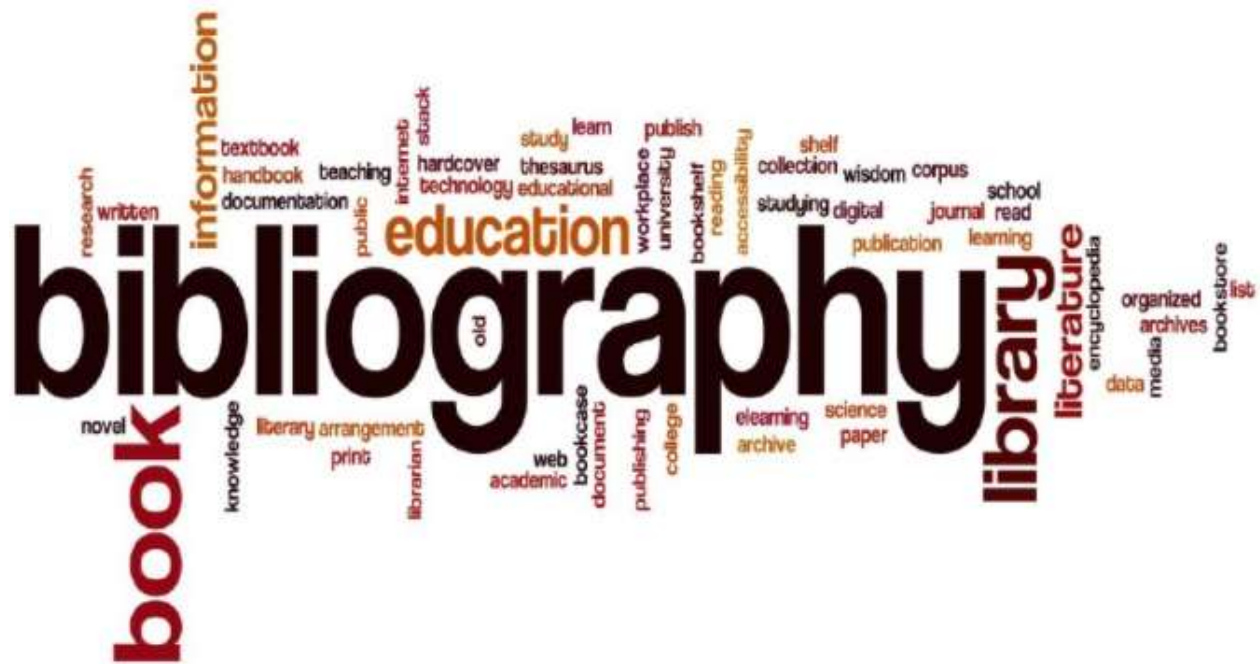
13. To achieve organizational success a proper independent working atmosphere should be developed to achieve desired objective more effectively.

14. Last but not least, bank should adopt branch automation experiment to control the operational cost.



## CHAPTER 6

# BIBLIOGRAPHY



## **Internet websites:**

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- [Www.Scribd.Com](http://Www.Scribd.Com)
- [Www.Managementparadise.Com](http://Www.Managementparadise.Com)