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# **BANKING SECTOR ANALYSIS**

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On Indian Public & Private Sector Banks



## **Security Analysis and Portfolio Management**

### **MBA III-B**

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## Indian Banking Sector

Indian banking sector consists of 26 public sector banks, 20 private sector banks and 43 foreign banks along with 61 regional rural banks (RRBs) and more than 90,000 credit cooperatives.

India's banking sector is sufficiently capitalized and well-regulated. Credit, market and liquidity risk studies suggest that Indian banks are generally resilient and have withstood the global downturn well.

The contribution of banking sector to India's current Gross Domestic Product is 7.7%. It has the potential to become the 5<sup>th</sup> largest banking industry in the world by 2020 and 3<sup>rd</sup> largest by 2025. This indicates that India's banking and financial sector is expanding rapidly.

The Big-4 banks are SBI, BoB, PNB and ICICI Bank.

In a recent survey it is said that though public sector banks hold 80% of the market, 80% of the revenue is generated from the private sector banks.

This study aims at understanding the trends and the differences among these sectors by analyzing the past and current performances of the selected banks.

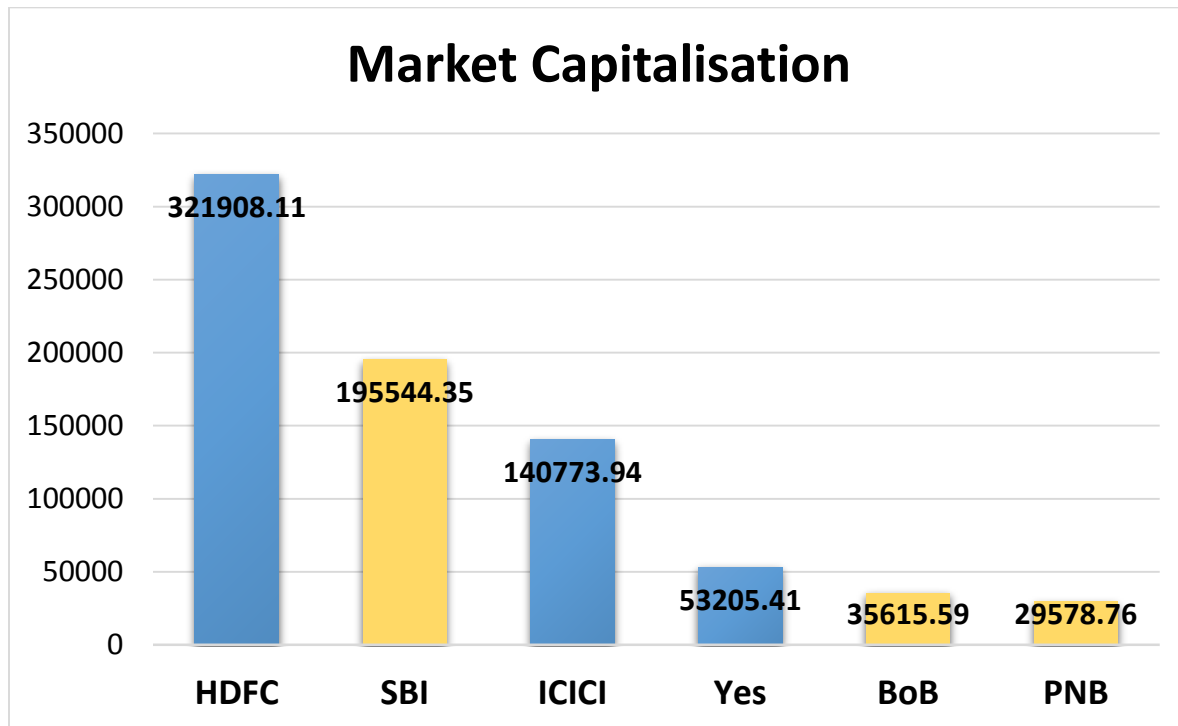
For this analysis, 3 banks are selected from the public and private sector each. They are as follows:

- **Public Sector**
  - a) State Bank of India
  - b) Bank of Baroda
  - c) Punjab National Bank
- **Private Sector**
  - a) HDFC Bank
  - b) Yes Bank
  - c) ICICI Bank

The Branches and Employees of these banks can be understood by the following table:

	Bank	Branches	Employees
Public	BoB	5436	49378
	PNB	6760	70801
	SBI	16784	207739
Private	Yes	860	15000
	ICICI	4450	72175
	HDFC	4520	87555

## Market Capitalization:



**Price-Earnings Ratio:** The ratio for valuing a company that measures its current share price relative to its per-share earnings.

$P/E \text{ Ratio} = \text{Market Value per Share} / \text{Earnings per Share}$

**Earnings per Share:** The portion of a company's profit allocated to each outstanding share of common stock. It is an important indicator of the company's profitability.

**Dividend %:** The percentage of dividend paid calculated on the face value of a unit.

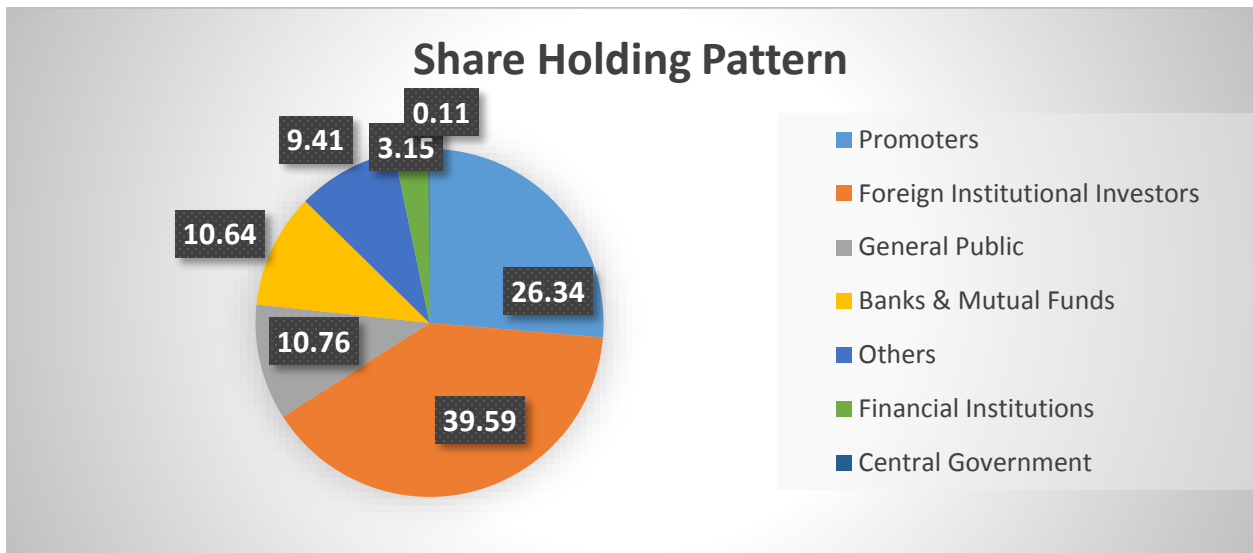
	Bank	P\E	EPS	Dvd%
Public	BoB	0	-23.35	0
	PNB	0	-20.82	0
	SBI	22.27	11.31	260
Private	Yes	19.53	64.51	100
	HDFC	25.07	50.44	475
	ICICI	15.66	15.44	250

## HDFC Bank

Housing Development Finance Corporation is an Indian Banking and Financial Services company, headquartered at Mumbai and Incorporated on 17<sup>th</sup> October 1977. Its first public issue was on 31<sup>st</sup> December 1995. The current CEO is Mr. Aditya Puri.



The Shareholding pattern in HDFC is as follows:



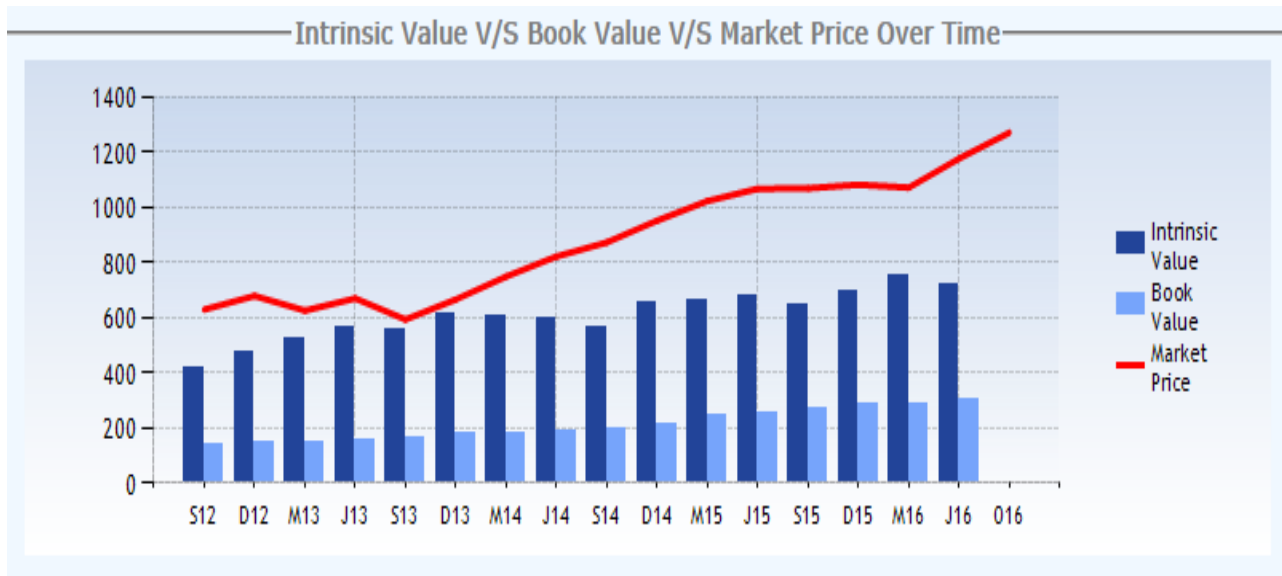
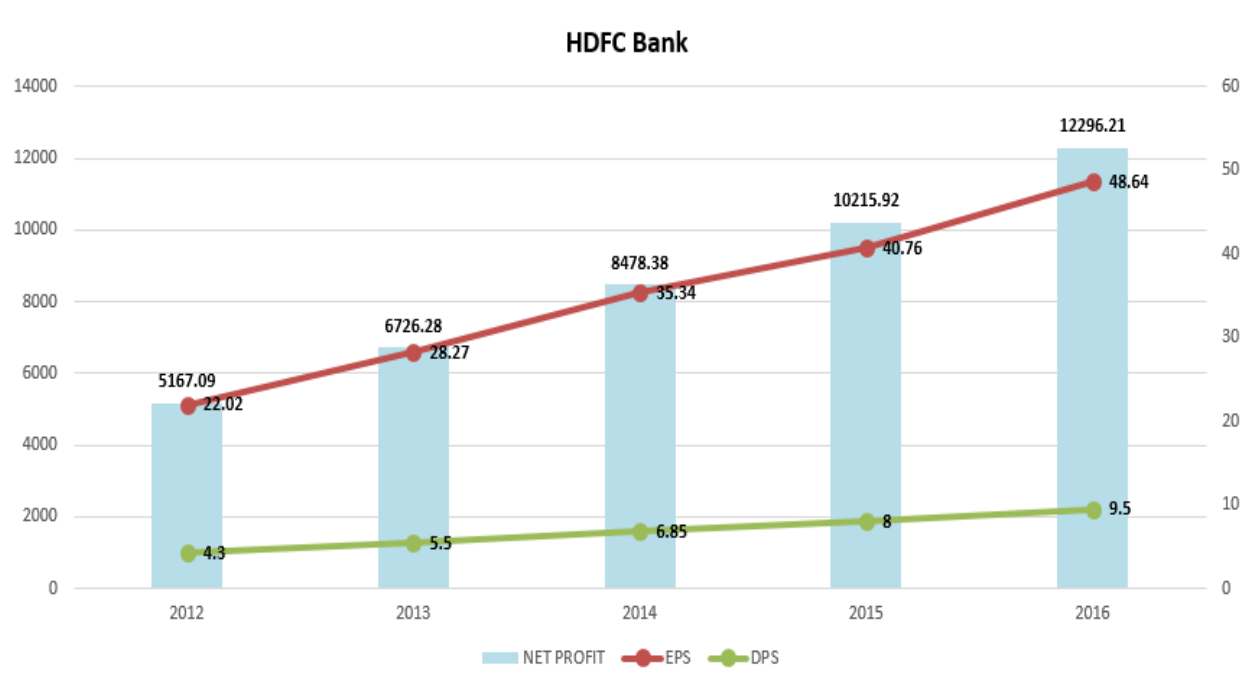
The growth of the share price of HDFC over the period since its listing can be observed in the following graph:





The Earnings of the company over the previous 5 years can be observed through the chart:

Year	2012	2013	2014	2015	2016
Net Profit	5167.09	6726.28	8478.38	10215.92	12296.21
EPS	22.02	28.27	35.34	40.76	48.64
DPS	4.3	5.5	6.85	8	9.5

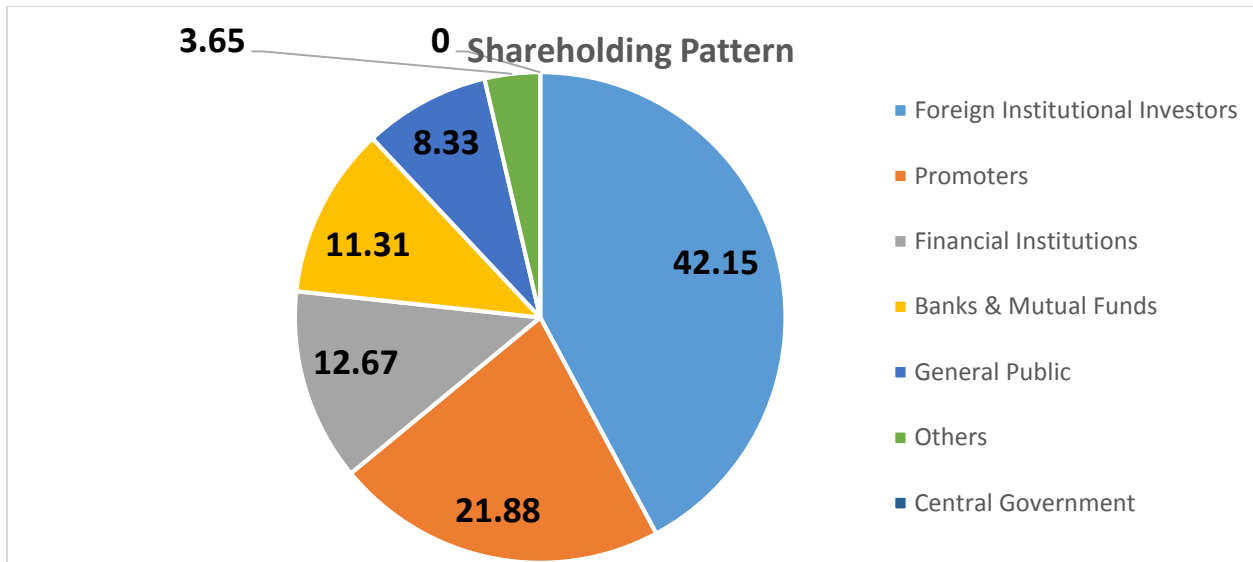


## Yes Bank

It is India's 5<sup>th</sup> largest private sector bank, incorporated on 21<sup>st</sup> November 2003 headquartered at Mumbai. The first public issue was on 15<sup>th</sup> June 2005. The current MD-CEO is Mr.Rana Kapoor.



The Shareholding pattern in Yes Bank is as follows:

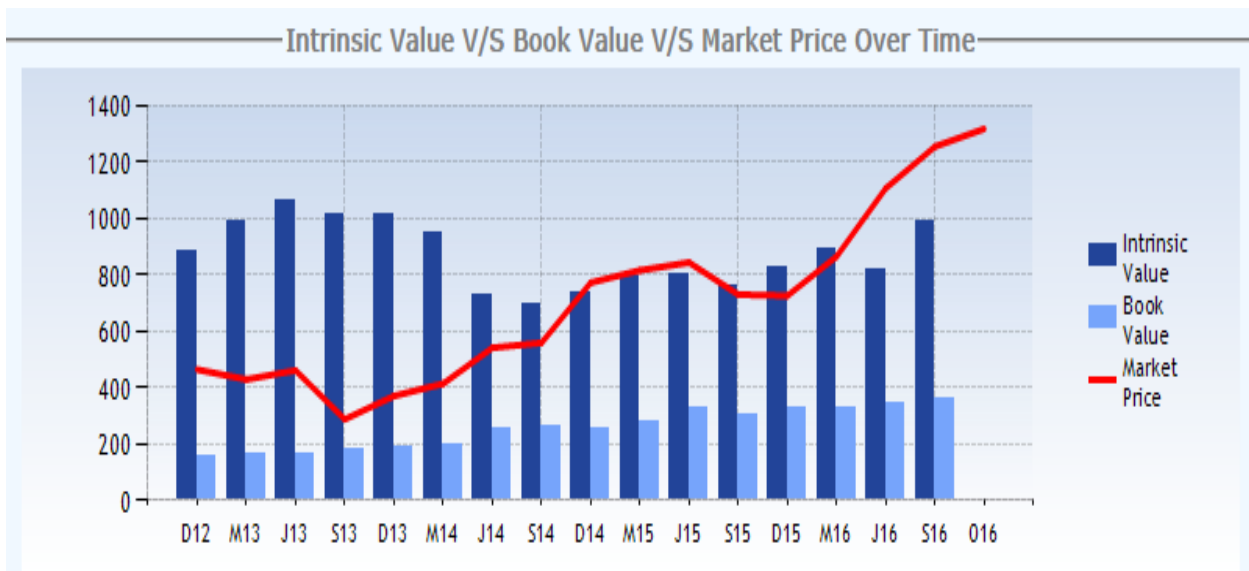
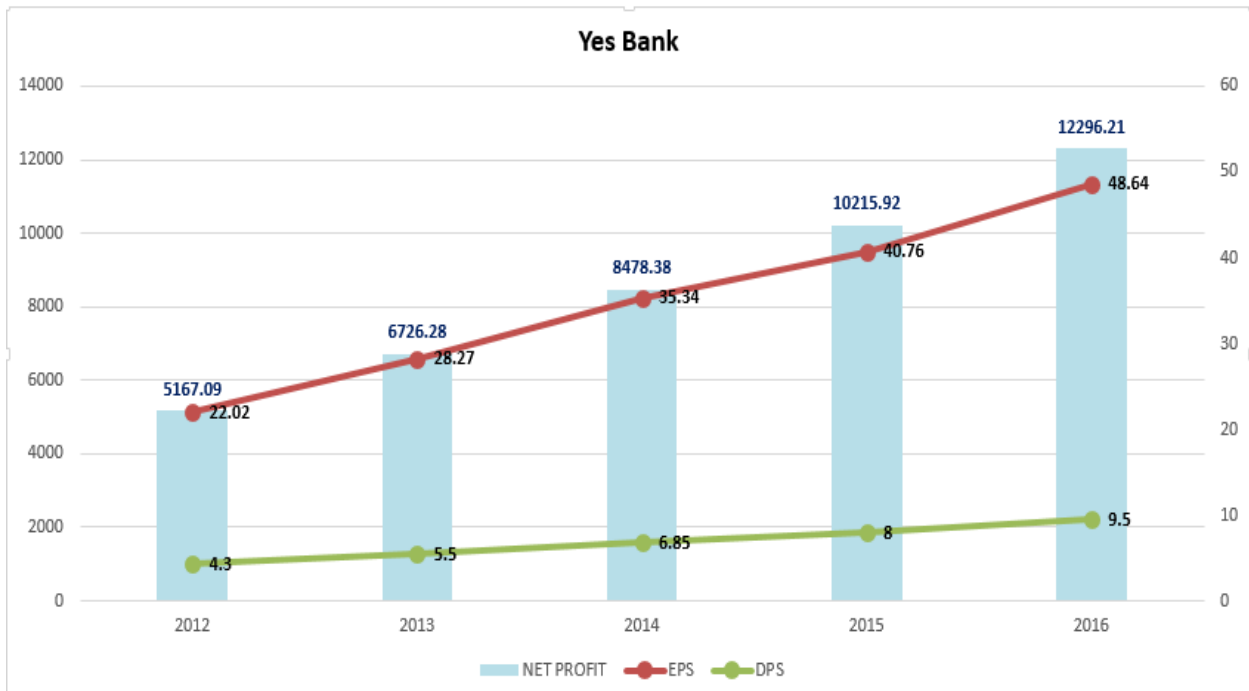


The growth of the share price of Yes Bank over the period since its listing can be observed in the following graph:



The Earnings of the company over the previous 5 years can be observed through the chart:

Year	2012	2013	2014	2015	2016
Net Profit	5167.09	6726.28	8478.38	10215.92	12296.21
EPS	22.02	28.27	35.34	40.76	48.64
DPS	4.3	5.5	6.85	8	9.5

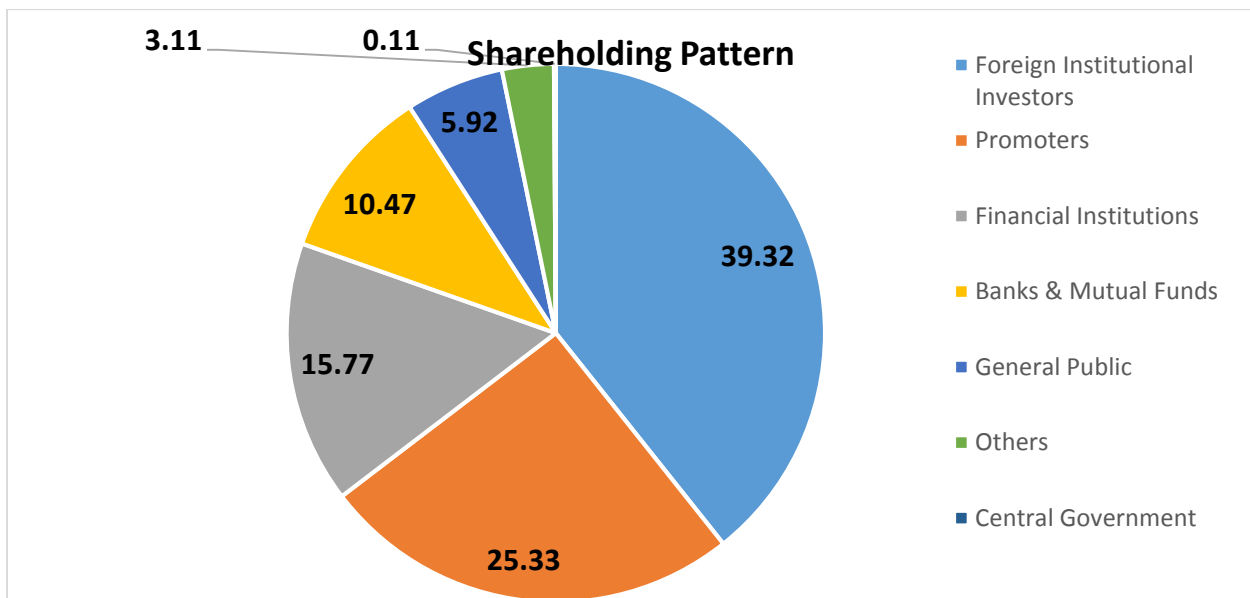


## ICICI Bank

Industrial Credit and Investment Corporation of India is an Indian Multinational Banking and Financial services company. Its headquarters is at Mumbai and registered office at Vadodara. It was incorporated on 5<sup>th</sup> January 1994 and first public issue was made on 5<sup>th</sup> August 1997. It is the first Indian bank to get listed on the New York Stock Exchange. The current MD-CEO is Mrs. Chanda Kochar and Chairman is Mr. Mahendra Kumar Sharma.



The Shareholding pattern in ICICI Bank is as follows:

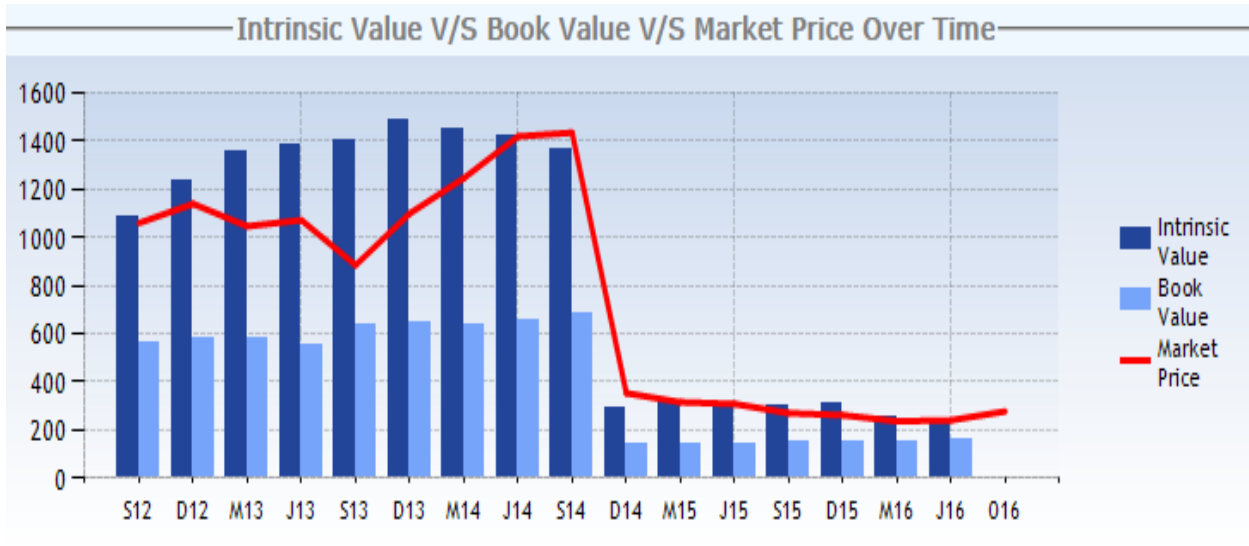
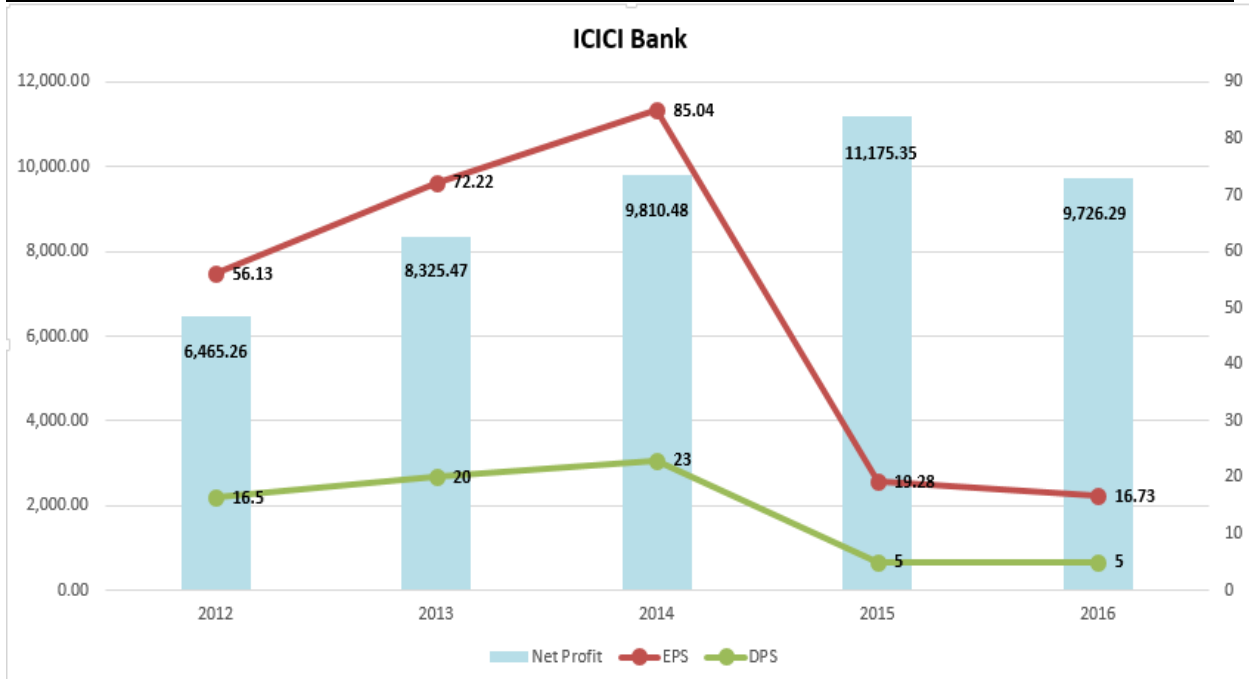


The growth of the share price of Yes Bank over the period since its listing can be observed in the following graph:



The Earnings of the company over the previous 5 years can be observed through the chart:

Year	2012	2013	2014	2015	2016
Net Profit	6,465.26	8,325.47	9,810.48	11,175.35	9,726.29
EPS	56.13	72.22	85.04	19.28	16.73
DPS	16.5	20	23	5	5



## State Bank of India

SBI is an Indian Multinational, public sector banking and financial services company, headquarter at Mumbai. Incorporated on 31<sup>st</sup> December 1955 its first public issue was on 15<sup>th</sup> December 1993. It is the largest employer in banking industry. The government has 58% stake in SBI. Mrs. Arundhati Bhattacharya is the current chairman.



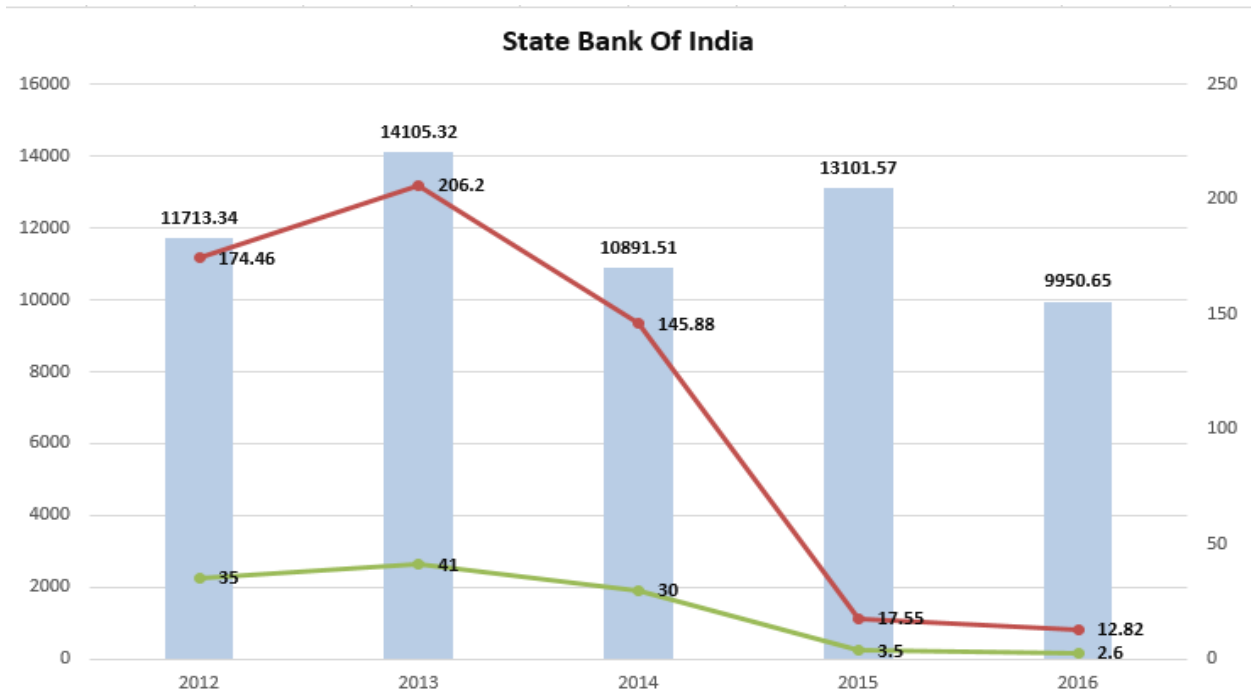
The growth of SBI's market price and earnings can be observed with the following charts:

1.

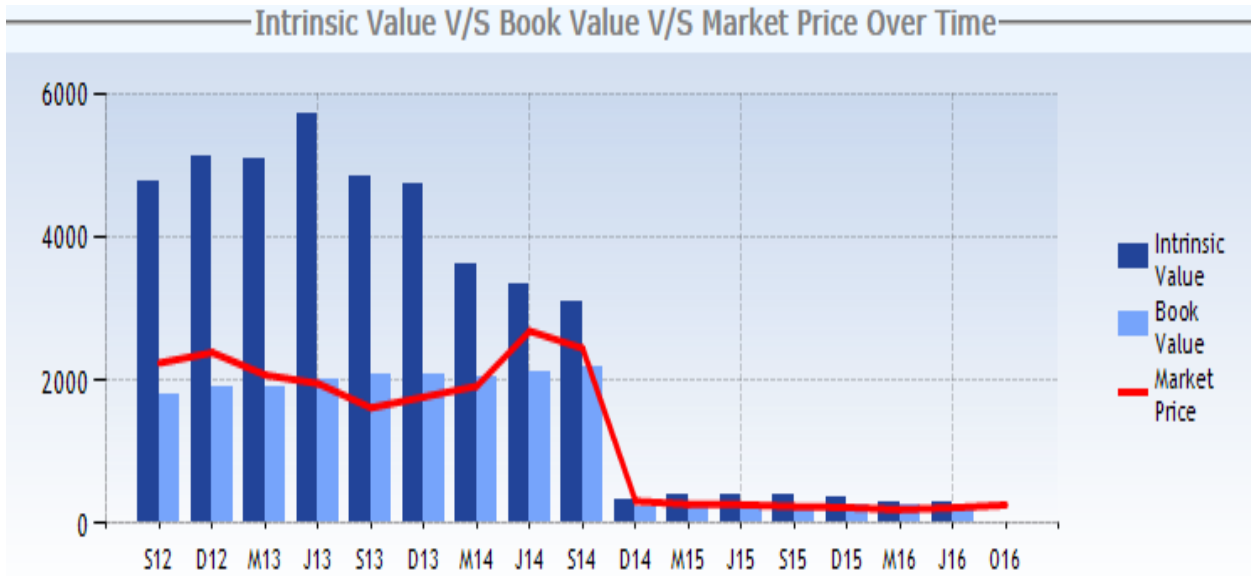


2.

Years	2012	2013	2014	2015	2016
Net Profit	11713.34	14105.32	10891.51	13101.57	9950.65
EPS	174.46	206.2	145.88	17.55	12.82
DPS	35	41	30	3.5	2.6



3.



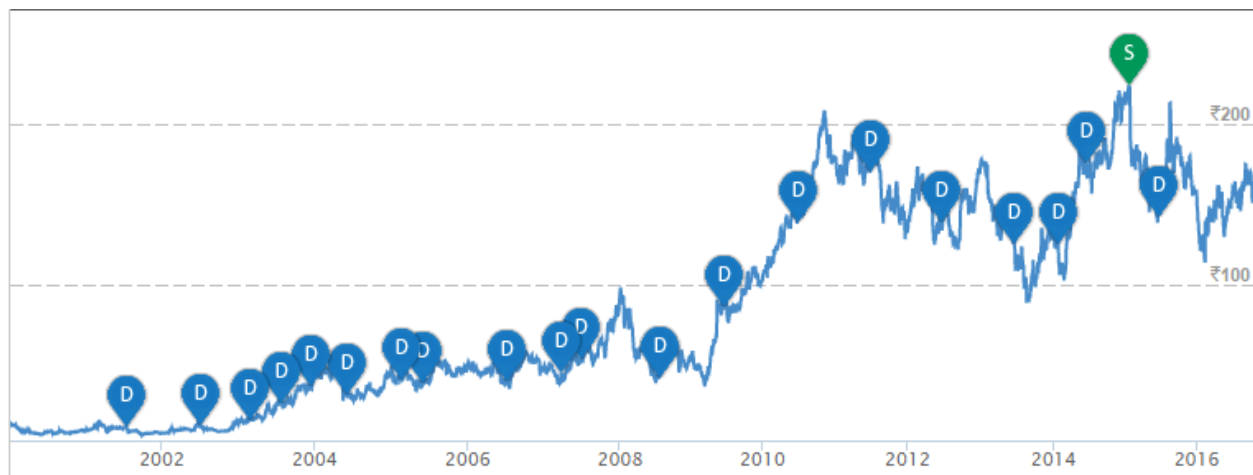
## **Bank of Baroda**

BoB is an Indian state-owned banking and financial services company headquartered at Vadodara. It is the second largest bank in India. Incorporated on 20<sup>th</sup> July 1908, its first public issue was on 5<sup>th</sup> December 1996. The government holds a 59% stake in BoB. Mr. Ravi Venkatesan is the chairman and P.S.Jaya Kumar the MD-CEO.



The growth of BoB's market price and earnings can be observed with the following charts:

1.

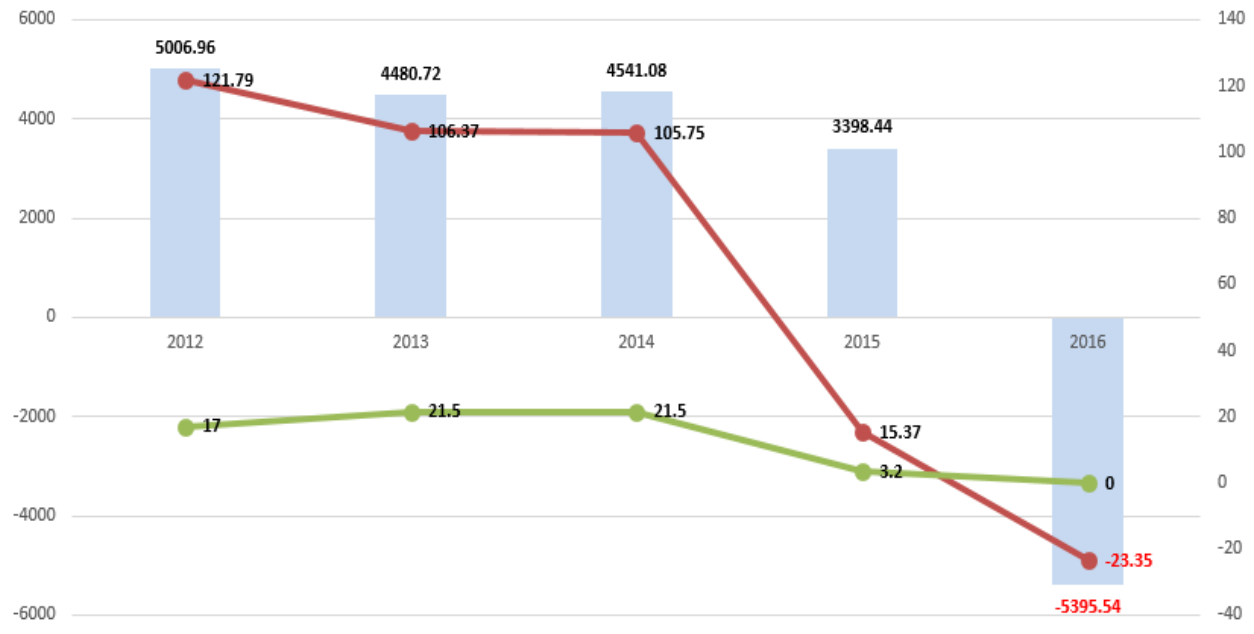


2.

Years	2012	2013	2014	2015	2016
Net Profit	5006.96	4480.72	4541.08	3398.44	-5395.54
EPS	121.79	106.37	105.75	15.37	-23.35
DPS	17	21.5	21.5	3.2	0

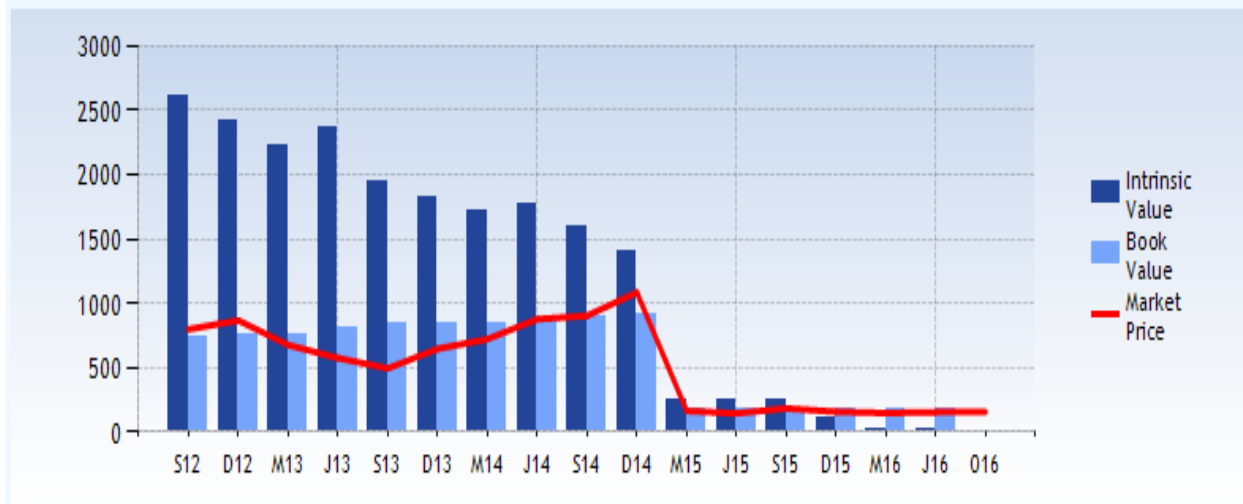


### Bank Of Baroda



3.

### Intrinsic Value V/S Book Value V/S Market Price Over Time



## Punjab National Bank

PNB is an Indian state-owned Banking and Financial services company, headquartered at Delhi. Incorporated on 19<sup>th</sup> May 1894, its first public issue was on 7<sup>th</sup> March 2005. The government holds a 59% stake in PNB. Mrs. Usha Ananthasubramaniam is the MD-CEO.



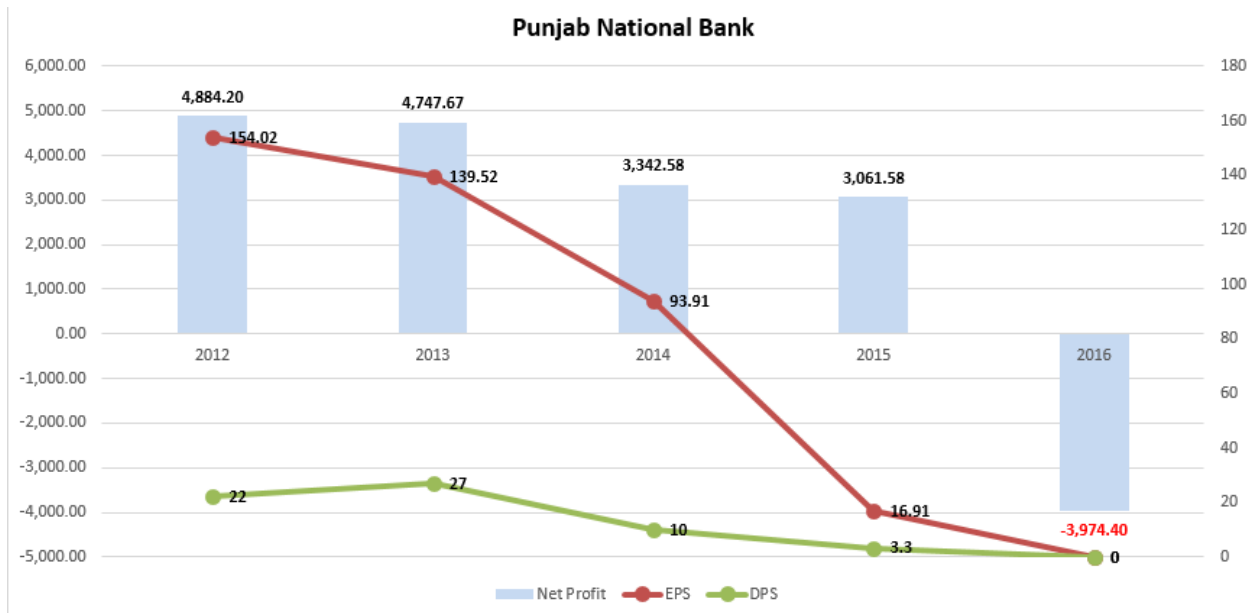
The growth of PNB's market price and earnings can be observed with the following charts:

1.

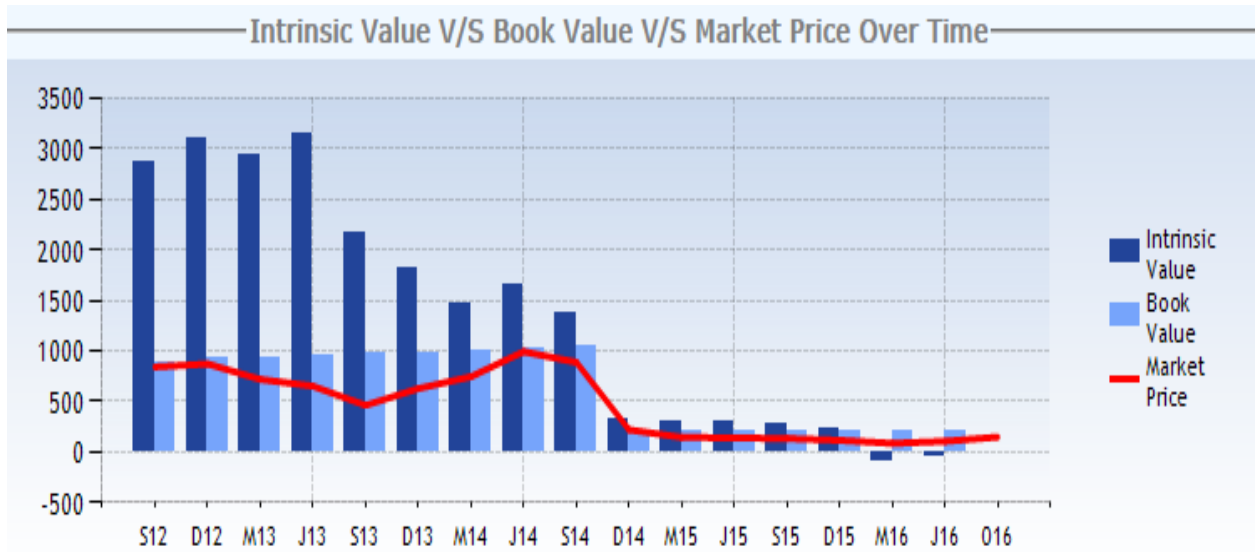


2.

Year	2012	2013	2014	2015	2016
Net Profit	4,884.20	4,747.67	3,342.58	3,061.58	-3,974.40
EPS	154.02	139.52	93.91	16.91	20.82
DPS	22	27	10	3.3	0



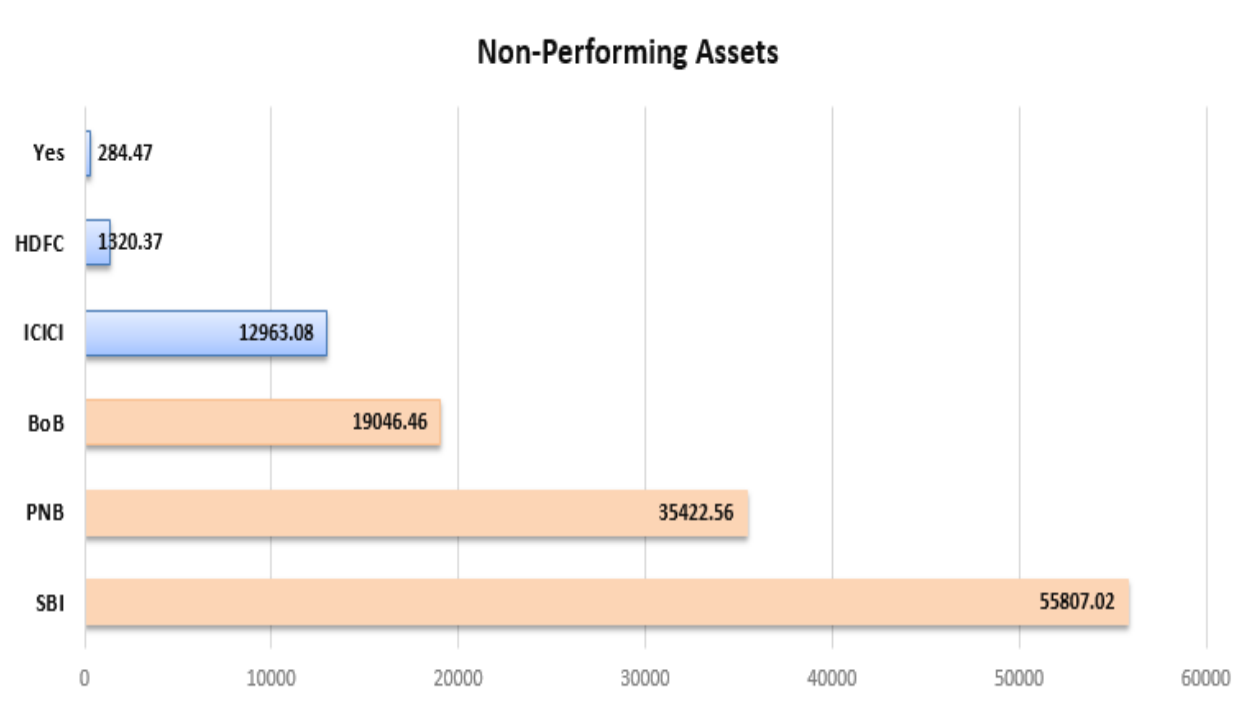
3.



## Non-Performing Asset:

An NPA refers to a classification for loans on the books of financial institutions that are in default or are in arrears on scheduled payments of principal or interest. The nonpayment of interest or principal reduces cash flow for the lender, which can disrupt budgets and decrease earnings.

Bank	NPA
SBI	55807.02
PNB	35422.56
BoB	19046.46
ICICI	12963.08
HDFC	1320.37
Yes	284.47



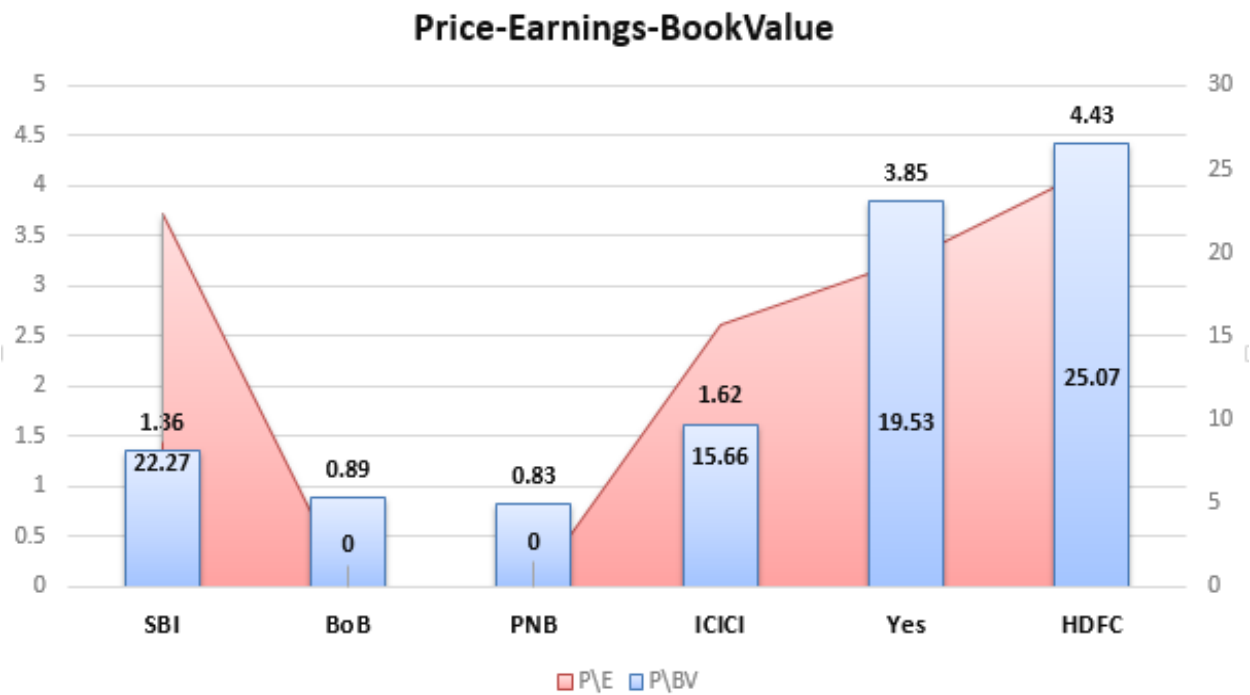
It shows that the public sector banks have very high NPAs, this indicates a situation of Industrial Sickness.

Price to Book Value: (P/B Ratio) is a ratio used to compare a stock's market value to its book value.

$$P/B \text{ Ratio} = \text{Stock Price} / (\text{Total Assets} - \text{Intangible Assets \& Liabilities})$$

A lower P/B ratio could mean that the stock is undervalued. However, it could also mean that something is fundamentally wrong with the company.

Bank	P\BV	P\E
SBI	1.36	22.27
BoB	0.89	0
PNB	0.83	0
ICICI	1.62	15.66
Yes	3.85	19.53
HDFC	4.43	25.07



## 52 week Highs & Lows

Bank	52-High	52-Low
BoB	182.45	109.45
PNB	150.4	69.4
SBI	271.55	148.3
ICICI	292.65	180.8
HDFC	1318.2	180.8
Yes	1450	632.25



**Intrinsic Value:** It is the actual value of a company or an asset based on an underlying perception of its true value including all aspects of the business, in terms of both tangible and intangible factors. This value may or may not be the same as the current market value.

Date -	(30/6/2016)	(21/10/2016)	
Bank	Intrinsic Value	Market Price	MP/IV
HDFC	722.77	1270.7	1.76
Yes	992.49	1317.4	1.33
ICICI	234.85	277.4	1.18
SBI	278.85	258.5	0.93
BoB	19.73	156.1	7.91
PNB	-55.07	147.55	-2.68

### **Conclusion:**

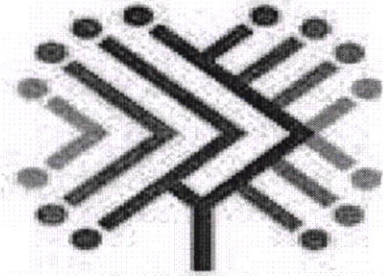
Banking sector is the pivot to an economy, it is dependent on many factors and impacts many components as well.

The MP/IV ratio determines how many times the Market Price in relation to the Intrinsic Value is.

All the 3 private sector banks and SBI are around 1, which implies there is no much difference between its actual price and its market price. Whereas, the public sector banks BoB & PNB highly overvalued which shows high risk of the stock to fall down to its real value.

We can conclude saying that the private banking sector is perming well in all aspects and there is a long road ahead for the public sector banks to reach efficiency.

**Thank-you**

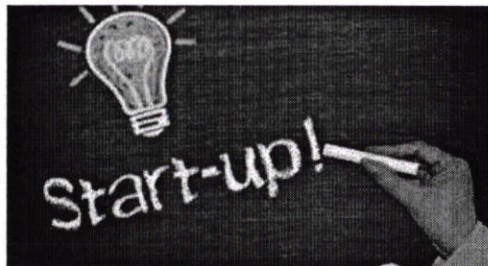


**RURAL  
ENTREPRENEURS**  
inspire . empower . connect

BY:  
**K.PRIYANKA**  
Roll no:99

## WOMEN ENTREPRENEURSHIP

Women today are readily taking risk only to emerge as successful entrepreneurs. Their success stories are an inspiration to many, their initiatives have made notable developments in rural development by bringing in employment, skill training facilities to small villages.



## DEFINITION

"Rural Entrepreneurship can be defined as entrepreneurship emerging at village level which can take place in a variety of fields of Endeavour such as business, industry, agriculture and acts as a potent factor for economic development".



**Shri Mahila Griha Udyog Lijjat Papad**, popularly known as Lijjat, is an Indian women's cooperative involved in manufacturing of various fast-moving consumer goods.

- **Type** - worker cooperative.
- **Industry** - papads, soaps and detergent, bakery products, masala (spices), flour.
- **Founded** - Maharashtra (15 March 1959)
- **Headquarters** - Mumbai, India.
- **Key people** - Swati Paradkar, President.



## Shri Mahila Griha Udyog Lijjat Papad



## HISTORY

- Lijjat wanted to start a venture capital to create a sustainable livelihood using the only skill they had i.e. cooking.
- The seven women were Jaswantiben ,Parvatiben,Ujamben,Banuben, Laguben , Jayaben , and more ladies.
- The women borrowed Rs 80 from a social worker. They took over a loss-making papad bought the necessary ingredients and the basic infrastructure required to manufacture papads.
- From the beginning, the women had decided that they would not approach anyone for donations or help, even if the organisation incurred losses.

## IT'S GROWTH :

- 1) They has an annual turn over of around Rs.6.50 billions (over100 million USD) in 2010, with Rs. 290 million in exports.
- 2) It provides employment to around 43,000 (in 2015) women.
- 3) It has 81 branches and 27 divisions all over India.
- 4) It is primarily a cottage industry, urban by its origin, which has spread to the rural areas.
- 5) It is considered as one of the most remarkable entrepreneurial initiatives by women that is identified with female empowerment in India.

## CONTRIBUTION TO SOCIETY

The Lijjat member-sisters have undertaken socialservice activities such as

1. Distributing nutritious food for poor children.
2. Donating money for conducting community Marriage.
3. Instituting prize-money for spread of primary education.
4. Undertaking blood donation drive.
5. Organising health camps.
6. Plantation drives and
7. Making donations to Government bodies.

*Thank  
you*



## **INTRODUCTION:**

- Uncovering the oil and gas industry considered to be the biggest sector in the world in terms of dollar value, the oil and gas industry is a global powerhouse employing hundreds of thousands of workers worldwide as well as generating hundreds of billions of dollars globally each year.
- In regions which house the major NOCs, these oil and gas companies are so vital they often contribute a significant amount towards national GDP.
- The oil and gas industry can be broken down into three key areas: Upstream, midstream and downstream.
- The Upstream component is also referred to as the E&P exploration and production.
- This involves search for underwater and underground natural gas fields or crude oil fields and the drilling of exploration wells and drilling into established wells to recover oil and gas.
- Downstream refers to the filtering of the raw materials obtained during the upstream phase. This means refining crude oil and purifying natural gas.
- The marketing and commercial distribution of these products to consumers and end users in a number of forms including: natural gas, diesel oil, petrol, gasoline, lubricants, kerosene, jet fuel, asphalt, heating oil, LPG (liquefied petroleum gas) as well as a number of other types of petrochemicals. Midstream is generally classified under the downstream category.

### **STATE-OWNED COMPANIES DOMINATE OIL AND GAS IN INDIA**

- India has become the third-largest energy consumer in 2015 In 2015
- Oil production in the country reached 0.75 mbpd as compared to 0.76 mbpd in 2014. In 2014, country had, 5.7 billion barrels of proven oil reserves
- India had 1.4 tcm of gas proved reserves and produced 33.66 bcm of gas in 2015 which is expected to rise and reach 33.73 bcm in 2016

#### **A. Upstream segment - exploration and production**

- State-owned ONGC dominate the upstream segment.
- It is the largest upstream company in the Exploration and Production (E&P) segment, accounting for approximately 59.43 per cent of the country's total oil output (FY15)

#### **B. Midstream segment – storage and transportation**

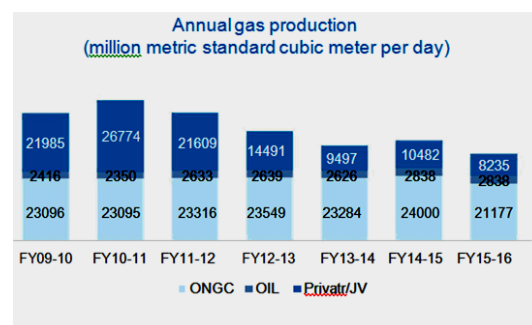
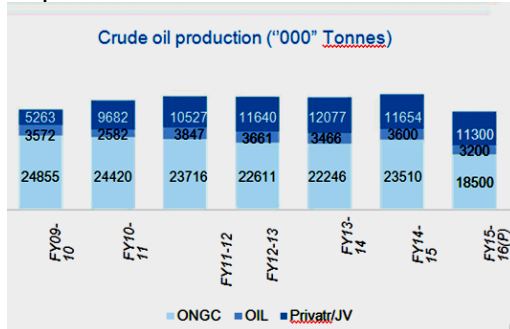
- IOCL operates a 11,214 km network of crude, gas and product pipelines, with a capacity of 1.6 mbpd of oil and 10 mmscmd of gas.
- This is around 30 per cent of the nation's total pipeline network

#### **C. Downstream segment – refining, processing and marketing**

- IOCL is the largest company, controls 10 out of 22 Indian refineries, with a combined capacity of 1.31 mbpd
- Reliance launched India's first privately owned refinery in 1999 and has gained considerable market share (30 per cent)
- Essar's Vadinar refinery has a capacity of 20 mmtpa, currently accounting for around 10 per cent of total refining capacity

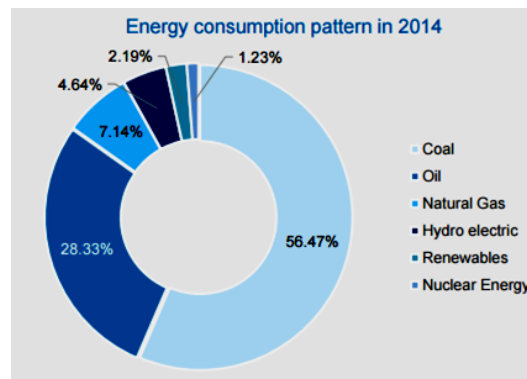
## **ECONOMY ANALYSIS**

- The High Oil Prices Have Contributed To The Widening Of The Current Account Deficit
- India has become the third-largest energy consumer in 2015
- In 2015, oil production in the country reached 0.75 mbpd as compared to 0.76 mbpd in 2014. In 2014, country had, 5.7 billion barrels of proven oil reserves
- India had 1.4 tcm of gas proved reserves and produced 33.66 bcm of gas in 2015 which is expected to rise and reach 33.73 bcm in 2016
- In FY16, India had 232.1 MMTPA of provisional refining capacity, making it the second largest refiner in Asia. By 2017, the oil refining capacity of India is expected to rise and reach more than 310 million tonnes. Private companies own about 38.21 per cent of total refining capacity
- India's energy demand is expected to double to 1,516 Mtoe by 2035 from 700.50 Mtoe in 2015. Moreover, the country's share in global primary energy consumption is projected to increase by two folds by 2035
- In 2014, India consumed 3.85 mbpd oil, while the consumption is estimated to reach 4.0 mbpd by FY16, expanding at a CAGR of 3.2 per cent during FY08–16F.
- As per IEA estimates as on June 2015, India is expected to overtake Japan to become the third largest oil consumer in the world by the end of 2015
- LNG imports accounted for about one-fourth of total gas demand. India's gas demand is estimated to be more than double over the next five years
- India increasingly relies on imported LNG; the country is the fourth-largest LNG importer in 2015 (As of September 2015) and accounted for 5.68 per cent of global imports. In 2014-2015, crude oil production was 38.76 million tonnes. Total crude oil production in FY14 stood at 37.79 million tonnes.



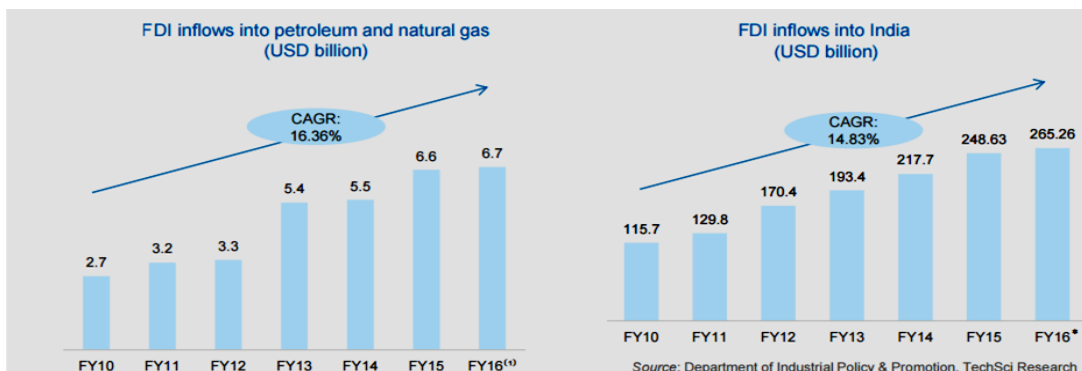
- In FY16, total consumption of petroleum products by companies stood at around 183.5 MMT, higher by 11.2 per cent in comparison with the previous fiscal year

- The total number of retail outlets increased to 56190 (including private) in April 2016 (Provisional) from 53419 in April 2015
- IOC, as of April 1, 2016, (Provisional), owned the maximum number of retail outlets in the country (45.14 per cent of total), followed by HPCL (24.56 per cent) and BPCL (23.92 per cent); the remaining being owned by private firms
- As of April 1, 2016 (Provisional), there were 17,916 LPG distributors in India



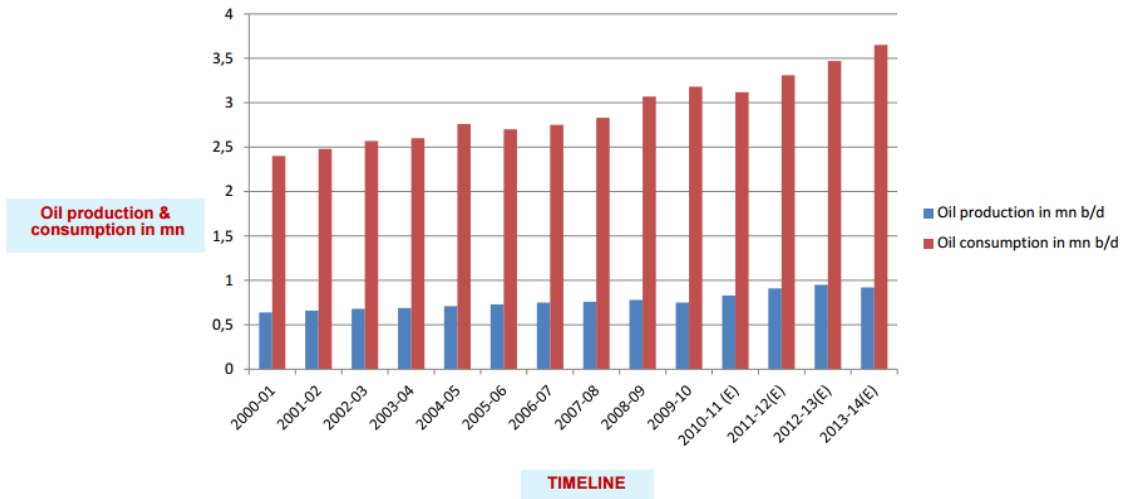
### FDI INVESTMENTS IN PETROLEUM AND GAS IN INDIA

- Cumulative FDI inflows in India’s petroleum and natural gas sector stood at USD6.7 billion (2.31 per cent of total FDIs) during April 2000–March 2016
- In Oil & Gas, FDI inflows into the sector totalled USD6.7 billion and USD6.6 billion in FY16 and FY15, respectively
- Between FY10 and FY16(1) , FDI inflows into petroleum and natural gas sector grew at CAGR 16.06 per cent

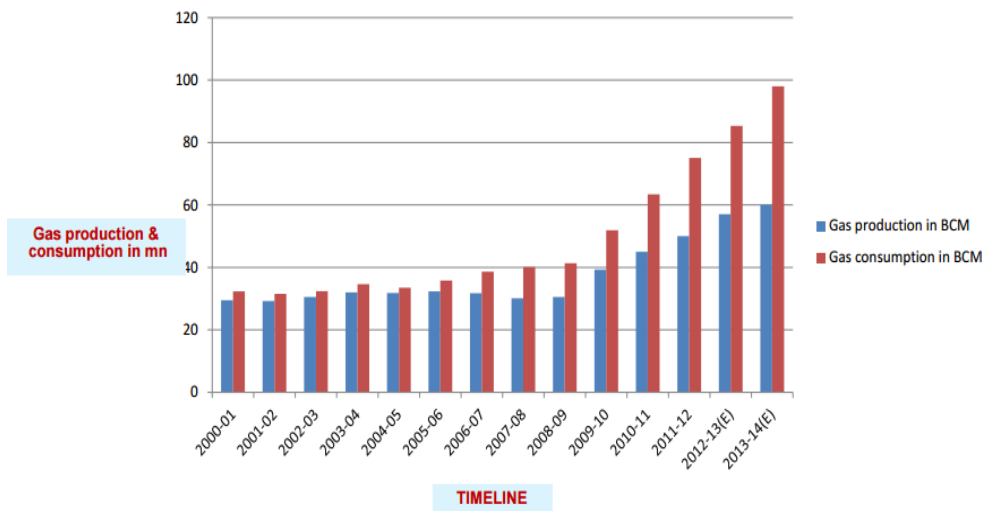


# Industry Analysis

## Growth of Indian Oil Industry



## Growth of Indian Gas Industry



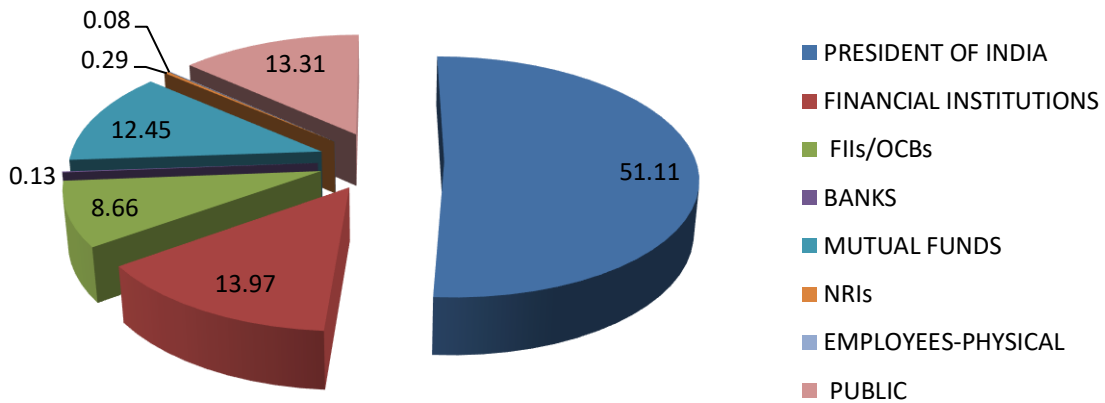
# SWOT Analysis of The Indian Oil and Gas Industry

<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"><li>•India is the worlds fifth biggest energy consumer and continues to grow rapidly</li><li>•Major natural gas discoveries by a number of domestic companies hold significant medium to long-term potential.</li><li>•Demand for petroleum products</li><li>•Increase in demand for oil and gas</li><li>•High exploration portfolio</li></ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"><li>•The oil and gas sector is dominated by state-controlled enterprises, although the government has taken steps in recent years to deregulate the industry and encourage greater foreign participation</li><li>•Increase in oil prices</li><li>•Inadequate and slowly developing infrastructure</li><li>•Lack of awareness in safety issues</li><li>•Environmental issues</li></ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"><li>•Liquefied natural gas (LNG) imports are still set to grow rapidly over the longer term as domestic consumption expands</li><li>•India has freed gasoline retail price controls</li><li>•Untapped domestic oil and gas potential</li><li>•Strong domestic energy demand growth</li><li>•High recovery rates from existing projects</li></ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"><li>•Increased competition within government and private players</li><li>•Continuing government interference</li><li>•Changes in national energy policies</li></ul>

## **COMPANY OVERVIEW**

- Founded in 1939, Hindustan Petroleum Corporation Limited (“**HPCL**” or the “**Company**”), a Government of India undertaking and a Fortune 500 company, is a major integrated oil refining and marketing company in India.
- It is a Mega Public Sector Undertaking (PSU) with Navaratna status.
- HPCL accounts for about 20% of the market share in India among the PSUs.
- The Company operates with 2 refineries producing a wide variety of petroleum fuels & specialties, one at Mumbai (West Coast) having a capacity of 6.5 Million Metric Tonnes Per Annum (MMTPA) and the other in Vishakapatnam (East Coast) with a capacity of 8.3 MMTPA.
- HPCL also holds an equity stake of 16.95% in Mangalore Refinery & Petrochemicals Limited (MRPL), a state-of-the-art refinery at Mangalore with a capacity of 9 MMTPA.
- In addition, HPCL, in collaboration with M/s Mittal Energy Investment Pte.Ltd. has set up a 9 MMTPA refinery at Bathinda, in the state of Punjab, as a Joint venture.
- HPCL owns the country’s largest Lube Refinery with a capacity of 335,000 Metric Tonnes which amounts to 40% of the national capacity of Lube Oil production. Presently HPCL produces over 300+ grades of Lubes, Specialities and Greases.
- HPCL’s vast marketing network consists of 13 Zonal offices in major cities and 101 Regional Offices.

## Share holding Pattern of HPCL



## Financial Figures

Particulars	(Rs. Cr)				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Total Income from Operations	1,85,283.86	2,16,154.13	2,34,159.44	2,16,594.13	187,078.79
Expenses	1,81,142.22	2,11,981.53	2,28,886.47	2,11,899.78	176,439.27
Earnings Before Other Income, Interest, Tax and Depreciation (Operating Profit)	4,141.64	4,172.60	5,272.97	4,694.35	10,639.52
Depreciation	1,922.15	2,315.56	3,010.48	2,489.40	3,595.72
Finance Costs	2,396.27	2,314.98	2,392.94	1,835.17	1,747.25
Other income	1,020.45	1,064.52	1,432.08	1,860.71	1,657.60
Exceptional items	(23.24)	(275.14)	(23.40)	(4.09)	–
PBT	866.91	881.72	1,325.03	2,234.58	6,954.15
Tax	690.95	381.23	245.41	741.83	2,107.24
PAT (before Minority	175.96	500.49	1,079.62	1,488.87	4,846.91



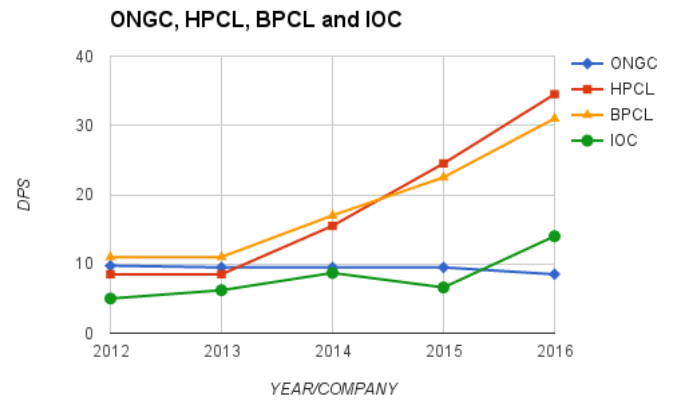
Interest and share of Associates)					
Profit/ (loss) attributable to Minority Interest	1.31	(0.81)	(0.75)	(9.71)	(74.58)
Share of profit / (loss) of Associates	–	–	–	–	–
Consolidated Profit / (Loss) for the year	174.65	501.30	1,080.37	1,498.58	4,921.49

### Balance Sheet Figures

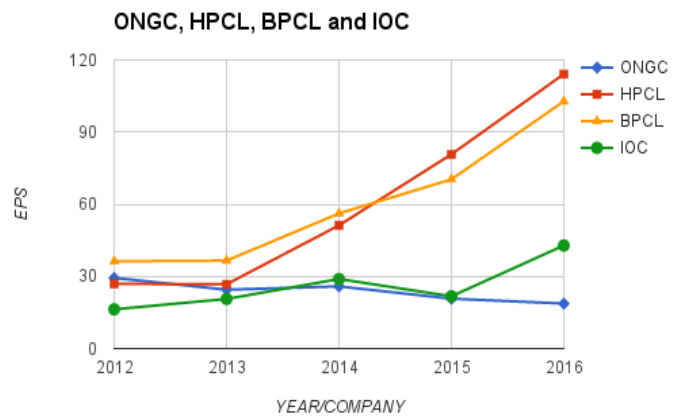
Sources of Funds / Liabilities					(Rs. Cr)
Particulars	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Share Capital	339.01	339.01	339.01	339.01	339.01
Share application money pending allotment	–	–	234.13	1.24	–
Reserves & Surplus	12,206.80	12,783.51	13,019.57	13,659.72	13,585.40
Net worth (shareholders funds)	12,545.81	13,122.52	13,592.71	13,999.97	13,924.41
Minority Interest	–	–	1.48	3.65	114.33
Long term borrowings	5,418.05	6,291.37	43,192.23	26,143.43	28,535.92
Current liabilities	34,714.81	42,700.36	33,118.80	45,298.43	31,165.74
Other long term liabilities and provisions	4,886.78	5,907.82	2,370.58	7,931.00	9,199.44
Deferred Tax Liabilities	3,195.64	3,085.28	–	3,342.13	2,804.45
Total Liabilities	60,761.09	71,107.35	92,275.80	96,718.61	85,744.29

Date	Intrinsic value	Current market price
June 2016	1213.46	996.25
Oct 2016	----	449.60

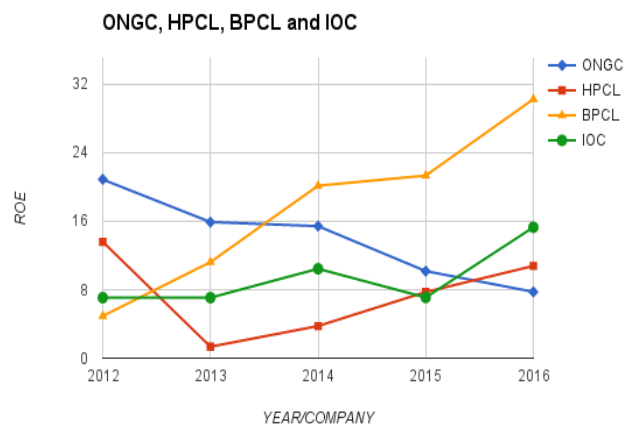
DPS				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	9.75	8.5	11	5
2013	9.5	8.5	11	6.2
2014	9.5	15.5	17	8.7
2015	9.5	24.5	22.5	6.6
2016	8.5	34.5	31	14
mean	9.35	18.30	18.50	8.10
skewness	-1.94	0.77	0.80	1.53
kurtosis	4.17	-0.91	-0.47	2.31
CAGR	3.37%	41.94%	29.57%	29.36%



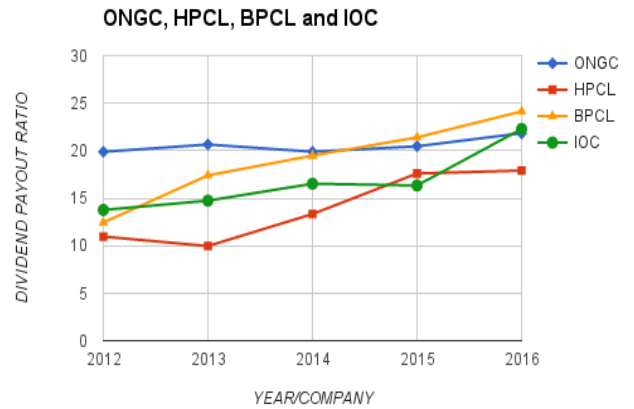
EPS				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	29.36	26.92	36.27	16.3
2013	24.46	26.72	36.55	20.61
2014	25.83	51.2	56.16	28.91
2015	20.73	80.72	70.32	21.72
2016	18.71	114.07	102.78	42.83
mean	23.82	59.93	60.42	26.07
skewness	0.09	0.75	0.97	1.31
kurtosis	-1.09	-0.95	0.30	1.52
CAGR	-10.5%	43.47%	29.74%	27.32%



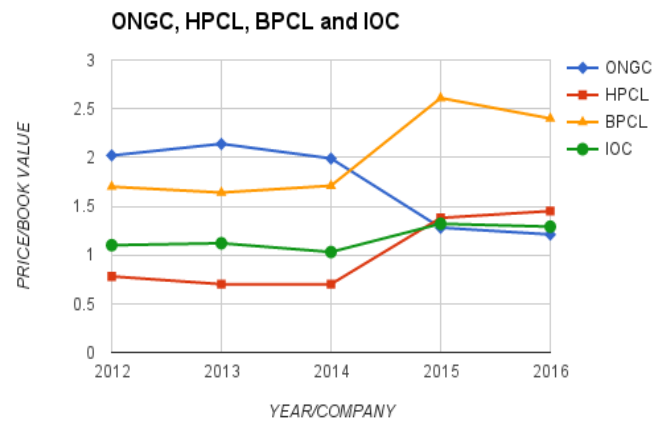
ROE				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	20.84	13.57	4.92	7.06
2013	15.88	1.34	11.21	7.06
2014	15.4	3.75	20.12	10.43
2015	10.16	7.72	21.3	7.08
2016	7.74	10.76	30.21	15.27
mean	14.00	7.43	17.55	9.38
skewness	0.08	-0.02	-0.08	1.50
kurtosis	-0.98	-1.73	-0.69	1.60
CAGR	21.93%	5.64%	57.42%	21.27%



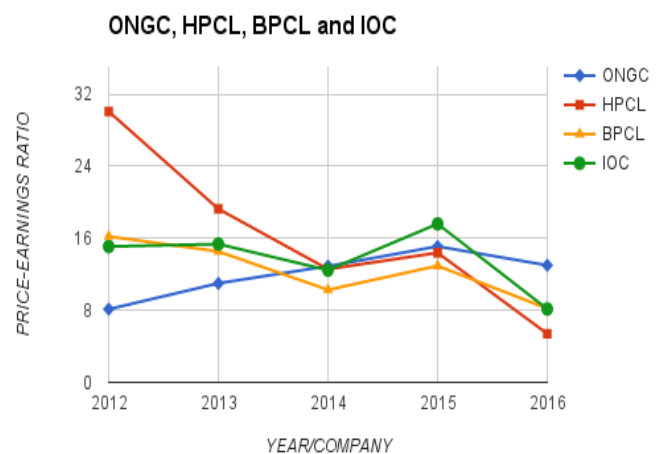
DIVIDEND PAYOUT RATIO				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	19.88	10.96	12.44	13.76
2013	20.65	9.96	17.4	14.74
2014	19.89	13.33	19.48	16.52
2015	20.46	17.6	21.4	16.34
2016	21.84	17.91	24.13	22.28
mean	20.54	13.95	18.97	16.73
skewness	1.30	0.17	-0.63	1.58
kurtosis	1.71	-2.86	0.46	2.89
CAGR	2.38%	13.06%	18.01%	12.80%



PRICE/BOOK VALUE				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	2.02	0.78	1.7	1.1
2013	2.14	0.7	1.64	1.12
2014	1.99	0.7	1.71	1.03
2015	1.28	1.38	2.61	1.32
2016	1.21	1.45	2.4	1.29
mean	1.73	1.00	2.01	1.17
skewness	-0.55	0.60	0.71	0.31
kurtosis	-3.13	-3.18	-2.62	-2.54
CAGR	-12.03%	16.77%	9.00%	4.06%



PRICE-EARNINGS RATIO				
YEAR/COMPANY	ONGC	HPCL	BPCL	IOC
2012	8.12	30.08	16.2	15.08
2013	11	19.26	14.54	15.36
2014	12.9	12.57	10.27	12.46
2015	15.1	14.39	12.94	17.6
2016	13	5.4	8.2	8.15
mean	12.02	16.34	12.43	13.73
skewness	-0.69	0.68	-0.28	-0.98
kurtosis	0.60	0.96	-1.45	0.86
CAGR	12.49%	34.91%	15.65%	14.26%



**FUNDAMENTAL**  
**ANALYSIS OF**  
**OIL AND GAS INDUSTRY**

# **APPLE IHRM PRACTICES**

**BY-**

**JERUSHA-22**

**VANISHA-2**

**APARAJITHA-16**

**CHANDANA-11**

**NIKITHA-55**

**MAHENDER-28**

2019-20

MBA

## **INTRODUCTION:**

**Apple Inc.** is an American multinational technology company headquartered in Cupertino, California, that designs, develops, and sells consumer electronics, computer software, and online services.

The company's hardware products include the iPhone smartphone, the iPad tablet computer, the Mac personal computer, the iPod portable media player, the Apple Watch smartwatch, the Apple TV digital media player, the AirPods wireless earbuds and the HomePod smart speaker. Apple's software includes the macOS, iOS, iPadOS, watchOS, and tvOS operating systems, the iTunes media player, the Safari web browser, the Shazam acoustic fingerprint utility, and the iLife and iWork creativity and productivity suites, as well as professional applications like Final Cut Pro, Logic Pro, and Xcode. Its online services include the iTunes Store, the iOS App Store, Mac App Store, Apple Music, Apple TV+, iMessage, and iCloud. Other services include Apple Store, Genius Bar, AppleCare, Apple Pay, Apple Pay Cash, and Apple Card.

Apple was founded by Steve Jobs, Steve Wozniak, and Ronald Wayne in April 1976 to develop and sell Wozniak's Apple I personal computer, though Wayne sold his share back within 12 days. It was incorporated as **Apple Computer, Inc.**, in January 1977, and sales of its computers, including the Apple II, grew quickly. Within a few years, Jobs and Wozniak had hired a staff of computer designers and had a production line. Apple went public in 1980 to instant financial success. Over the next few years, Apple shipped new computers featuring innovative graphical user interfaces, such as the original Macintosh in 1984, and Apple's marketing advertisements for its products received widespread critical acclaim. However, the high price of its products and limited application library caused problems, as did power struggles between executives. In 1985, Wozniak departed Apple amicably and remained an honorary employee, while Jobs and others resigned to found NeXT.

## **International Human Resource Management: Apple Inc.**

In the recent past, there has been an increase in the number of multinational corporations operating in the world. Such companies are heavily investing in the global market. A number of factors have influenced the growth of these organizations. They include dynamics of international trade, amalgamation of the financial markets, and human migration. Other factors include speedy movement of capital as a result of globalization. All these factors have facilitated trade on the international arena.

Human resource management entails the activities carried out by organizations to effectively utilize their human resource. Consequently, effective human resource management at the global level is a major determinant of success in international trade.

Human resource development at the international level has largely focused on the formulation of effective and highly skilled workforce. By doing this, individual employees and the organization at large can realize their ultimate goals of serving customers.

Apple Inc. is a competitive global company in the communications and electronics industry. It is a leading designer, manufacturer, and marketer of communications and media devices. It is also involved in the manufacture and distribution of digital music players and portable computers. The company has operations in different parts of the world. It has an elaborate international human resource management system.

The current study addresses the element of international human resource management with regards to Apple Inc. Various aspects related to management of personnel in this organization are reviewed. They include, among others, training of employees, deployment across the world, and return on investment. The author of this paper holds that effective management of human resource at Apple Inc. has contributed to the success of the organization.

## **International Human Resource Management and Apple Inc.'s Experiences**

### **Components of Pre-Departure Training**

Overview. According to Avril and Magnini (2007), pre-departure training provides expatriates with the knowledge and skills required to survive following their immediate arrival at the destined country of work. Essentially, employees going to work in another country require information on various aspects of the host nation before they leave home. Some of the things they need to know include the culture and customs of the host country. They also need to be aware of the language and dress code appropriate to the new environment. In addition, international assignees need information on business etiquette in the new country (Avril & Magnini, 2007).

Information on verbal and non-verbal communication, taboos, rules, decision-making techniques, and business management structures should be provided to international employees during pre-departure training. Culture and customs of the new country. Training on host country's customs is essential in ensuring that the expatriates adapt to the local culture. It is noted that business operations would be negatively affected if the behavior patterns of the new employees conflict with the cultural expectations in the host country.

For instance, a US citizen working for Apple Inc. may be deployed to Saudi Arabia. Such an employee should be aware of how Saudi nationals regard alcohol. In addition, female employees would be expected to conform to the societal expectations with regards to their dress code.

Language. Language is an essential component of communication in international business. Expatriates and Impatriates require more than just basic knowledge on the host country's language for effective execution of their assignments. In addition, they should be aware of non-verbal communication techniques. Such awareness would facilitate communication in foreign countries. Business etiquette in the new environment. Business etiquette may vary between countries. In some parts of the world, governments regulate business policies. For instance, such elements as tax policies, power distance, and human resource management may differ from one country to the other.

An expatriate manager at Apple Inc. would be required to understand the variation of such policies. Failure to comply with the new rules and regulations would most likely jeopardize the operations of the corporation in the host market.

Business management structures and decision-making techniques. Different countries adopt different approaches in relation to business structures and decision-making techniques. For instance, decision making in high-power distance cultures differs with that in low-power distance communities.

### **Rationale for Utilizing the Pre-Departure Training Components**

Managers are expected to effectively handle employees from different cultural backgrounds. The ability of such managers as far as the employees are concerned affects the profitability of the company. People from different countries express their nationality and dress codes differently. The approach used by international assignees when dealing with certain problems may also differ. Such issues as the need to interpret actions and comments, predict behaviors, and resolve conflicts may arise. As a result, focusing on the various components of pre-departure training would harmonize Apple's operations with the reality in the host country.

### **Performance Assessment among Expatriates**

Introducing assessment. Assessing the performance of expatriates is a major element in international human resource management. The performance can be reviewed using a number of criteria. Such criteria include determining strategy implementation and attainment of competitive advantage.



According to Caligiuri (1997), there are three criteria commonly used in evaluating expatriates. They include completion of foreign assignments, performance on the foreign assignment, and cross-cultural adjustment. The criteria apply to all employees irrespective of the operations of a particular organization. Completion of foreign assignments. It is an important behavioral measurement. It is used in reviewing the results of tasks assigned to foreign employees. Success under this criterion is determined by the ability of the employee to complete their assignment without seeking for transfer to another country.

Premature termination translates to failure in relation to the performance of the expatriate. In most cases, premature termination occurs when the expatriate requests for transfer to home country before completion of the assignment. The assignee may also be requested to return home before they have completed their work. Cross-cultural adjustment. Adjustment to foreign culture also determines the success of the assignee. Inability to adjust to the host country means failure in the assignment. Successful adjustment indicates that the employee is psychologically comfortable working and living in the new country.

Performance on the foreign assignment. Multinational corporations expect their employees to adjust culturally and remain in their foreign posts. In addition, the expatriates are expected to successfully execute their assignments. According to Caligiuri (1997), a large number of maladjusted foreign employees fail to achieve the envisaged outcomes in their work. There are various measures of performance with regards to foreign assignments. They include establishing working relationships with the locals. Others include transfer of information and the language and cultural proficiency of the foreign employee. The measures are in relation to the benefits of expatriates to the multinational corporation.

### **Recruitment and Selection Strategy for Apple Inc.'s International Assignments**

According to Suutari and Brewster (2000), international assignments entail three discrete phases. The first is the pre-assignment stage. It involves the selection and preparation of employees for deployment.

The second is the 'actual' assignment. It involves the 'actual' stay of the expatriate in the new country. The last is the post-assignment stage. It is also commonly known as repatriation. Recruitment and selection of expatriates is a multifaceted process. It takes into account both personal characteristics and interpersonal skills. Caligiuri (1997) postulates that most international organizations use knowledge of company systems and technical competencies in the selection process.

The strategy is the most suitable recruitment and selection criteria for Apple Inc. It is noted that measuring relevant cross-cultural and interpersonal abilities is a difficult task for many organizations. In addition, most expatriate postings rely on personal recommendations. Such recommendations are derived from either line managers or specialist personnel (Suutari & Brewster, 2000). As such, Apple should rely on the proposed recruitment and selection policy. The strategy would reduce chances of failure in the assigned job.

### **Staffing Alternatives for Foreign Operations**

There are several approaches used in resolving the issue of human resource in relation to international assignments. The strategies include ethnocentric and polycentric staffing approaches. Others are regiocentric and geocentric staffing strategies (Dowling, Welch & Schuler, 2004).

The ethnocentric approach involves filling all the key positions in the organization with local experts. The polycentric approach, on the other hand, proposes the use of host country's nationals in managing subsidiaries. However, in this approach, key positions in the corporation's headquarters are held by nationals of the parent country (Dowling et al., 2004). The regiocentric approach is a mixed staffing strategy. Here, executives are transferred between regions. Operations of the company are divided according to geographical regions.

Apple should adopt the geocentric policy to address its staffing needs. The approach disregards the nationality and location of the candidate. It is appropriate for Apple Inc. since the corporation has a vast international experience and a global structure that is well developed.

### **Conclusion**

International human resource management differs with domestic management of employees in several ways. Managing employees at the international level is characterized by different labor markets, varying management practices, and dynamic labor laws. Economic and other cultural barriers make international management of human resource a complex affair.

Managing international employees may differ from one organization to the other. However, according to this author, the underlying principles are similar in all organizations. As a result, effective management of assignees and their related assignments is a major determinant of the success of these international ventures.

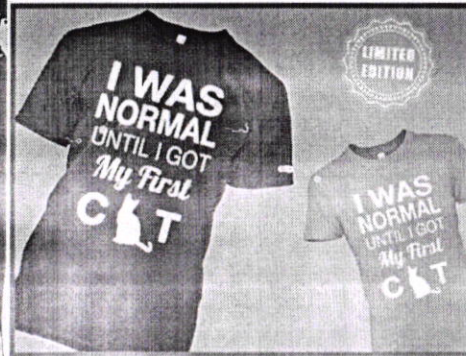


# POSITIONING

## IN FACEBOOK MARKETING

**We Love Cats**  
Sponsored

How many cats you've owned? Share your memories with your cats and tag your friends in the comment box.  
Like the shirt? Get one here - <https://teespring.com/myfirst-cat-limited-edition>  
\*\*Available for 7 days only ... get yours before its gone\*\*  
Select from 3 different styles and wide variety of colors-  
<https://teespring.com/myfirst-cat-limited-edition>



20 3 Comments 4 shares

Share

# AD COPY

## Common Practices :

- Create Scarcity
- Call To Action [ CTC ]
- Use Proven Key Words like Limited Edition

Desktop News Feed

**We Love Cats**  
Sponsored

How many cats you've owned? Share your memories with your cats and tag your friends in the comment box.  
Like the shirt? Get one here - <https://teespring.com/myfirst-cat-limited-edition>  
\*\*Available for 7 days only ... get yours before its gone\*\*  
Select from 3 different styles and wide variety of colors-  
<https://teespring.com/myfirst-cat-limited-edition>

20 3 Comments 4 shares

Comments:

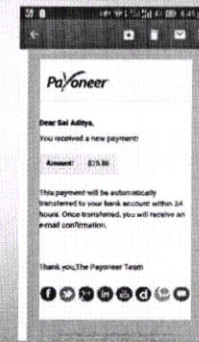
- Cats In Care anyone that the be first?? 4 years ago
- Korea 330wvaww Haxdy Ju Peto 3ky Peto 4 years ago
- We Love Cats Hey Korea Thanks for the tag Get one here - <https://teespring.com/myfirst-cat-limited-edition> 4 years ago
- Linda Collins 1st right it should be "I BECAME NORMAL WHEN I GOT MY FIRST CAT" Cats make you cat 4 years ago
- We Love Cats Hey Linda Thanks for the comment The design means that cats make your life better than normal Get one here - <https://teespring.com/myfirst-cat-limited-edition> 4 years ago

# END RESULT

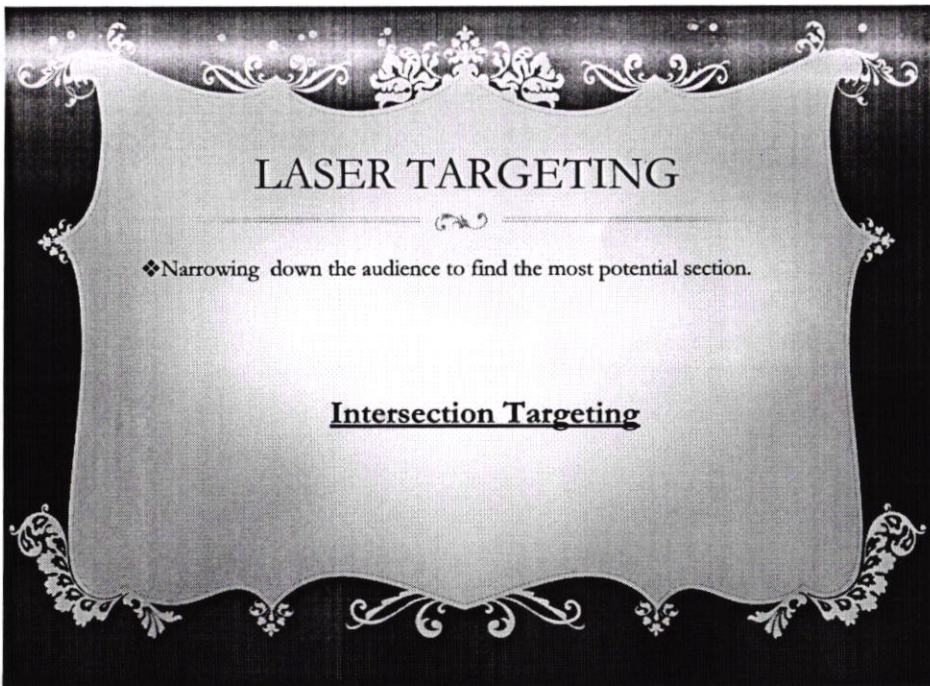
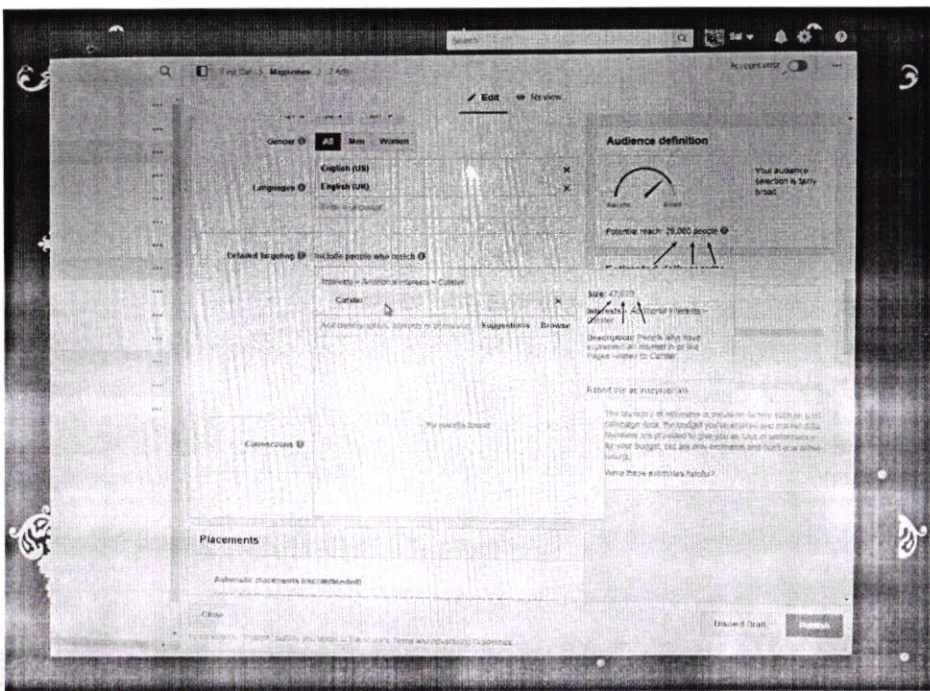
ORDERSSSSSS



THANK YOU!









# US AUDIENCE

Facebook Audience Definition Interface

Location: UNITED STATES

Demographics: (New Audience) People on Facebook

Age: 18-200M

Gender: All

Languages: English (US), English (UK)

Available Audience : 150 – 200M People

## Audience

Define who you want to see your ads. Learn more

Create new audience | Use saved audience

Custom Audiences | Add a previously created Custom or Lookalike Audience

Exclude | Create new

Locations | People living in or recently in this location

United States

United States

Include | Type to add more locations | Browse

Add locations in bulk

Age | 18 - 65+

Gender | All | Men | Women

English (US)

Languages | English (UK)

Enter a language

## Audience definition



Your audience selection is fairly broad.

Potential reach: 170,000,000 people

## Estimated daily results

Reach

191-553

Post Engagement

8-24

The accuracy of estimates is based on factors such as past campaign data, the budget you've entered and market data. Numbers are provided to give you an idea of performance for your budget, but are only estimates and don't guarantee results.

Were these estimates helpful?

# TARGETING

# IN FACEBOOK MARKETING

On Interests – Magazines, Celebrities, Organizations | Rescue

First City | Magazines | 2 Ads

Edit | Review

Exclude | Create new

Locations | People living in or recently in this location

United States

United States

Include | Type to add more locations | Browse

Add locations in bulk

Age | 18 - 50+

Gender | All | Men | Women

English (US)

Languages | English (UK)

Enter a language

## Audience definition



Your audience selection is fairly broad.

Potential reach: 26,000 people

## Estimated daily results

Reach

226-652

Post Engagement

6-22

The accuracy of estimates is based on factors such as past campaign data, the budget you've entered and market data. Numbers are provided to give you an idea of performance for your budget, but are only estimates and don't guarantee results.

Were these estimates helpful?

Detailed targeting | Includes people who match

Interests | Additional interests | Catster

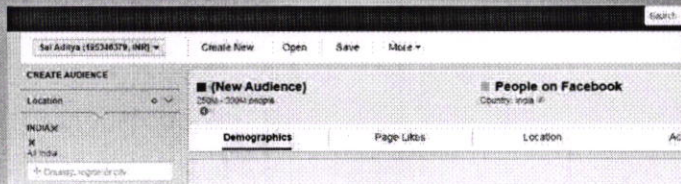
Catster

Interests | Additional interests | Your Cat Magazine

Your Cat Magazine

Plus demographics, interests or behaviour | Suggestions | Browse





Country – All India  
 Available Audience : 250 – 350M People  
 Unsegmented Audience  
 Used Very Rarely For Mass Marketing

## DEMOGRAPHICS



- Age : 18- Any
- Gender : 23% Women 77% Men
- Marital Status : 54% Single 4% Relation 2% Engaged 40% Married
- Education

## CATE NATION



## SEGMENTATION IN FACEBOOK MARKETING



## POSITIONING

◆ **Positioning** refers to the place that a brand occupies in the minds of the customers and how it is distinguished from the products of the competitors.

The objective of market positioning is to establish the image or identity of a brand. It reveals who we are, what we offer, and what we value

## FACEBOOK MARKETING

◆ **Creating—and actively using—a Facebook page as a communications channel to maintain contact with and attract customers.** Facebook actively provides for this, allowing users to create individual profiles or business pages for companies, organizations, or any group attempting to develop a fan base for a product, service, or brand.

## SAMPLE ADVERTISEMENT

**77 DAYS FACEBOOK ADS COURSE**

Master the most valued skill for any Business

770 likes, 298 comments, 64 shares

Sponsored by **77 Days Facebook Ads Course**

**The Collective**  
Since the business world offering and making an offering have transitioned from front, center

**JACK & JONES**  
performs in they looked your JACK & JONES' security? (and then how it goes, you'll never see such talk...

Engage: ENG English (US) العربية

Friday, 10th, 10:00 AM - 11:00 AM  
Facebook @ 2018

## HETEROGENEOUS AUDIENCE





# STP PROCESS

*Ft. Facebook Marketing*

M . Sai Aditya  
MBA 1-B  
Roll No : 89

## BASICS FIRST

- ❖ S - SEGMENTATION
- ❖ T - TARGETING
- ❖ P - POSITIONING

## SEGMENTATION

Market segmentation is the activity of dividing a broad consumer or business market, normally consisting of existing and potential customers, into sub-groups of consumers based on some type of shared characteristics.

Heterogeneous ----- > Homogeneous

## TARGETING

❖ A strategy that breaks a large **market** into smaller segments to concentrate on a specific group of customers within that audience. ...  
Instead of trying to reach an entire **market**, a brand uses **target marketing** to put their energy into connecting with a specific, defined group within that **market**.

Select one or more segments





**Bhavan's Vivekananda College  
Of Science, Humanities and Commerce  
Sainikpuri, Secunderabad  
(Autonomous College)**

**Department of management Studies  
MBA I Year I Semester**

**Mini Project**

**Name of the Company: Axis Bank**

**Name of the Student: Madanapally Manasa**

**Roll number: 78**

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## **Axis Bank Vision and Mission**

The vision statement of the Bank lays down that it aims to be the preferred financial solutions provider excelling in customer delivery through insight, empowered employees, and smart use of technology. The core values of Axis Bank are customer centricity, ethics, transparency, teamwork, and ownership.

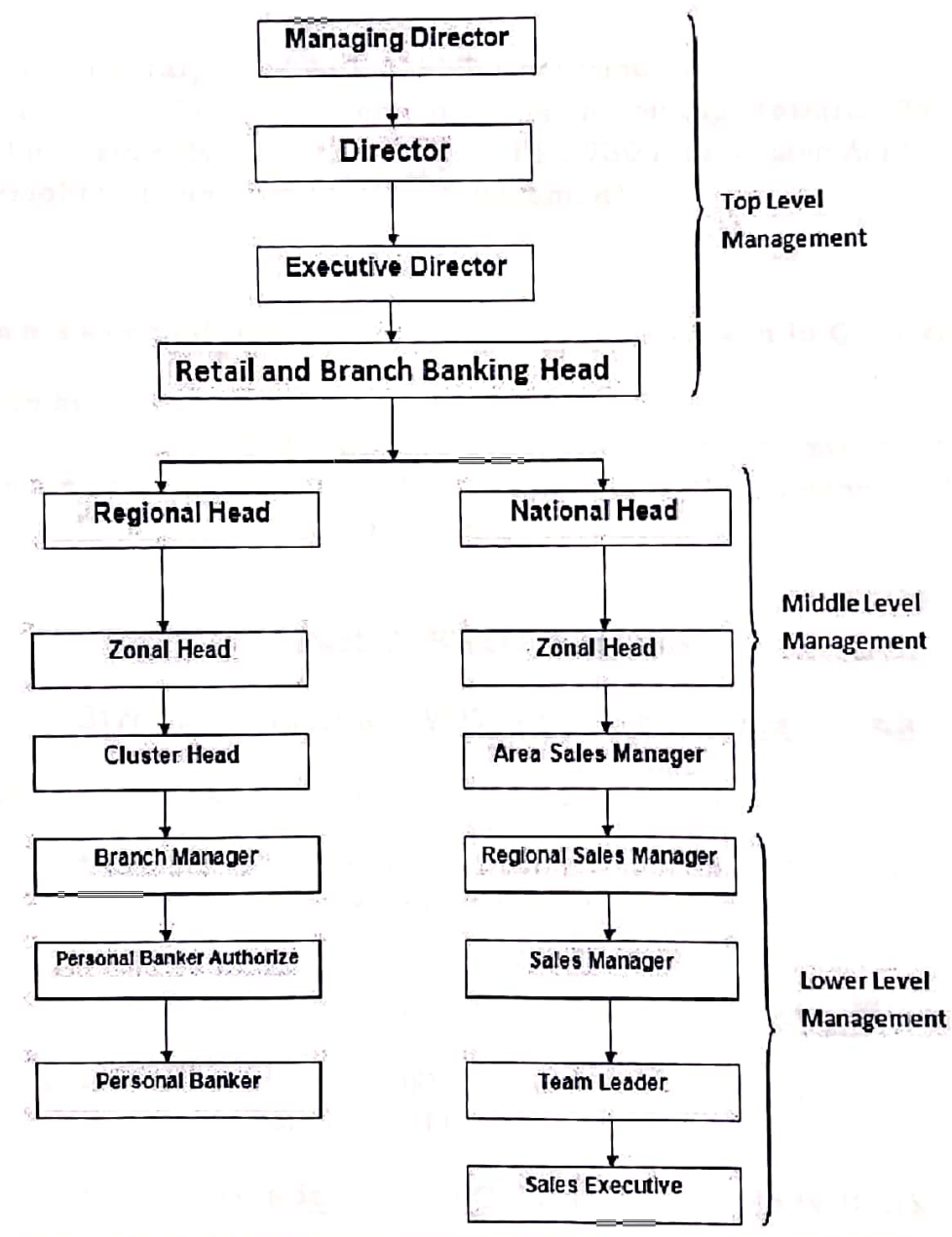
## **History of Axis Bank**

Axis Bank established in 1993 was the first of the new private banks to have begun operations in 1994 after the Government of India allowed new private banks to be established. Axis Bank Ltd. has been promoted by the largest and the best Financial Institution of the country, UTI. The Bank was set up with a capital of Rs. 115 crore, with UTI contributing Rs. 100 crore, LIC – Rs. 7.5 crore and GIC and its four subsidiaries contributing Rs. 1.5 crore each. Axis Bank is one of the first new generation private sector banks to have begun operations in 1994. The Bank was promoted in 1993, jointly by Specified Undertaking of Unit Trust of India (SUUTI) (then known as Unit Trust of India), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), National Insurance Company Ltd., The New India Assurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Ltd. The shareholding of Unit Trust of India was subsequently transferred to SUUTI, an entity established in 2003

## **Company's Milestone**

Axis Bank has reappointed Shikha Sharma as the MD & CEO for three years from June 2018. The ICICI Bank veteran had joined Axis Bank in June 2009, and has spearheaded the bank's journey to become a universal bank. While her strategy to acquire Enam's investment banking business and expand the bank's retail base worked very well, the bank's loans to the infrastructure sector has resulted in high non-performing assets. Between 2008-09 and 2016-17, Axis Bank's net interest income and other income, which is mainly fee income, have grown five-fold and four-fold, respectively. Prior to Axis Bank, Sharma was the MD and CEO of ICICI Prudential Life Insurance.

## **Axis Bank Organizational Structure**





## **Current highlights of axis bank in news paper**

**Axis Bank shares rise 2% after HSBC upgrades, raises target by 24%**  
**"Axis Bank's ahead-of-the curve branch expansion will help its net interest margin as growth picks up," HSBC reasoned.**

**Buy Axis Bank, target Rs 730: Ashish Chaturmohta**  
**The stock can be bought at current levels and on dips towards Rs 620 with a stop loss below Rs 600 and a target of Rs 730 levels, says Ashish Chaturmohta of Sanctum Wealth Management.**

**Private banks could report double-digit earnings growth in Q3; Axis, ICICI**

**Bank top bets: Khemka**  
**Siddhartha Khemka of MOFSL said nonetheless one can assume the Brent crude price to be in the range of \$60-70/barrel as this is beneficial for both the oil producing as well as consuming countries.**

## **Part 2: SWOT Analysis**

### **Strengths in the SWOT analysis of Axis bBank**

- Axis bank has been given the rating as one of top three positions in terms of fastest growth in private sector banks
- Financial express has given number two position and BT-KPMG has rated AXIS bank as the best bank with some 26 parameters
- The bank has a network of 1,493 domestic branches and 8,324 ATMs
- The bank has its presence in 971 cities and towns
- The banks financial positions grows at a rate of 20% every year which is a major positive sign for any bank
- The company's net profit is Q3FY12 is 1,102.27 which has a increase of 25.19% growth compared to 2011

### **Weaknesses in the SWOT analysis of Axis Bank**

- Foreign branches constitute only 8% of total assets
- Very recently the bank started focusing its attention towards personal banking and rural areas

- The share rates of AXIS bank is constantly fluctuating in higher margins which makes investors in an uncomfortable position most of the time
- There are lot Gaps – Majorly they concentrated in corporate, wholesale banking, treasury services, retail banking
- of financial product gaps in terms of performance as well as reaching out to the customer
- There are many fraudulent activities involved in credit cards as the banks process credit card approval even without verification of original documents
- Their financial consultants are not wise enough to guide the customers towards right investments
- Customer service has to improve a lot in order to be in race with other major players

### **Opportunities in the SWOT analysis of Axis Bank**

- Acquisitions to fill gap
- In 2009, Alliance with Motilal Oswal for online trading for 10 million customers
- In 2010, acquired Enam Securities Pvt Ltd – broking and investment banking
- In Sep 2009, SEBI approved Axis Asset Management Co. for mutual fund business
- No. of e-transactions increased from 0.7 million to around 2 million
- Geographical expansion to rural market – 80% of them have no access to formal lending
- 46% use informal lending channels
- 24% unregulated money lenders
- Now number of branches increased to 1493 from 339.
- Last quarter there were 48 new branches opened across the Nation
- Since it's a new age banking there are lot of opportunities to have the advance technicalities in banking solutions compared to existing major players

### **Threats in the SWOT analysis of Axis Bank**

- Since 2009, RBI has increased CRR by 100 basis points
- Increased repo rate reverse repo rate by 50 points – 11 times of late
- Increasing popularity of QIPs due to ease in fund raising
- RBI allowed foreign banks to invest up to 74% in Indian banking
- Government schemes are most often serviced only by govern banks like SBI ,Indian Banks, Punjab National Bank etc
- ICICI and HDFC are imposing strong threats in terms of their expansion in customer base by their aggressive marketing strategies

### **PART 3: Financial Aspects**

- Sales /Revenues (for 5 years)
- EBIT
- EPS
- Financial statement analysis of the company for three using any tools.



Consolidated Profit & Loss account of Axis Bank	in Rs. Cr.				
	Mar 18	17-Mar	16-Mar	15-Mar	15-Mar
<b>INCOME</b>					
Interest / Discount on Advances / Bills	34,909.73	33,694.64	30,410.19	26,083.99	26,083.99
Income from Investments	10,019.98	9,674.97	9,425.85	9,145.42	9,145.42
Interest on Balance with RBI and Other Inter-Bank funds	391.06	505.79	296.25	232.02	232.02
Others	1,293.29	1,299.69	1,276.95	266.03	266.03
<b>Total Interest Earned</b>	<b>46,614.06</b>	<b>45,175.09</b>	<b>41,409.25</b>	<b>35,727.46</b>	<b>35,727.46</b>
Other Income	11,862.62	12,421.60	9,954.98	8,838.11	8,838.11
<b>Total Income</b>	<b>58,476.67</b>	<b>57,596.70</b>	<b>51,364.23</b>	<b>44,565.57</b>	<b>44,565.57</b>
<b>EXPENDITURE</b>					
Interest Expended	27,603.69	26,789.35	24,344.23	21,341.26	21,341.26
Payments to and Provisions for Employees	5,414.44	4,742.10	4,019.34	3,615.69	3,615.69
Depreciation	590.58	526.67	461.39	419.64	419.64
Operating Expenses (excludes Employee Cost & Depreciation)	8,783.34	7,456.86	6,130.64	5,574.59	5,574.59
<b>Total Operating Expenses</b>	<b>14,788.36</b>	<b>12,725.63</b>	<b>10,611.37</b>	<b>9,609.93</b>	<b>9,609.93</b>
Provision Towards Income Tax	1,951.55	5,188.84	4,406.18	3,897.93	3,897.93
Provision Towards Deferred Tax	-18,469.69	-3,202.06	-73.8	-153.17	-153.17
Provision Towards Other Taxes	0	0	-0.05	0.93	0.93
Other Provisions and Contingencies	32,138.73	12,127.91	3,718.71	2,420.21	2,420.21
<b>Total Provisions and Contingencies</b>	<b>15,620.59</b>	<b>14,114.69</b>	<b>8,051.04</b>	<b>6,165.90</b>	<b>6,165.90</b>
<b>Total Expenditure</b>	<b>58,012.65</b>	<b>53,629.67</b>	<b>43,006.64</b>	<b>37,117.09</b>	<b>37,117.09</b>
<b>Net Profit / Loss for The Year</b>	<b>464.02</b>	<b>3,967.03</b>	<b>8,357.58</b>	<b>7,448.48</b>	<b>7,448.48</b>
Net Profit / Loss After EI & Prior Year Items	464.02	3,967.03	8,357.58	7,448.48	7,448.48
Minority Interest	-8.21	-14	-7.92	-1.94	-1.94
Share Of Profit/Loss Of Associates	0	0	0	1.36	1.36
<b>Consolidated Profit/Loss After MI And Associates</b>	<b>455.82</b>	<b>3,953.03</b>	<b>8,349.67</b>	<b>7,447.90</b>	<b>7,447.90</b>
Profit / Loss Brought Forward	24,881.55	24,002.70	17,789.74	13,601.24	13,601.24
<b>Total Profit / Loss available for Appropriations</b>	<b>25,337.37</b>	<b>27,955.72</b>	<b>26,139.41</b>	<b>21,049.13</b>	<b>21,049.13</b>
<b>APPROPRIATIONS</b>					
Transfer To / From Statutory Reserve	68.92	919.82	2,055.92	1,839.46	1,839.46
Transfer To / From Reserve Fund	43.5	34.81	23.9	14.37	14.37
Transfer To / From Capital Reserve	101.66	755.57	62.04	63.14	63.14
Transfer To / From General Reserve	8.06	6.87	5.4	1.65	1.65
Transfer To / From Investment Reserve	103.49	-87.17	-41.81	25.49	25.49
Equity Share Dividend	1,457.40	1,444.26	31.26	1,092.80	1,092.80
Tax On Dividend	0	0	0	222.48	222.48
Balance Carried Over To Balance Sheet	23,554.35	24,881.55	24,002.70	17,789.74	17,789.74
<b>Total Appropriations</b>	<b>25,337.37</b>	<b>27,955.72</b>	<b>26,139.41</b>	<b>21,049.13</b>	<b>21,049.13</b>
<b>INFORMATION</b>					
<b>EARNINGS PER SHARE</b>					
Basic EPS (Rs.)	2	15	35	32	32
Diluted EPS (Rs.)	2	15	35	31	31

Consolidated Balance Sheet	----- In Rs. Cr. -----					
	Mar 18	%	17-Mar	%	16-Mar	%
<b>EQUITIES AND LIABILITIES</b>						
<b>SHAREHOLDER'S FUNDS</b>						
Equity Share Capital	513.31	0.072944087	479.01	0.078338473	476.57	0.089575235
<b>Total Share Capital</b>	<b>513.31</b>	<b>0.072944087</b>	<b>479.01</b>	<b>0.078338473</b>	<b>476.57</b>	<b>0.089575235</b>
Reserves and Surplus	63,694.10	9.051271134	55,901.34	9.142242541	53,082.19	9.977232436
<b>Total Reserves and Surplus</b>	<b>63,694.10</b>	<b>9.051271134</b>	<b>55,901.34</b>	<b>9.142242541</b>	<b>53,082.19</b>	<b>9.977232436</b>
<b>Total ShareHolders Funds</b>	<b>64,207.41</b>	<b>9.124215222</b>	<b>56,380.35</b>	<b>9.220581014</b>	<b>53,558.76</b>	<b>10.06680767</b>
Minority Interest	69.51	0.009877742	61.31	0.010026788	39.05	0.007339767
Deposits	455,657.76	64.7513966	414,982.68	67.86728745	358,302.19	67.34583166
Borrowings	155,767.09	22.13533381	112,454.76	18.39112785	104,493.73	19.64045252
Other Liabilities and Provisions	28,001.59	3.979175203	27,582.92	4.510978532	15,639.47	2.939566498
<b>Total Capital and Liabilities</b>	<b>703,703.37</b>	<b>100</b>	<b>611,462.01</b>	<b>100</b>	<b>532,033.21</b>	<b>100</b>
<b>ASSETS</b>						
Cash and Balances with Reserve Bank of India	35,481.06	5.042047759	30,857.95	5.046584987	22,361.16	79.25964837
Balances with Banks Money at Call and Short Notice	8,429.75	1.19791241	20,108.17	3.288539545	11,341.65	2.131756023
Investments	153,036.71	21.74733226	129,018.35	21.09997807	121,880.78	22.90849099
Advances	449,843.65	63.92518058	381,080.26	62.32280236	344,663.32	64.78229432
Fixed Assets	4,048.82	0.575358904	3,810.23	0.623134379	3,573.76	0.671717467
Other Assets	52,863.38	7.512168089	46,587.05	7.618960661	28,212.54	5.302777998
<b>Total Assets</b>	<b>703,703.37</b>	<b>100</b>	<b>611,462.01</b>	<b>100</b>	<b>532,033.21</b>	<b>100</b>



Consolidated Balance Sheet of Axis Bank	----- in Rs. Cr. -----			
	17-Mar	Mar 18	Increase/Decrease	% Change
<b>EQUITIES AND LIABILITIES</b>				
<b>SHAREHOLDER'S FUNDS</b>				
Equity Share Capital	479.01	513.31	34.3	7.160602075
<b>Total Share Capital</b>	<b>479.01</b>	<b>513.31</b>	<b>34.3</b>	<b>7.160602075</b>
Reserves and Surplus	55,901.34	63,694.10	7792.76	13.94020251
<b>Total Reserves and Surplus</b>	<b>55,901.34</b>	<b>63,694.10</b>	<b>7792.76</b>	<b>13.94020251</b>
<b>Total ShareHolders Funds</b>	<b>56,380.35</b>	<b>64,207.41</b>	<b>7827.06</b>	<b>13.88260272</b>
Minority Interest	61.31	69.51	8.2	13.3746534
Deposits	414,982.68	455,657.76	40675.08	9.801633167
Borrowings	112,454.76	155,767.09	43312.33	38.51533719
Other Liabilities and Provisions	27,582.92	28,001.59	418.67	1.517859603
<b>Total Capital and Liabilities</b>	<b>611,462.01</b>	<b>703,703.37</b>	<b>92241.36</b>	<b>15.08537873</b>
<b>ASSETS</b>				
Cash and Balances with Reserve Bank of India	30,857.95	35,481.06	4623.11	14.98190904
Balances with Banks Money at Call and Short Notice	20,108.17	8,429.75	-11678.42	-58.07798522
Investments	129,018.35	153,036.71	24018.36	18.6162356
Advances	381,080.26	449,843.65	68763.39	18.04433271
Fixed Assets	3,810.23	4,048.82	238.59	6.261826714
Other Assets	46,587.05	52,863.38	6276.33	13.47226321
<b>Total Assets</b>	<b>611,462.01</b>	<b>703,703.37</b>	<b>92241.36</b>	<b>15.08537873</b>

## **Interpretation of the Comparative Balance Sheet for the Financial year 2017 and 2018**

1. There is a gradual increase in fixed assets which leads an increase in the production capacity of the bank.
2. There is an increase in liquid assets like cash and balances this will improve the profitability of the bank.
3. Other assets like inventory has increased which results in the increase of working capital of the bank but it will not be good for the bank.
4. In the liabilities side , there is an increase in other liabilities which means an increase in interest liability where as the increase in share capital will not increase any liability for paying interest.

Consolidated Balance Sheet of Axis Bank	----- in Rs. Cr. -----			
	16-Mar	17-Mar	Increase/Decrease	% Change
<b>EQUITIES AND LIABILITIES</b>				
<b>SHAREHOLDER'S FUNDS</b>				
Equity Share Capital	476.57	479.01	2.44	0.511991942
<b>Total Share Capital</b>	<b>476.57</b>	<b>479.01</b>	<b>2.44</b>	<b>0.511991942</b>
Reserves and Surplus	53,082.19	55,901.34	2819.15	5.310915017
<b>Total Reserves and Surplus</b>	<b>53,082.19</b>	<b>55,901.34</b>	<b>2,819.15</b>	<b>5.310915017</b>
<b>Total Shareholders Funds</b>	<b>53,558.76</b>	<b>56,380.35</b>	<b>2821.59</b>	<b>5.268213827</b>
Minority Interest	39.05	61.31	22.26	57.00384123
Deposits	358,302.19	414,982.68	56680.49	15.81918603
Borrowings	104,493.73	112,454.76	7961.03	7.618667646
Other Liabilities and Provisions	15,639.47	27,582.92	11943.45	76.36735772
<b>Total Capital and Liabilities</b>	<b>532,033.21</b>	<b>611,462.01</b>	<b>79428.8</b>	<b>14.92929361</b>
<b>ASSETS</b>				
Cash and Balances with Reserve Bank of India	22,361.16	30,857.95	8496.79	37.997984
Balances with Banks Money at Call and Short Notice	11,341.65	20,108.17	8766.52	77.29492622
Investments	121,880.78	129,018.35	7137.57	5.856189959
Advances	344,663.32	381,080.26	36416.94	10.56594592
Fixed Assets	3,573.76	3,810.23	236.47	6.616840527
Other Assets	28,212.54	46,587.05	18374.51	65.12887532
<b>Total Assets</b>	<b>532,033.21</b>	<b>611,462.01</b>	<b>79428.8</b>	<b>14.92929361</b>



## **Interpretation of the Comparative Balance Sheet for the Financial year 2016 and 2017**

1. Other assets are much higher than other liabilities of the bank for both years .This denotes that the current financial position of the company is stable.
  
2. Increase in fixed assets might increase the productivity of the company .loaned funds are decreased to some extent and with that interest rate might also come down eventually. Hence the long term financial position can be managed carefully.
  
3. There is an increase in reserves and surplus which increases the profitability of the bank.
  
4. Bank needs to concentrate on not issuing much of long term loans and borrowings as that might cause a chance for increasing the interest rates. Also, the company needs to safeguard and optimally utilize the fixed assets to increase the productivity thus resulting in the further profits. The overall performance of the bank is satisfactory

Consolidated Balance Sheet of Axis Bank	----- in Rs. Cr. -----			
	15-Mar	16-Mar	Increase/Decrease	% Change
<b>EQUITIES AND LIABILITIES</b>				
<b>SHAREHOLDER'S FUNDS</b>				
Equity Share Capital	474.1	476.57	2.47	0.520987134
<b>Total Share Capital</b>	<b>474.1</b>	<b>476.57</b>	<b>2.47</b>	<b>0.520987134</b>
Reserves and Surplus	44,475.49	53,082.19	8606.7	19.35155745
<b>Total Reserves and Surplus</b>	<b>44,475.49</b>	<b>53,082.19</b>	<b>8606.7</b>	<b>19.35155745</b>
<b>Total Shareholders Funds</b>	<b>44,949.59</b>	<b>53,558.76</b>	<b>8609.17</b>	<b>19.15294444</b>
Minority Interest	31.14	39.05	7.91	25.40141297
Deposits	322,244.17	358,302.19	36058.02	11.18965783
Borrowings	84,393.50	104,493.73	20100.23	23.81727266
Other Liabilities and Provisions	15,624.57	15,639.47	14.9	0.095362624
<b>Total Capital and Liabilities</b>	<b>467,242.97</b>	<b>532,033.21</b>	<b>64790.24</b>	<b>13.86649862</b>
<b>ASSETS</b>			0	#DIV/0!
Cash and Balances with Reserve Bank of India	19,818.84	22,361.16	2542.32	12.82779416
Balances with Banks Money at Call and Short Notice	16,673.25	11,341.65	-5331.6	-31.9769691
Investments	133,319.24	121,880.78	-11438.46	-8.57975188
Advances	284,448.65	344,663.32	60214.67	21.16890694
Fixed Assets	2,551.90	3,573.76	1021.86	40.04310514
Other Assets	10,431.08	28,212.54	17781.46	170.4661454
<b>Total Assets</b>	<b>467,242.97</b>	<b>532,033.21</b>	<b>64790.24</b>	<b>13.86649862</b>

## **Interpretation of Comparative Balance Sheet for the Financial year 2015 and 2016**

1. Balances with banks money at call and short notice has decreased and became negative which is not a good sign of a healthy bank.
2. There is a fall in investments, if the interest rate increases, investment falls as the cost of investment rises. There are a number of ways that investment fall. This occurs when the bank simply decide to invest less without regard for the interest rate.
3. The overall financial position of the company is satisfactory.



### **Insta Personal Loan**

Axis Bank provide a 24X7 Instant Personal Loan' on smartphones and ATM kiosks. Customers can get instant loan approval and disbursement, which gets credited directly into their account.

### **Locker booking**

The bank has launched an online locker booking facility through the mobile app to allow customers to check availability from their homes and book instantly.

## **CSR Practices of Axis Bank**

Creating meaningful socio-economic impact in the lives of vulnerable and underprivileged sections of the society that include amongst others, differently-abled, street children, destitute women, children of sexually exploited women, economically weaker sections and victims of natural and other disasters including war and acts of terrorism.

Enhancing sustainable livelihood through interventions in the areas of natural resource management, agriculture, horticulture and livestock development, rural development, traditional arts and handicrafts, micro-enterprise, vocational training and skill development.

Promoting measures to eradicate hunger, poverty and malnutrition, and promoting preventive health care and sanitation.

Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled, and livelihood enhancement projects. This would also include initiatives to promote financial literacy, consumer education and awareness, and capacity and skill building in various sectors of the economy in alignment with the various Government initiatives.

Promoting environmental sustainability, ecological balance and conservation of natural resources and maintaining quality of soil, air and water through various initiatives such as resource conservation, renewable energy and energy efficiency amongst others.

Contributing to the Prime Minister's National Relief Fund or any other fund set up by the Government for socio-economic development.

The Bank undertakes several CSR programs guided by its Policy on Corporate Social Responsibility. The activities are implemented by the Bank or by the Axis

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The Bank undertakes several CSR programs guided by its Policy on Corporate Social Responsibility. The activities are implemented by the Bank or by the Axis



Bank Foundation or through any other Trust or agencies and entities as deemed suitable.

### **Education**

Special education for the differently-abled:

Support basic, secondary and vocational education for differently-abled children and youth. Increase outreach to the differently-abled and provide them with access to education (at the primary, secondary and higher secondary levels) and vocational training.

- **Access to quality education for street children and children of sexually-exploited women:**  
Provide education to street children and children of sexually exploited women and facilitate access to age-appropriate formal education and vocational opportunities.
- **Financial literacy:**  
Advance the agenda of Financial Inclusion by creating awareness, educating and empowering sections of society which do not have access to formal banking system through financial literacy initiatives.
- **Consumer education and awareness:**  
Promote financial education and awareness amongst consumers at large and school children. Disseminate knowledge on managing finances etc. to consumers at large which may include aspects safe banking practices, tax planning, saving and investing and other relevant financial knowledge.
- **Support MSME sector capability enhancement:**  
Provide support to MSME sector through dissemination of knowledge leading to enhancement of sector capabilities.

### **Medical relief and trauma care**

The Bank has been working on providing medical relief and trauma care for victims of accidents through its Foundation. It also seeks to create a trained community of service providers who can provide immediate assistance to victims of accidents. The Bank shall continue working on such programs as part of its overall contributions towards promoting healthcare.

### **Recruitment and Selection Policy**

Recruitment is a process of searching for prospective candidates for the given job in the industry. As we know it is very important for an industrial concerns to have efficient and effective personnel with right quality and at right time and at right

place available whenever they are needed. Every organization needs employee time by time because of promotion or retirement of an employee. For this purpose an organization need to search for the right candidate. And so it needs to encourage this type of right candidates whenever they require.

### **Sources of Recruitment**

- Personal data of candidates and data bank maintain by the HR. department.
- Campus Recruitment.
- Company 's own website.
- Placement consultants.
- Advertisement in the news papers like Times of India, Gujarat Samachar.

### **Recruitment Process Selection**

Selection is the process of taking individuals out of the pool of job applicants with requisite qualifications and competence to fill jobs in the organization. It is define as the process of differentiating between applicants in order to identify and hire those with a greater likelihood of success in a job.

Selection is based on probation base, they are taking experienced person for 6mo

nth"s probation and for fresher the probation period is 1 year.

While the selection of the senior level post, is taken by head office at Mumbai.

### **Training Policy**

Training and Development The Bank has also built training infrastructure, which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programmes. The flagship in-house programmes include the Induction Programme for new entrants, and Credit and Foreign Exchange Programmes for building up a pool of specialists in the respective domains. External 136 Programmes encompass value-added



programmes on Team Building and Leadership, Organizational Development, Management Development Programmes, People Management Programmes; all conducted by premier institutes like the IIMs; Administrative Staff College of India (ASCI); and ISB, Hyderabad. Senior functionaries have also been deputed overseas to attend specialized programmes intended to keep them updated on developments in the world economy. E-learning The Bank also has a comprehensive e-learning module conceptualized and developed inhouse and administered through the intranet. Keeping pace with the growth in the diversity of products on the one hand and manpower on the other, the training man-days share increased from 57,317 last year to 65,378 during the year ending March 2011 registering a growth of 14 per cent. Job Rotations The employee engagement initiatives focused on providing opportunities to staff to seek inspirational roles through internal job postings and periodic job rotations, making the compensation structure more competitive, streamlining the performance-linked rewards and incentives, and generally sending a clear message of meritocracy. Through the fulfilment of its HR agenda, the Bank will continue to strive 66 per cent towards realisation of the ultimate goal of being the preferred financial service provider excelling in customer delivery through insight, empowered employees and smart use of technology.

## **Part 5: Marketing Aspects**

### **Service Mix of Axis Bank**

The service marketing mix of Axis bank discusses the 7P's of Axis bank and how the bank is using an effective marketing mix to increase its customer base and rise in the banking industry.

#### **PRODUCT**

The main products of AXIS Bank are Saving Account, Current Account and Demat Account. The other products are Home loan, personal loan, Insurance, Credit cards, etc. For better marketing of products, the products are categorized under Axis Bank and Axis Sales.

Products under Axis Bank are

- Saving Account
- Current Account
- Forex Department
- Salary Accounts

Products under Axis Sales are

- Home loan
- Personal loan,
- Demat Account

### **PRICE**

The price of the product depends upon the services provided by the Bank on the respective product to the customers. Detailed pricing changes from time to time and the same can be found on the website of Axis bank.

### **PLACE**

Place plays an important role in tangibilizing service offerings. Quality of service is perceived by many customers in the form of place of delivery- locational appeal, interiors, ambience, etc. If a bank is located in a crowded market the place or location will be a negative tangibilizes. Providing excellent tangibles in the form of place or location and interiors is particularly important for appealing to the customers segment. More recently, some of the private banks in India like AXIS Bank are providing very attractive tangibles in the form of their locations, exteriors and interiors.

### **PROMOTION**

Promotion can tangibilize services in different forms:

- Visualization
- Association
- Physical representation
- Documentation.

Visualization tangibilizes services through hoardings, TV and print campaigns or advertisements. Physical representation in services has a good promotional appeal to customers like use of colors to symbolize wealth and status. Service providers use documentation in their promotions in support of their claims for dependability, popularity and responsiveness

### **PEOPLE**

People are a common factor in every service. And people tangibilize services. Good people (means good performance) make good or successful services. Bad performers deliver bad services.

### **PROCESS**



- Customer defined business process- Process innovations and continuous improvement through people involvement.
- Result oriented approach- Each process has been designed by first planning the desired results.
- Axis Bank is constantly taking initiatives to offer the best in class service that seek to enhance customer experience.

### **PHYSICAL EVIDENCE**

- Reduce paper usage- Due to technological innovations such as use of Finacle software for core banking solutions.
- It has positioned it self as a bank which gives higher standard of services through product innovation.
- Satisfies the diverse need of individual and corporate clients.
- It is customer centric, and service oriented.

### **Product line of Axis Bank**

Axis Bank is the third largest privately-owned financial institutions in India. It offers a wide range of financial products and services to individual customers, large and mid-corporates, MSME, Agriculture and Retail Businesses. Axis Bank has more than 3,500 domestic branches and over 13,900 ATMs across the country. The bank also has overseas branches in Singapore, Hong Kong, Dubai (at the DIFC), Shanghai and Colombo; representative offices at Dubai, Abu Dhabi, Dhaka and Sharjah. The product and services palette of Axis Bank includes personal loan, credit cards, education loan, car loan, business loan, fixed deposit and more

### **Promotional Strategies of Axis Bank**

The 3rd largest private sector bank of India is Axis Bank which was previously known as UTI bank. UTI bank changed its name to Axis in 2007 and it offers the entire spectrum of financial services to customer segments covering Large & Mid-Corporates, MSME, Agriculture and Retail Businesses. With a balance sheet size of Rs.383245 Crores as on 31st March 2014, Axis bank has achieved consistent growth and stable asset quality with a 5 year CAGR (2010-2014) of 21% in total assets, 19% in total deposits, 23% in total advances and 28% in net profit.

**Distribution in promotional strategy of Axis Bank** – The bank has a large footprint of 2402 domestic branches (including extension counters) and 12,922 ATM's spread across the country as on 31st March 2014. The overseas operations of the bank are spread over its seven international offices

with branches at Singapore, Hong Kong, DIFC (Dubai International Financial Centre), Colombo and Shanghai.

**Brand equity in the promotional strategy of Axis Bank** – The new campaign “Badhti ka naam Zindagi” of AXIS Bank to enrich the brand is designed by Lowe Lintas lies in the space that Progress has many dimensions and talks about the “holistic” nature of progress and highlights Axis Banks journey as a customer centric bank.

**Customer analysis in the promotional strategy of Axis Bank** – Customers of Axis bank are mainly high income group working professionals who prefer best banking services. Majority of customers are middle and upper class income group.

**Competitive analysis in the promotional strategy of Axis Bank** – In the stagnant banking industry where Public and Private Players are trying hard to make their balance sheet profitable the advent of innovation in serviceability will be the major source of income for the private players. Players like AXIS, ICICI, HDFC, KOTAK MAHINDRA etc. are providing unique services like balance through Twitter tweet, Choose you're a/c No, Video banking which is making them front runner in driving their revenue in increase customer base as well as profitability.

**Market analysis in the promotional strategy of Axis Bank** – Banking industry is going through a turnaround phase where PSU's, Private Banks are fighting neck to neck in order to reestablish itself in the competitive market. Private Banks like AXIS HDFC, ICICI Bank revenue and profitability is riven by 3<sup>rd</sup> party products whereas PSUs revenue and profitability is driven by retail lending, CASA share.



Group - 9

Seminar  
- ppt

## E-COMMERCE Employees Survey

(2018-19)  
MBA  
O.P

Survey on E-COMMERCE employees regarding organisational psychology in their organisation.

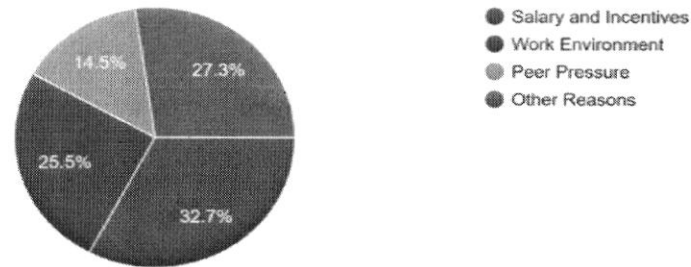
BY- V. SAIRAM, NEHA, TEJASRI, SWAROOP,  
SAI KISHORE, VYSHNAV.

V. Ashwin

# Questionnaire

What attracted you to join eCommerce

55 responses

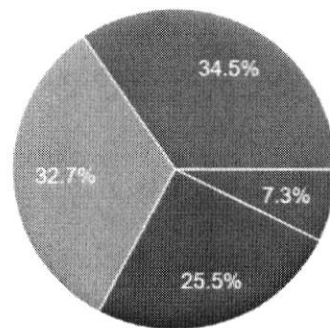


1. Salary and Incentives were the major reason for people to join, while other reasons and work environment remained the next ones .

2. The sample constituted mainly of company with more than 1000 employees, 500-1000.

What is the size of your business

55 responses

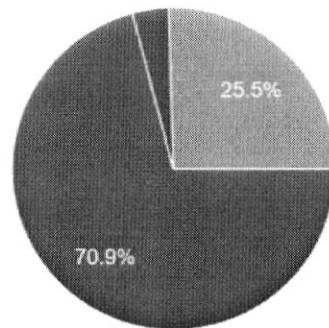


- 1 to 100 employees
- 101 to 500 employees
- 501 to 1000 employees
- more than 1000 employees

### 3. The sample contains mainly of E-Commerce companies.

Does your company also engage in business to business E-Commerce

55 responses

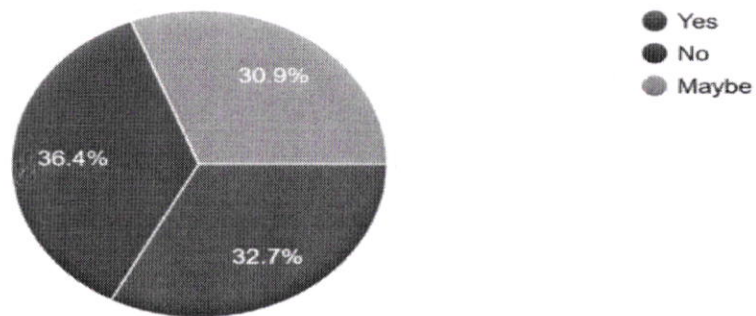


- Yes
- No
- Maybe



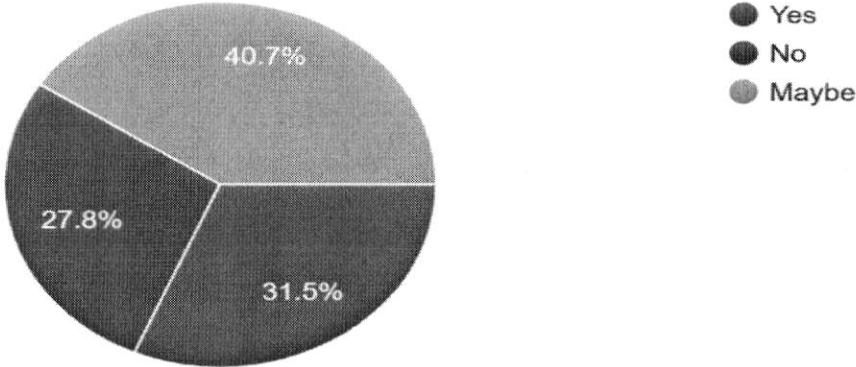
4. The majority of employees said the facilities at work do not motivate.

Does the given facilities at work motivate you to work in the company  
55 responses



5. Employees said that the tasks performed at work are in line with job description.

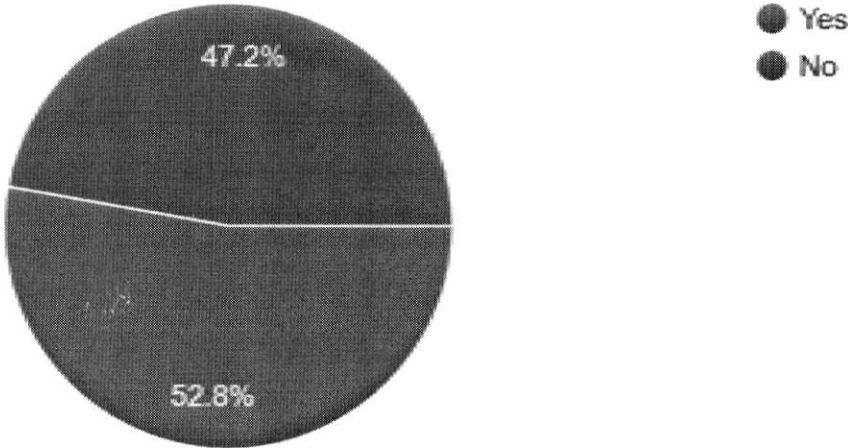
Are your daily tasks performed at work in line with your job description  
54 responses



6. Majority of employees said that they have a healthy work life balance.

Do u feel you have a healthy work life balance

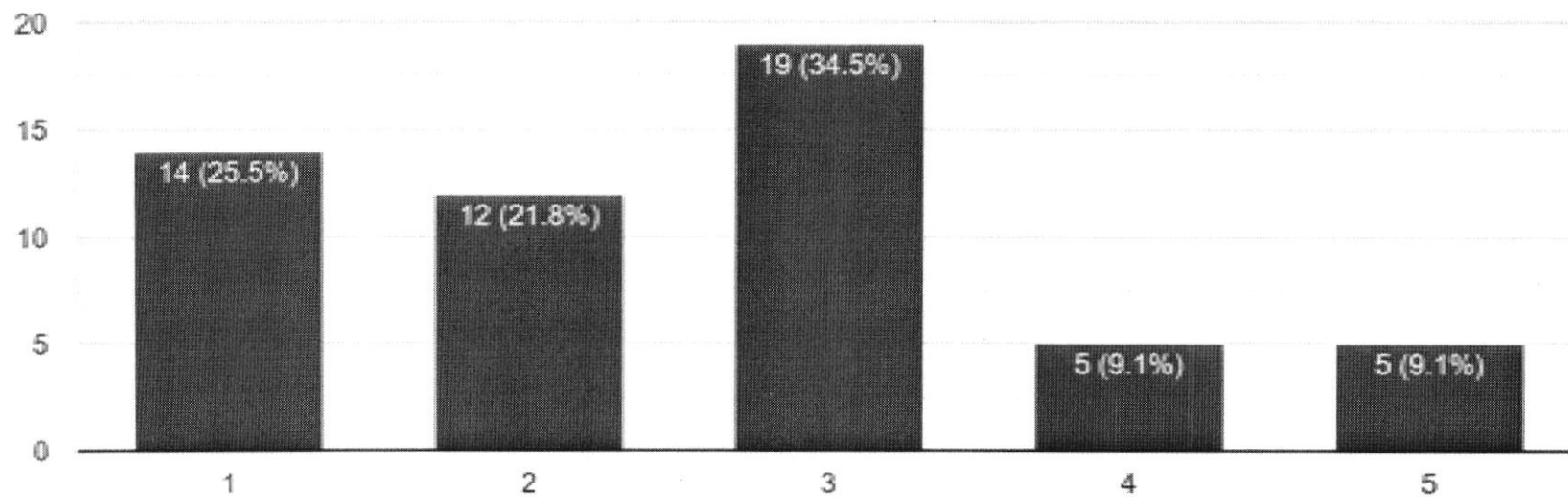
53 responses



7. Majority of respondents were neutral for unrealistic targets to achieve.

### Are you given unrealistic targets to achieve at work

55 responses

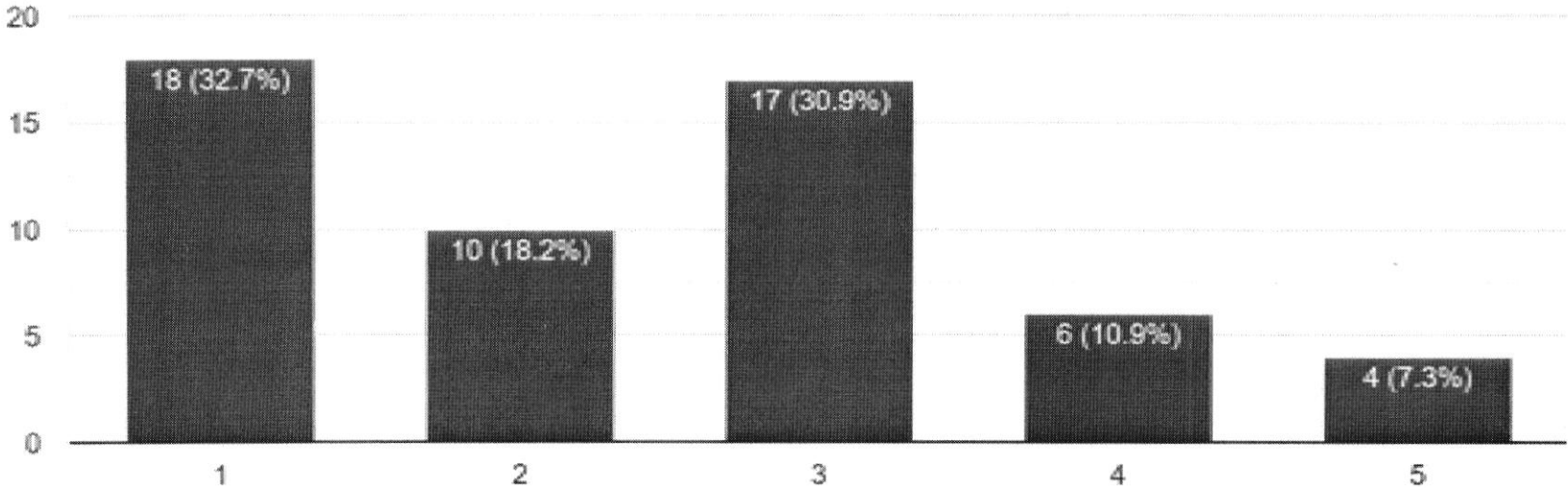




8. Employees strongly agreed to perform well at work.

I am constantly expected to perform well at work

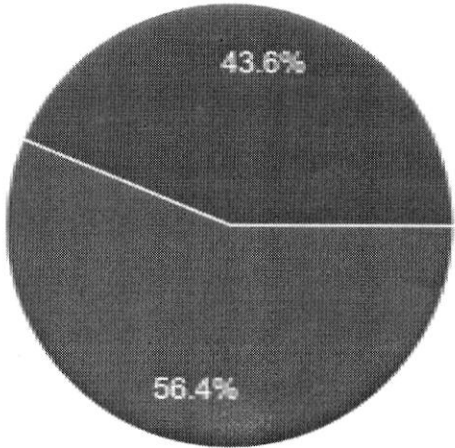
55 responses



# 9. Employees feel stressed at work.

Do you feel stressed at work

55 responses

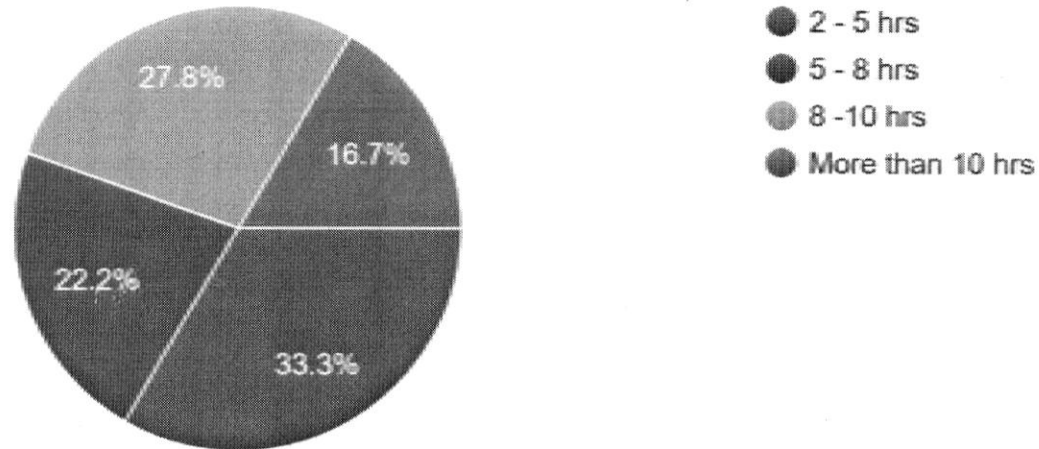


- Yes
- No

# 10. Majority of employees work overtime for 2-5 hrs a week.

In a week how many hours do you work overtime

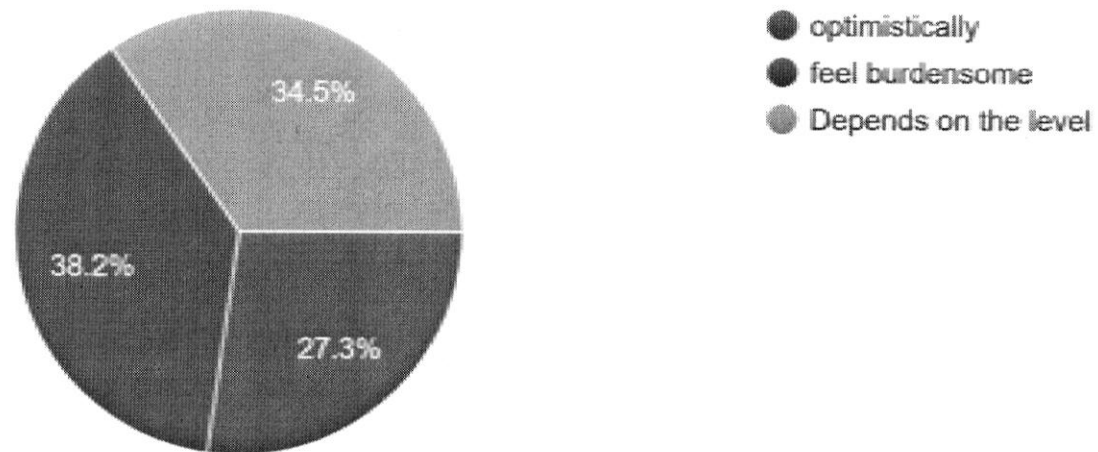
54 responses



11. Majority of employees feel burdensome while dealing a stressful situation.

### How do u handle a stressful situation

55 responses

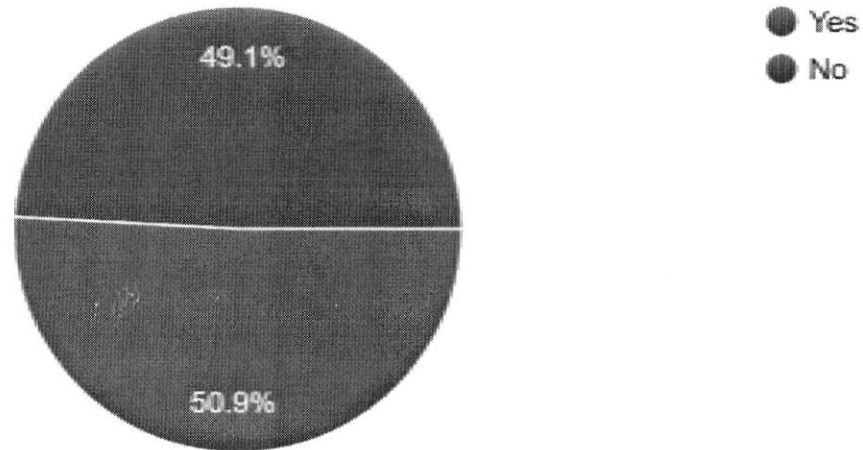




## 12. Majority of employees have faced inter group conflicts.

Have you faced any inter group conflicts

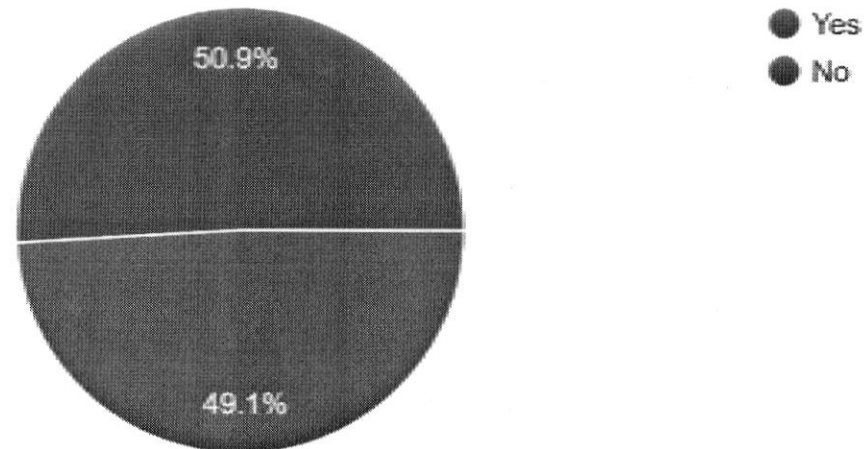
55 responses



13. Majority of employees said there were no incentives for performance.

Are there any incentives given to top performers

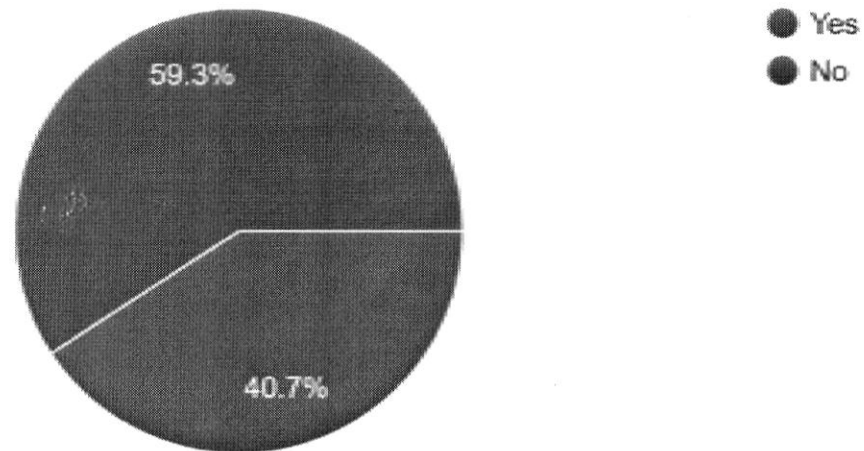
55 responses



14. Majority of respondents said there was no feedback given on their performance.

Are you given feedback on your work performed

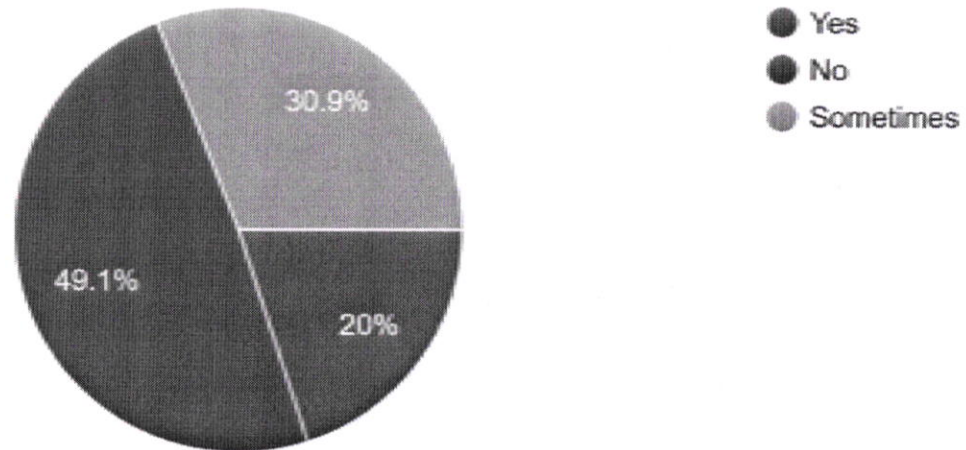
54 responses



15. Majority of employees said the company didn't provide an opportunity to showcase their talent.

Does the company give you an opportunity to showcase your talent

55 responses

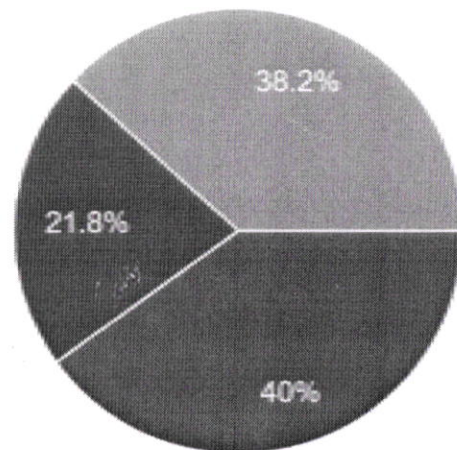




## 16. Employees said they will be given an warning for absentesim.

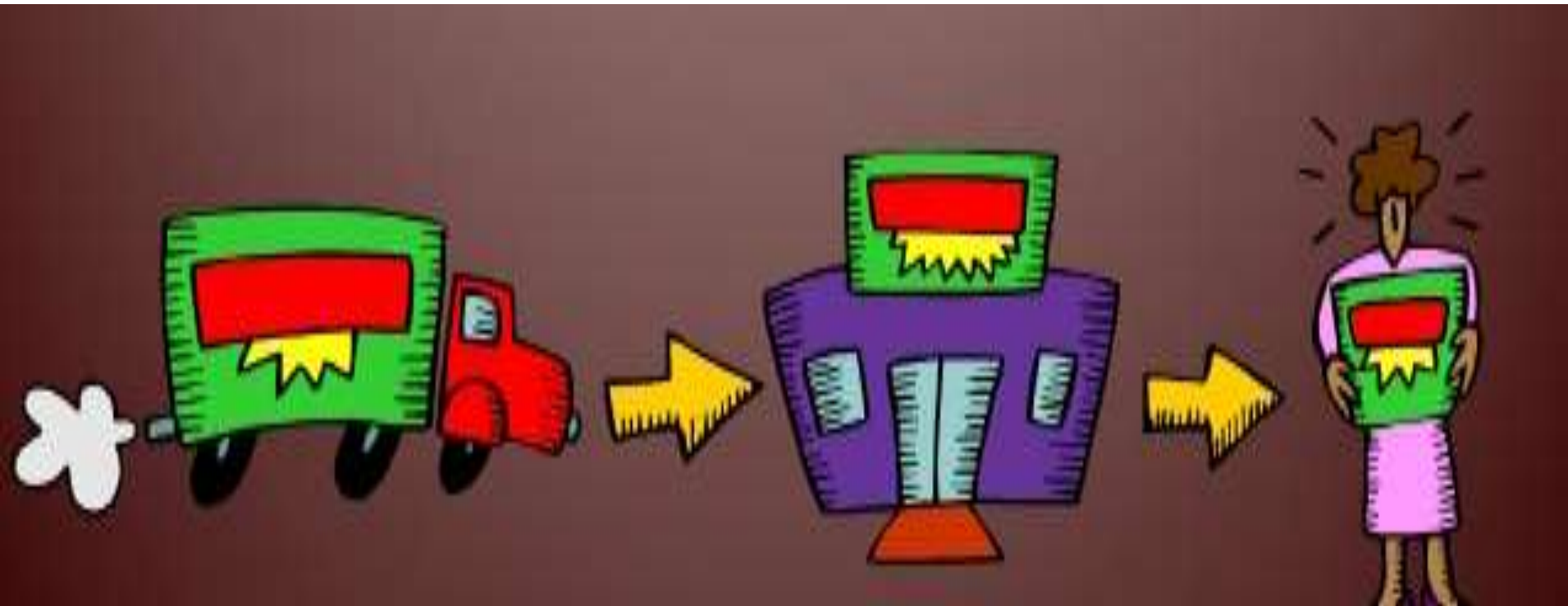
### How is employee absenteeism dealt within the company

55 responses



- By giving a word of caution
- Rewarding employees for maximum attendance
- Deductions from Salary (Loss of Pay)

# DISTRIBUTION CHANNELS



“Distribution is the process of making a product or service available for use or consumption by a consumer or business user, using direct means, or using indirect means with intermediaries”.

Distribution of products takes place by means of channels.

“A Channel of Distribution comprises a set of intermediaries which perform all of the activities utilized to move a product from production to consumption”.



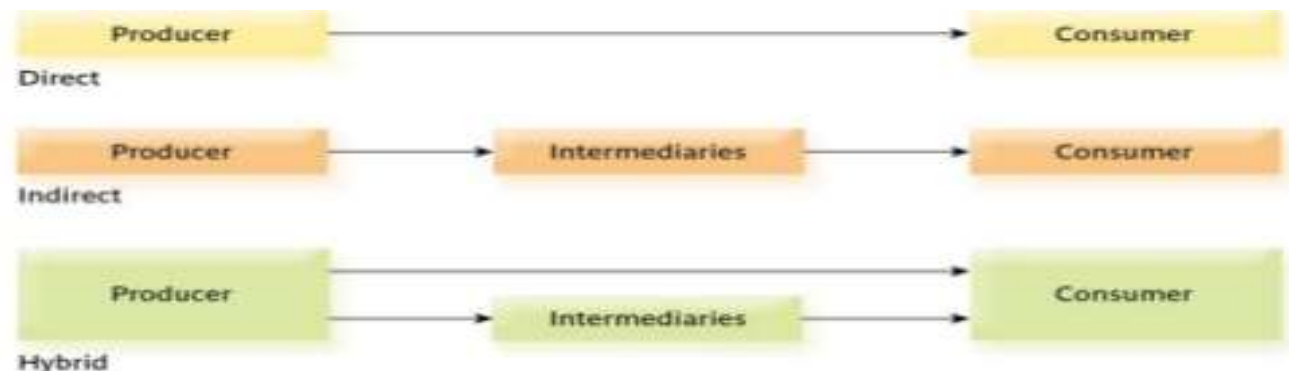
# TYPES/LEVELS OF DISTRIBUTION CHANNELS

There may be two bases of classification of distribution channels-

1. **‘Business-to-Consumer’(B2C)**Distribution Channel.
2. **‘Business-Business’ (B2B)** Distribution Channel.

Both types /levels of distribution channels may be-

1. Direct
2. Indirect
3. Hybrid





**Direct Channel**: A distribution system is said to be direct when the product or service leaves the producer and goes directly to the customer, with no middlemen involved.

For example,

- Company owned outlets
- Barber utilize direct distribution because the customer receives the service directly from the producer.
- The jewelry manufacturer who sells its products directly to consumer.

**Indirect Distribution Channel:** An indirect distribution channel relies on intermediaries to perform most or all distribution functions, otherwise known as wholesale distribution.

**Hybrid Distribution Channel:** Many times companies use combination/hybrid of Direct and Indirect channels to distribute its product in the market.

– Ex: A company (suppose Samsung mobiles) may sell the product through its exclusive company owned outlet and website, as well as through independent retailers.

# Distribution Channel for Consumer Products

## Levels of Distribution Channel



**Thank  
You**





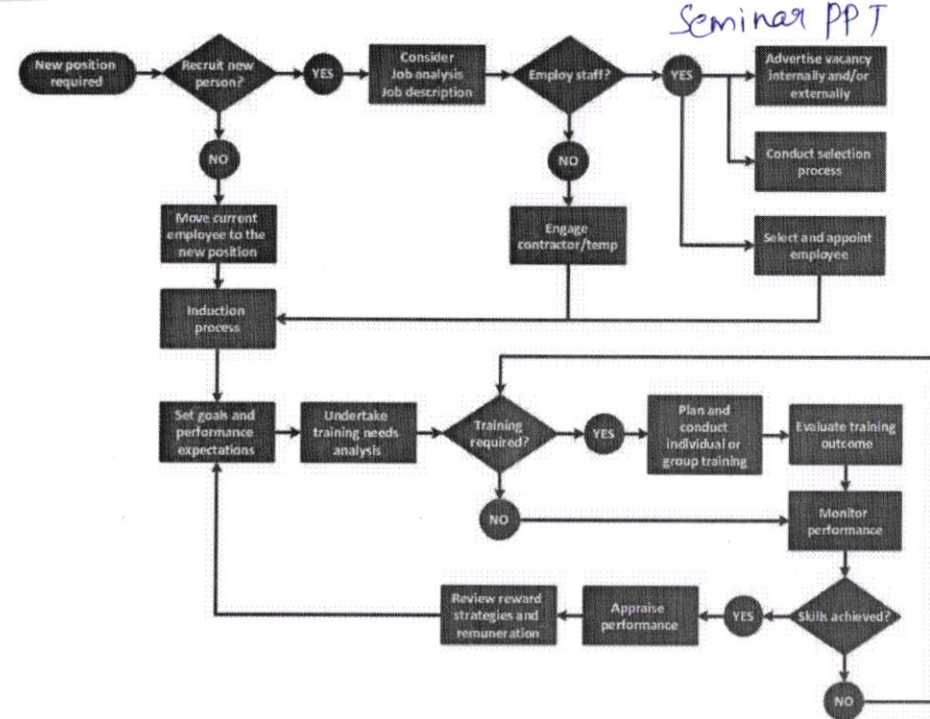
# Understanding Mess

- The Process Flow Chart provides a visual representation of the steps in a process. ...

When to Use:

One of the first activities of a process improvement effort is constructing a flowchart. It provides the following benefits:

- 1- It give you and everyone a clear understanding of the process.
- 2- Facilitates teamwork and communication.
- 3- Helps to identify non-value-added operations."



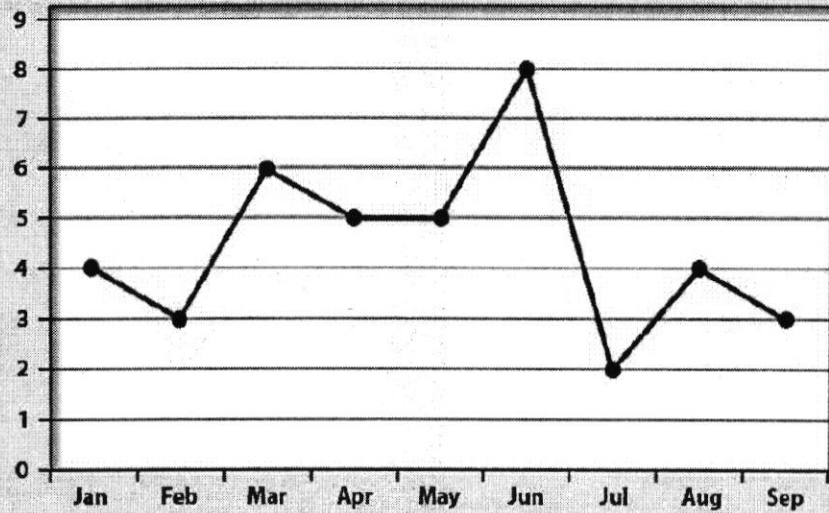
# Run Charts

- A run chart is a line graph of data plotted over time. By collecting and charting data over time, you can find trends or patterns in the process. Because they do not use control limits, run charts cannot tell you if a process is stable.
- However, they can show you how the process is running. The run chart can be a valuable tool at the beginning of a project, as it reveals important information about a process before you have collected enough data to create reliable control limits

A supervisor of a customer service center collects data on the number of complaints that are filed each month. Data for the last several months are shown below.

Complaints	month
4	Jan
3	Feb
6	March
5	April
5	May
8	June
2	July
4	August
3	september

Run Chart of Customer Complaints



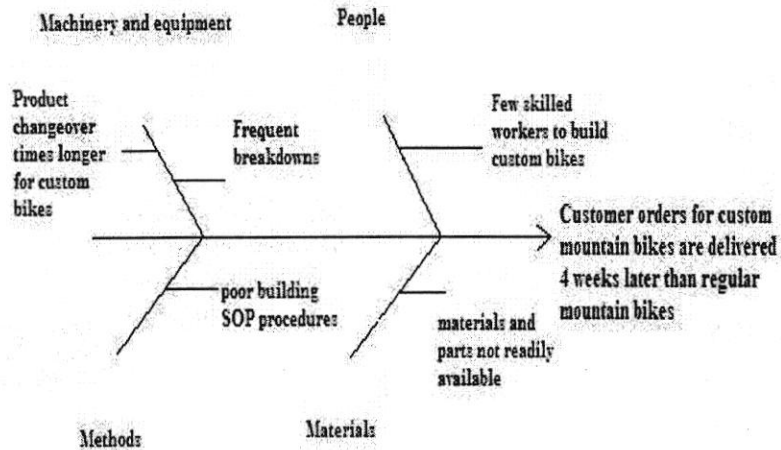
An accounts department started an improvement project to try to reduce the number of internal purchase forms that its users completed incorrectly. As an overall measure of their success, they used a p-type Control Chart to measure the proportion of purchase forms that were not complete correctly. This was chosen, rather than measuring the actual number of defects, because any number of defects on a form required about the same effort to revise. Each point on the chart represented all purchase for

## Control Charts

- The control chart is a **graph** used to study how a process changes over time. Data are plotted in time order. A control chart always has a central line for the **average**, an upper line for the upper control limit and a lower line for the lower control limit. These lines are determined from historical data.

## Fish bone diagram

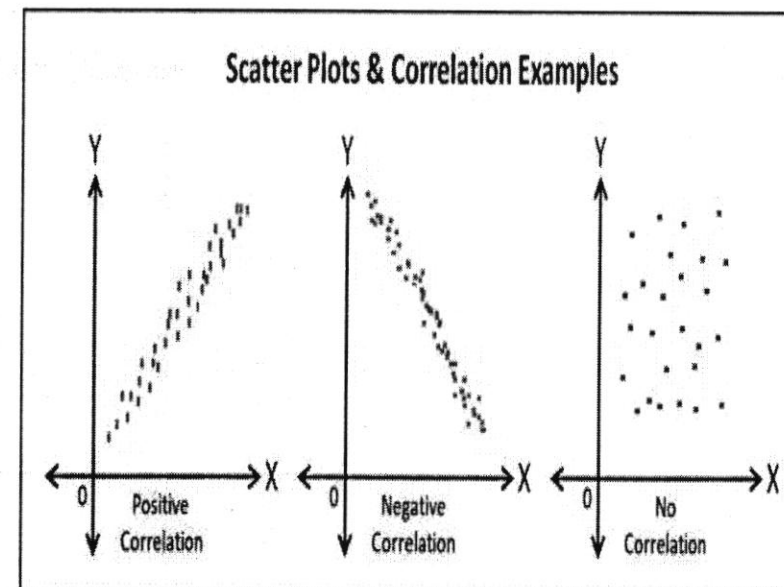
- Identify the problem
- Identify the possible causes
- Draw the fish bone diagram including the possible causes and the four standard possible sources
- Machinery and equipment
- Materials
- Methods
- men



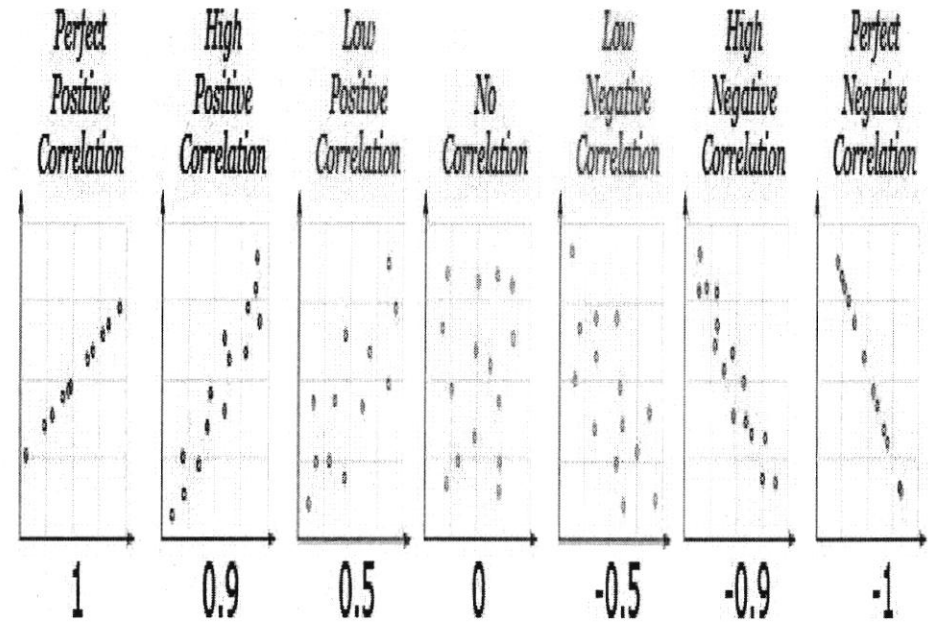
## Scatter diagram

- Also called: scatter plot, X–Y graph
- The scatter diagram graphs pairs of numerical data, with one variable on each axis, to look for a relationship between them. If the variables are correlated, the points will fall along a line or curve. The better the correlation, the tighter the points will hug the line.

- When you have paired numerical data.
- When your dependent variable may have multiple values for each value of your independent variable.
- When trying to determine whether the two variables are related, such as...
  - When trying to identify potential root causes of problems.
  - After brainstorming causes and effects using a fishbone diagram, to determine objectively whether a particular cause and effect are related.
  - When determining whether two effects that appear to be related both occur with the same cause.
  - When testing for autocorrelation before constructing a control



In a Positive Correlation, when one variable increases, a positive increase can be expected from the second variable.  
 The opposite is true for the Negative correlation, when one variable increases, the other variable can be expected to decrease.  
 No Correlation results when the two variables have no measurable effect on each other. That is a change in X, does not impact Y.



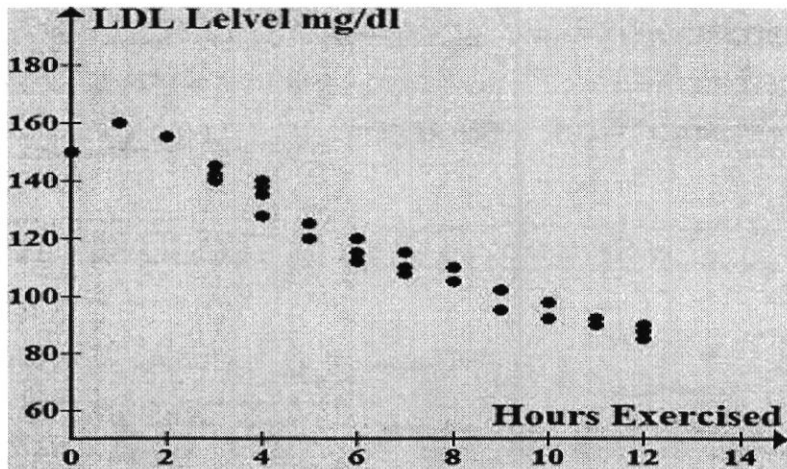
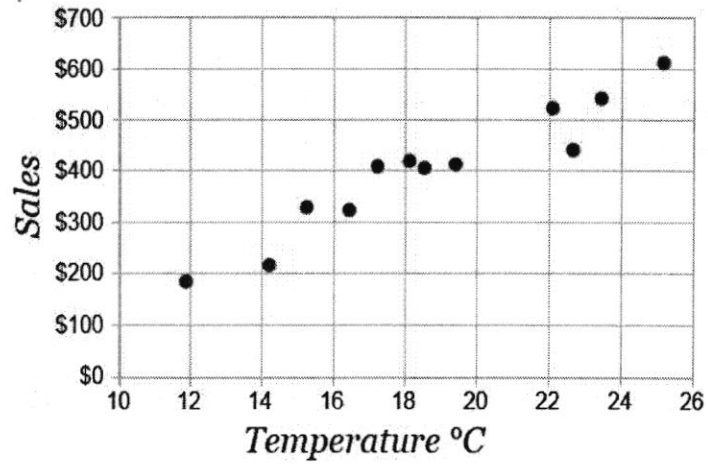
- Example:
- The local ice cream shop keeps track of how much ice cream they sell versus the noon temperature on that day. Here are their figures for the last 12 days:

Temperature	Ice cream sales
14.2	215
16.4	325
11.9	185
15.2	332
18.5	406
22.1	522
19.4	412
25.1	614
23.4	544
18.1	421
22.6	445
17.2	408

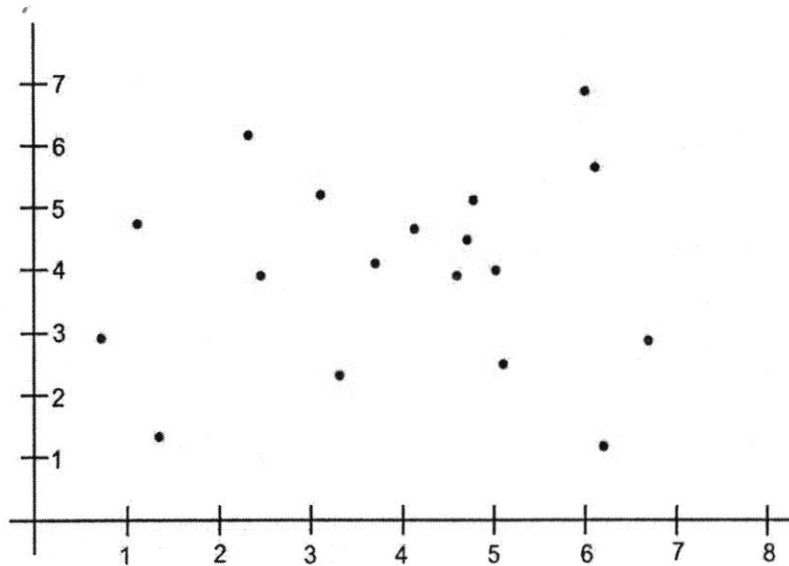


## Negative Correlation

- The following scatter plot shows the Hours exercised in a week against the LDL Cholesterol Level.

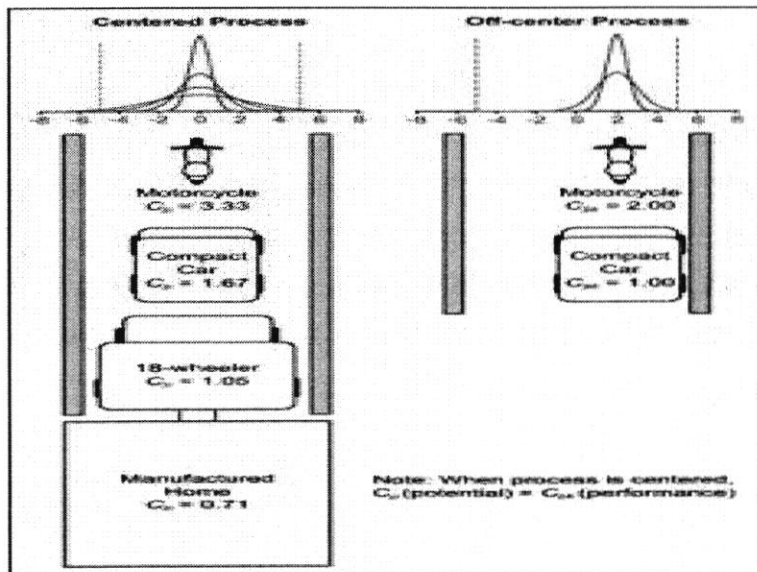


- A scatter plot in which the points do not have a linear trend (either positive or negative) is called a **zero correlation** or a **near-zero correlation** (see below).



## Process capability

- Refers to ability of the process to meet the design specifications for a product or service.
- Design specifications are often referred as tolerance or nominal level or target
- It has three components i) design specifications ii) centering of the natural variation iii) spread of the variation



## Analytical tools

- Process analysis is a technique for helping quality improvement team to understand the process so that the existing process may be improved or a new process is designed and developed the various analytical tools are
- 1) Process Mapping :