

---

:: CHAPTER - No. 1 ::  
INTRODUCTION

- 1.1 INTRODUCTION
- 1.2 OBJECTIVES OF THE STUDY
- 1.3 SCOPE OF THE STUDY
- 1.4 METHODOLOGY
- 1.5 LIMITATIONS OF THE STUDY
- 1.6 PLAN OF THE STUDY
- 



CHAPTER NO. I

INTRODUCTION

1.1 INTRODUCTION :

In a country like India, capital formation is a must for the development of the economy. According to the Haralç Domar's " Theory of Economic Development " , Investments should increase in order to increase the productivity " , and income so as to have full employment in economy.

To have more investments, savings must be generated from the general public at a large scale, Here comes the importance of banking institutions. These banking institutions accept the deposits in the form of savings, and these savings are made available to the enterpreneurs in the form of loans, for the productive purposes.

Proper banking facilities are sine qua non of progress in trade, industry and agriculture. According to the Namlong's Company Act of 1949, banking institutions has been defined as " Any institution which is dealing with the transaction of lending loans and accepting deposits must have these words Bank, Banking or bankers. And there should be clearcut definition of bank such as " accepting for the purpose of lending or investment of deposits from the public and repayable on demand or otherwise and withdrawable by cheque draft, or order or otherwise " <sup>1</sup>

In view of the importance of the banking system for the development of the economy of a country and the importance of good customer relations for the development of the banks the bank has to maintain smooth relations with the customers. The growth of an organisation purely depends on the relationship it develops with its customers/clients. The history has proved this fact and still it is being practiced in our modern economy. In the modern customer oriented concept " The customer is the king and pivot on which the organisations revolve their services. He is the corner stone of their edifice. He is the reason of their success and growth " <sup>2</sup>. Hence it is necessary to build up confidence and goodwill of the people, and build up a strategy of reaching the various communities; so is the case with the banking institutions, where customer is a must both for the individual development of a particular bank and the development of the banking system and the nation as a whole. Hence it was decided to study the nature of customer-relation, of the banks with the special reference to Bank of India, in Kolhapur city.

#### 1.2 OBJECTIVE OF THE STUDY :

The important objectives of the present study are as follows :

1. To study the historical development of Bank of India in general and particularly in Kolhapur city.
2. To Analyse and examine the customer relations of Bank of India and its branches in Kolhapur city.
3. And to make the necessary suggestions for maintaining the good customer relations of the Bank.

### 1.3 SCOPE OF THE STUDY :

1. The study covers bank of India and its three branches in Kolhapur city only.
2. The study includes observations and opinions of Branch Managers of Bank of India and the customers of Bank of India.
3. A sample of 150 customers taken at random is covered under this study.

### 1.4 THE METHODOLOGY :

The methodology adopted for the study was divided into following stages :

#### STAGE NO. 1 ✓

- a) Personal discussions with the managers and officers of the Bank of India with a view to get the general information regarding the functioning of the bank of India as whole. This covers the priliminary information about the Bank of India, its objectives and its achievements.
- b) Discussions with the public Relation Manager of Bank of Ihdia the general strategy of Bank of India in respect of customer relations.
- c) Preparation of the questionnaire in consultation with the manager, and public relation manager of Bank of India and guide teacher.
- d) Prepatation of the interview schedule for conducting the study.

e) The customers selected for interview are on the basis of random smapling therefore a sample of 150 customers is taken for the purpose of this study

Main Branch , Laxmipuri	75 Customers
Shahupuri Branch,	35 "
Ambabai Mandir Branch	40 "

f) The customers are classified on the basis of age education, ~~maxixixi~~ marital status and occupation.

STAGE NO. 2 :

FIELD STUDY WITH THE HELP OF THE QUESTIONNAIRE AS PREPARED FOR THE PURPOSE OF THE STUDY :

- a. 150 important customers belogging to Kolhapur city were visited and interviewed.
- b. Three branches of Bank of India located in Kolhapur city were visited and during the visit spot obser- vation has been made.

STAGE NO. 3 :

The report is drafted on the basis of the collection of date secondary and primary and the observations made during visits made to Bank of India.

STAGE NO. 4 :

This draft report was discussed with the guide teacher and finalised .

### 1.5 LIMITATIONS OF THE STUDY :

The study is completed on the basis of information supplied by the Bank Manager, and the relation customers of the Bank. However, certain difficulties, faced by the researcher are mentioned as under.

- a) Some of the customers were unwilling to answer all question and supply the details information and various items.
- b) Some of the customers were unwilling to ~~writes~~ waste there valuable time for the sake of such type of ~~d~~issertation work. Such customers and some of the staff members of the Bank ~~xxxx~~even argue that such study has no practical utility for them.

### 1.6 PLAN OF THE STUDY :

The study is divided in to following chapters.

1. First Chapter deals with introduction to the Study . It includes the objectives , scope and Limitations of the study. Also it includes methodology adopted for the study.
2. The Chapter entitled a Profile of Indian Banking system deals with ~~role~~ and development of Banking in India. It covers recent trends in Indian Banking.

3. In this Chapter viz. Profile of Bank of India, the origin and development of Bank of India with special reference to Kolhapur city. is studied .
4. The 4th chapter i.e. conceptual study of customer relation deals with the meaning and importance of customer relations, stages and tools of customer relations.
5. In this chapter the data collected through a questionnaire is analysed and interpreted.
6. The last chapter deals with suggestions and conclusions to be drawn from the data analysed.