

SUMMER INTERNSHIP REPORT ON  
**“A STUDY ON RETAIL BANKING WITH  
SPECIAL REFERENCE TO YES BANK”**

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## **DECLARATION**

I, Rahul Ramachandran, hereby declare that the project titled “*A Study on Retail Banking with special reference to YES BANK*” is my original work conducted for the fulfillment of my Major Research Project.

This work is conducted under the guidance and supervision of Mr. **Yashdeep Singh (Project Mentor)**.

This Report work has not been performed on the basis for the award of any Degree or Diploma Associate-ship / Fellowship and any other similar project if any. This Report has not been previously submitted for any Examinations / Institutes / Universities. The information submitted is true and original to the best of my knowledge.

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**Signature of the Student**

## **CERTIFICATE FROM INSTITUTE**

This is to certify that Project Report on “*A Study on Retail Banking with special reference to YES BANK*” is a bona fide work carried out by Rahul Ramachandran, who is a student of MBA 2017-19 Batch. The project is submitted to Delhi School of Management, Delhi Technological University in partial fulfilment of the requirement for the award of degree of Master of Business Administration.

Signature of Guide

Mr. Yashdeep Singh

Signature of Head of Department

Dr. Rajan Yadav

Place:

Seal of Head:

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Also, I would like to thank my classmates have made valuable comment suggestions on my project which gave me an inspiration to improve the quality of the project and lastly, to God for giving me the skills and the patience because of which this project was made possible.

Regards

Rahul Ramachandran

Batch: 2017-19

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# **EXECUTIVE SUMMARY**

## **TITLE OF PROJECT**

**“A Study on Retail Banking with special reference to YES BANK”**

## **STATEMENT OF THE PROBLEM**

As there is immense opportunities of the retail banking in India. This Dissertation is on the issues and challenges in the retail banking because of the competition of the various banks and the customer satisfaction of the services which the banks are providing and at the same time to solve the complaints of the customer and maintaining the sound relationship for the future and by this way to estimate the future growth of the retail banking.

Retail banking is the most visible face of banking for the general public. Retail Banking refers to provision of banking products and services offered to individual customers, typically for non-entrepreneurial purposes. Retail banking involves offering of products both sides of the balance sheet eg. Fixed, current / savings accounts on the liability side; and mortgages, loans (e.g., personal, housing, auto, and educational) on the asset side. Additionally, retail banking also involves offering of credit cards, depository services and other para-banking products and services viz. insurance products, capital market products etc. to individuals. Thus, retail banking services broadly corresponds to the banking services providing in the intermediate phase of evolution of banking. While retail banking offers phenomenal opportunities for growth, the challenges are equally daunting. The exacting regulatory requirements on the consumer protection front, risks from a slowing global economy and increasing customer expectations mean that banks must innovate to grow. This Article deals with various aspects of Retail Banking in India, mainly the Challenges and latest Trends.

## **OBJECTIVES**

1. To study the issues and challenges in retail banking
2. To study the recent trends in retail banking
3. To ensure high satisfaction level and reduce percentage of complaints of customers in retail banking.
4. To estimate the future growth of Indian retail banking.
5. To understand Optimization of retail banking channels.
6. To suggest strategies for improvement in Customer Service.

## **DATA COLLECTION**

Data was collected from two sources-primary and secondary sources.

1. **Primary data collection-** The primary data was collected by means of survey. It was collected from different customers through questionnaire and through google form.
2. **Secondary data collection-**This data was collected from Internet, Company's websites and Magazines.

## **SAMPLE SIZE**

Sample size was restricted to 100 respondents, since it was a project conducted from within Delhi it was possible through google form which was shared through online social media and through emails.

## **SAMPLING METHOD**

For this research **Non- Probability Convenience Sampling has been used** because time limit for the completion of the work is limited and also managers and employees were not available all the time.

**Area of Study-** Delhi

**Duration-** 6 months



## CHAPTER 1: INTRODUCTION

Banking in India has come a full circle from the time when you had to wait in a queue to collect cash to getting it delivered at your doorstep at no extra cost. Add to that services like phone banking, Internet banking, 24-hour ATM, draft delivery at home, etc.

Though the contemporary banks' services have changed a lot over the last few years, the core function has remained the same. Banks handle deposits and withdrawal of money, provide loans, pay a part of the surplus as interest and the rest is kept back for the smooth functioning of the bank and profit making.

A banks' functions can be divided into various divisions like:

**Retail/Personal Banking:** This division provides a range of financial services to individual customers and small companies. It operates mainly through branch networks. Retail banking includes routine transactions like deposits and withdrawals of money; money transfer; foreign currency exchange and traveller'scheque encashment. They also deal with personal and small loans, credit and mortgages; insurance policies; investment schemes; pension funds; and advice to customers on various financial matters. Apart from offering home loans, car loans, educational loans, consumer loans, etc. they also develop various deposit schemes and help people fill their coffers.

**Corporate Banking:** They deal with medium to large-scale companies and government agencies. It could start at the local branch manager level, though more complex dealings are routed through corporate divisions of clearing banks and their merchant banking subsidiaries. Corporate banking deals with credit and advances, trade finance, foreign exchange management, asset management, lease financing of heavy equipment, infrastructure, machinery, credit risk assessment, etc. They also advise clients on matters such as corporate mergers and acquisition, raising capital and business strategy regarding competitors and outside factors.

**Merchant Banking:** Investment management is the primary activity of this group. It could be on behalf of corporate clients, or institutional investors-like pension funds, investment trusts, or those in the securities business. This groups also handles public issue and marketing of shares, debentures and other such papers. It may also include other stock market functions like dematerialization services, investment advisory services, etc. Merchant banking executives research into capital market, advise and manage funds of various corporate and individual customers.

**Treasury group:** This group takes care of the total funds of a bank including foreign exchange reserves. Responsibilities include bank portfolio management, dealing in foreign currency, etc. There are Forex (foreign exchange) dealers in this group who exclusively deal with the foreign market. They buy and sell foreign exchange at the minimum exchange cost thereby earning maximum profit from the transactions.

**Rural Banking:** This group deals with the banking and credit needs of people in the rural sector. Not all banks have this group and some banks have separate subsidiary companies for rural banking.

**Product Management:** This group conceptualizes various banking services and then develops, implements and manages them. They have the responsibility for a banking product (meaning services like personal loans, home loans, credit cards, loans against shares, educational loans, etc.)

Apart from these main functional groups, there is an appraisal group to analyse economic feasibility of industrial projects, the bank's exposure to financial risk and long term returns. There are internal auditors who audit the bank's internal books of accounts. There are various groups of professionals like lawyers, engineers, agricultural scientists and economists who work in various departments in advisory capacities. They help make decisions on issues that are legal, technical or economic in nature. For example, the economist advises various functional groups on the implications of the Union budget on the business of the banks, consumer buying pattern, etc.

## **INDUSTRY PROFILE: BANKING IN RETAIL**

With a jump in the Indian economy from a manufacturing sector, that never really took off, to a nascent service sector, Banking as a whole is undergoing a change. A larger option for the consumer is getting translated into a larger demand for financial products and customization of services is fast becoming the norm than a competitive advantage. With the Retail banking sector expected to grow at a rate of 30% [ChandaKochhar, ED, ICICI Bank] players are focusing more and more on the Retail and are waking up to the potential of this sector of banking. At the same time, the banking sector as a whole is seeing structural changes in regulatory frameworks and securitization and stringent NPA norms expected to be in place by 2004 means the faster one adapts to these changing dynamics, the faster is one expected to gain the advantage. In this article, we try to study the reasons behind the euphemism regarding the Retail-focus of the Indian banks and try to assess how much of it is worth the attention that it is attracting.

### **POTENTIAL FOR RETAIL IN INDIA: IS SKY THE LIMIT**

The Indian players are bullish on the Retail business and this is not totally unfounded. There are two main reasons behind this. Firstly, it is now undeniable that the face of the Indian consumer is changing. This is reflected in a change in the urban household income pattern. The direct fallout of such a change will be the consumption patterns and hence the banking habits of Indians, which will now be skewed towards Retail products. At the same time, India compares pretty poorly with the other economies of the world that are now becoming comparable in terms of spending patterns with the opening up of our economy. For instance, while the total outstanding Retail loans in Taiwan is around 41% of GDP, the figure in India stands at less than 5%. The comparison with the West is even more staggering. Another comparison that is natural when comparing Retail sectors is the use of credit cards. Here also, the potential lies in the fact that of all the consumer expenditure in India in 2001, less than 1% was through plastic, the corresponding US figure standing at 18%.

### **But how competitive are the players**

The fact that the statistics reveal a huge potential also brings with it a threat that is true for any sector of a country that is opening up. Just how competitive are our banks? Is the threat of getting drubbed by foreign competition real? To analyze this, one needs to get into the shoes of the foreign banks. In other words, how do they see us? Are we good takeover targets?

Going by international standards, a large portion of the Indian population is simply not “bankable” – taking profitability into consideration. On the other hand, the financial services market is highly over-leveraged in India. Competition is fierce, particularly from local private banks such as HDFC and ICICI, in the business of home, car and consumer loans. There, precisely lie the pitfalls of such explosive growth. All banks are targeting the fluffiest segment i.e. the upwardly mobile urban salaried class. Although the players are spreading their operations into segments like self- employed and the semi-urban rich, it is an open secret that the big city Indian yuppies form the most profitable segment. Over-dependence on this segment is bound to bring in inflexibility in the business.

### **What according to you would be the next big thing to happen in the Indian retail banking sector**

Outsourcing! If you are a keen observer of the market, you would notice that every sector, including big industrial sectors like car manufacturers, have gone for outsourcing their requirements. Over a period, those players who have gone aggressive on outsourcing have found that it saves them not only cost and time but helps them concentrate on their core business area, a key survival necessity in these times of economic downturns.

## **CHAPTER 2: LITERATURE REVIEW**

**Joseph m. Et al (1999)**- The study investigates role of technology on Australian banking sector and 300 customers were surveyed. the findings suggested that except from convenience/accuracy and efficiency e-banking services did not match with importance rating specified by customers.

**Lassar, Et Al (2000)**- The study compared two models, that is, SERVQUAL and technical/functional quality model of technology using 65 bank customers using SERPERF SCALE. The findings revealed that technical/functional quality model was better than SERVQUAL because latter was lacking technical dimensions. 2 models were having distinct and unique strength for measuring service quality aspects.

**Bahia, K And J Nantel (2000)**- The paper suggested an alternative scale for measuring service quality in retail banking. the study developed a scale called as banking service quality scale which contained factors like effectiveness and assurance, access, price, tangibles, service portfolio and reliability. this model was found to be more reliable than SERVQUAL.

**Jamal. A., Naser. K., (2002)**- The study examined key drivers of customer satisfaction using 167 customers and it was found that core and relational performances had impact on customer satisfaction and there was negative relationship between customer expertise and customer satisfaction.

**Sureshchandar Et Al (2002)**.- The study examined relationship between service quality and customer satisfaction in indian banking sector. these were found to be independent but closely related. Both constructs vary significantly in core services ,human element, systematization of service delivery, tangibles and social responsibility.

**Gani A,Mushtaq Bhatt (2003)**- The study is conducted to do a comparative study of service quality of commercial banks and its dimensions in commercial banks. servqual is used and sample size was 800 customers. the study found out that citi bank and standard

chartered bank are good in tangibility and in reliability also they are good. in responsiveness parameter indian banks are inferior to foreign banks. in assurance and empathy indian banks are inferior.

**Navdeep Aggarwal And Mohit Gupta (2003)-** This study basically finds out the primary dimensions and sub dimensions of service quality. informal structured interviews are conducted with branch managers and academicians to formulate a banking service quality model. the study found out that service time and personal interactions are very important along with ambience for service quality.

**Zhou, L (2004)-** The study analysed impact of service quality in banks on customer satisfaction in china's retail banking and it was found out that reliability and assurance were the primary drivers of customer satisfaction. it was also found out that there were significant variations in expectations and perceptions in customers.

**Arora S (2005)-** This study analysed factors influencing customer satisfaction in public sector, private sector and foreign banks in northern india. 300 customers were given questionnaires which reveled that significant differences exist in customer satisfaction level of customers in each group of banks regarding routine operation and situational and interactive factors. foreign banks were found to be the leaders in mechanization and automation.

**Debashis And Mishra (2005)-** The study analysed and measured customer satisfaction in branch services provided by nationalized banks in northern India . 1200 customers were given questionnaires and it was found out that computerization, accuracy in transactions, attitude of staff and availability of staff influenced customer satisfaction. least important factor was promotion of the products and various schemes.

**Mushtaq M Bhat (2005)-** This study finds out service quality parameters in bank through servqual and influence of demographic variables. the study was limited to SBI, PNB, Jammu And Kashmir bank citi bank and standard chartered grind lay's bank. sample size was 800 and study found out that foreign banks are better than indian banks.

sbi was found to be relatively poor on reliability and responsiveness. banks in delhi were comparatively better in-service quality.

**Alka Sharma,Varsha Mehta (2005)-** The study focuses on service quality of four leading banks and their comparison.

**Joshua A J, V Moli, P. Koshi (2005)-** The study evaluated and compared service quality in old and new banks using sample size of 480. the study found out that customers were satisfied in reliability, empathy and price and for other parameters the difference between expectations and perceptions were smaller than public sector banks.

**Mohammad Et Al (2005)-** The study tries to develop a comprehensive model of banking automated service quality taking into consideration unique attributes of each delivery channel and other dimensions which influence service quality

**Raul And Ahmed (2005)-** The study investigated customer service in public sector banks in 3 districts in Assam and it was found that customers were dissatisfied with the management, technology and interactive factors along with high service charges. communication gap was the root cause of poor service and service was different in rural and urban sectors

**Sharma And Sharma (2006)-** The study analysed customer delight in urban consumer banking. the study found out that customers were satisfied with loan facilities, bank environment, routine work procedures, location, interest rates etch and were dissatisfied with loan formalities and promotion through media.

**Dash Et Al (2007)-** The study measured customer satisfaction through 5 service quality dimensions in Noida and Ghaziabad and findings revealed that assurance was the most important dimension of service quality followed by reliability and responsiveness. tangibles were found to be least important.

**Sharma S, Et Al (2007)-** The study did a comparison of public and private banks with respect to perceptions of customers regarding service quality. it was found out that

service quality is associated with satisfaction and there was significant difference between quality of services provided by banks. banks in smaller cities are far behind big cities in this regard

**Tracey Dagger, Jillian Sweeney (2007)**- The study consists of qualitative research to investigate the effect of consumption stage on service quality perceptions and then development of hypothesis. the findings indicate the evidence that customers rely more heavily on attributes that are search based in the initial stages of service experience and in later stages consumption becomes important.

**Dr. Vannirajan & B. Anbazagan (2007)**- The study tries to make an assessment of SERVPERF scale in the Indian retail banking sector by doing a survey in banks at Madhurai. the study found that in public sector banks tangibles and assurance are most important and in private sector banks reliability ,responsiveness and tangibles are most important.

**P K Gupta (2008)**- The objective of this study was to find out the behavior of customers with respect to internet banking vis-à-vis conventional banking. the study found out that internet banking was found to be easier and speedier than conventional banking and trust, accuracy and confidentiality were the most important factors here.

**Ellaine Wallace&Leslie De Cheratatony (2009)**- The study finds out the importance of ,assurance and reliability, customer orientation teamwork etc in performance of . also the study highlights criticality of branch& employee teamwork for performance. continuous commitment and service recovery were also found important.

**Mohammed Siddique Khan,Siba Sankar Mahapatra (2009)**- The study was to identify important parameters affecting service quality in internet banking. factor analysis of the data collected finds 7 factors which included factors like reliability, access, user friendliness privacy etc. correlation analysis shows that a significant positive correlation exists between factors..also it was found out that business class differs from other classes in perception.



**Padhy P K And B N Swar (2009)**- The paper investigated role of technology in banking and its impact on perceived service quality in public, private and foreign banks in orissa using a sample size of 300 customers. foreign bank was found to be very close to expectations of customers followed by icici and axis. service quality in public sector banks was found to be very low.

**Rod Et Al (2009)**- The study focused on relationship between service quality, overall internet banking service quality and customer satisfaction in new zealand. the study found out that online customer service quality and online information systems were significantly and positively related to overall customer internet banking service quality. overall internet banking service quality and customer satisfaction were positively correlated.

**Sandip Khosh Hazra, Dr. Kailash Srivatava (2010)**- The study was done to find out the association between service quality, customer satisfaction, loyalty and commitment. SERVQUAL is used and the study finds out that in private banks dimensions of service quality, assurance and reliability are significant for satisfaction of customers, loyalty and commitment. the banks taken differed in these parameters.

**Akiko Ueno (2010)**- The paper talks about the importance of quality. the study finds out the features that are fundamental in supporting service quality. the secondary research finds out the human resource functions like recruitment, teamwork etc in maintain service quality.

**Monica Bedi (2010)**- The study investigates relationship between service quality, customer satisfaction and behavioral intentions. the findings also indicated the importance of service quality. the study also found out that banks differed in the service quality parameters.

**Fulbag Singh, Davinder Kaur (2010-11)**- The study combines all literature review done in service quality and related areas in banking till 2010. it contains the works of Cronin & Taylor, Bahia and Nantel and others on this area.

**Dr Ravichandran Et Al (2010)**- The paper analyses existing study and tries to understand socio demographic and rational profile of public retail banking consumers. it also finds out the importance of service quality dimensions to predict the multidimensional model of behavioral intentions among public sector consumers in india. loyalty was found to be influenced by operating hours, modern equipment, error free records etc. service quality parameters like tangibility, responsiveness and empathy dimensions were also found to be very important.

**Davood Feiz Et Al (2010)**- The study uses hypothesis to find out service quality in Iran railways. it was found out that perceived service was found to be within zone of tolerance and service was satisfactory. The difference between ideal level and current level was significant. there was significant relationship between service adequacy variables and perceived value. the study in nutshell gives an image of service quality.

**Sachin Mittal&Rajnish Jain (2010)**- This paper is basically a literature review of banking industry and effect of it based services on customer satisfaction. the study highlights customer satisfaction levels among young customers in banking industry. a survey indicates the gaps between customer's expectations and perception with respect to it based banking services. findings indicated need to improve the it based services for enhancing customer satisfaction.

**H.Emari Et Al (2011)**- The main objective of this research was to determine the dimensions of service quality in the banking industry of iran. for this the study empirically examined the european perspective (i.e., gronroos's model) suggesting that service quality consists of three dimensions, technical, functional and image. the results from a banking service sample revealed that the overall service quality is identified more by a consumer's perception of technical quality than functional quality.

**Kumbhar, Vijay (2011)**- It examined the relationship between the demographics and customers' satisfaction in internet banking. It also found out relationship between service quality and customers' satisfaction as well as satisfaction in internet banking service provided by the public sector bank and private sector banks. the study found out

that overall satisfaction of employees, businessmen and professionals are higher in internet banking service. also, it was found that there is significant difference in the customers' perception in internet banking services provided by the public and private sector banks.

**Kailash M (2012)-** The paper compares public and private sector banks in vijayawada city using servqual model. the findings revealed that private sector banks have good services to customers and they retained customers by providing better facilities. the study finds out importance of new products and services for banks for retaining customers.

## **CHAPTER 3: RESEARCH METHODOLOGY**

### **TITLE OF DISSERTATION**

**“A Study on Retail Banking with special reference to YES BANK”**

### **STATEMENT OF THE PROBLEM**

As there are immense opportunities of the retail banking in India. This project is on the issues and challenges in the retail banking because of the competition of the various banks and the customer satisfaction of the services which the banks are providing and at the same time to solve the complaints of the customer and maintaining the sound relationship for the future and by this way to estimate the future growth of the retail banking.

### **OBJECTIVES OF STUDY**

1. To study the issues and challenges in retail banking
2. To study the recent trends in retail banking
3. To ensure high satisfaction level and reduce percentage of complaints of customer in retail banking.
4. To estimate the future growth of Indian retail banking.
5. To understand Optimization of retail banking channels.
6. To suggest strategies for improvement in Customer Service.

### **OPERATIONAL DEFINITION**

Retail banking refers to banking in which banking institutions execute transactions directly with consumers, rather than corporations or other banks. Services offered include: savings and checking accounts, mortgages, personal loans, debit cards, credit cards, and so forth. And to know about the customer's perceptions about the different

products of the bank like current account, savings account, FD, Smart Saver, Smart Access and others.

### **DATA COLLECTION**

There are several Approach of data collection. The primary sources of data collection are done through –

- ✓ Observation
- ✓ Questionnaire

#### **Questionnaire:**

Questionnaire is the method of data collection, which is very much popular, particularly in big cities. Different modes of questions are put up on the paper and the particular universe, on which the research is conducted, are asked to fill their responses

The Secondary source includes data collection through:

- ✓ Magazines
- ✓ Company Website.

### **SAMPLING TECHNIQUE**

(a) **Sampling Unit:-** Walk in customers and the company database of high ended customer.

(b) **Sample Size:-**

Sample size for this project was restricted to 50 respondents. Since it was not possible to cover the whole universe in the available time period, it was necessary for me to take a sample size of 50 respondents.

(c) **Sampling Method: -**

There are three methods of sampling:-

1. Probability Sampling:
2. Non-Probability Sampling:

### 3. Quota

**For this research work Non- Probability Convenience Sampling** has been chosen because time limit for the completion of the work is limited and also managers and employees were not available all the time.

**Area of Study-** Ghaziabad

**Duration-** 3 months

### **DATA COLLECTION METHOD**

Data for the present study is collected from two sources:

#### 1. **Primary Data:**

The data are collected directly from the universe by conducting interviews, etc. these are the original sources from which the researcher directly gathers data which are not previously referred. All the people from different profession were personally visited and interviewed. They were the main source of primary data. The method of collection of primary data was personal direct interview through a structured questionnaire.

**The primary data was collected by means of survey.** Questionnaires were prepared and customers of YES bank were approached to fill up these questionnaires. The filled up information was later analyzed to obtain the required information.

#### 2. **Secondary Data:**

The data are collected from the secondary sources such as magazines, journals, etc. These sources consist of already variable data in the form of statements, and reports, which may include sensory reports, financial statements of the company, reports of governments departments, etc.

It was collected from internal sources. The secondary data was collected on the basis of organizational file, official records, newspapers, magazines, management books, preserved information in the company's database and the website of the company.

Both Primary and Secondary sources was used for data collection.

**For primary source, Questionnaire was used. For secondary source Internet, Magazines, and Newspaper etc were used.**

### **RESEARCH DESIGN**

Research design is simply the framework or plan for a study, used as a guide in collecting and analyzing data. There are three types of Research Design:-

1. **Exploratory Research Design**
2. **Descriptive Research Design**
3. **Casual Research Design**

For the study, **Exploratory Research Design** was undertaken to classify the investors on their risk and return profile.

### **PLAN OF ANALYSIS**

The data obtained from the structured questionnaire was interpreted and recorded. The table and graph were constructed using data from the questionnaire through simple techniques like average, percentage, ratios etc. which was then used for analyzing the acquired data.

## **LIMITATIONS**

1. Designing own and new financial products is very costly and time consuming for the bank.
2. Customers now-a-days prefer net banking to branch banking. The banks that are slow in introducing technology-based products, are finding it difficult to retain the customers who wish to opt for net banking.
3. Customers are attracted towards other financial products like mutual funds etc.
4. Though banks are investing heavily in technology, they are not able to exploit the same to the full extent.
5. A major disadvantage is monitoring and follow up of huge volume of loan accounts inducing banks to spend heavily in human resource department
6. Long term loans like housing loan due to its long repayment term in the absence of proper follow-up, can become NPAs.
7. The volume of amount borrowed by a single customer is very low as compared to wholesale banking. This does not allow banks to to exploit the advantage of earning huge profits from single customer as in case of wholesale banking.



## CHAPTER 4: ANALYSIS

### Profile of Respondents

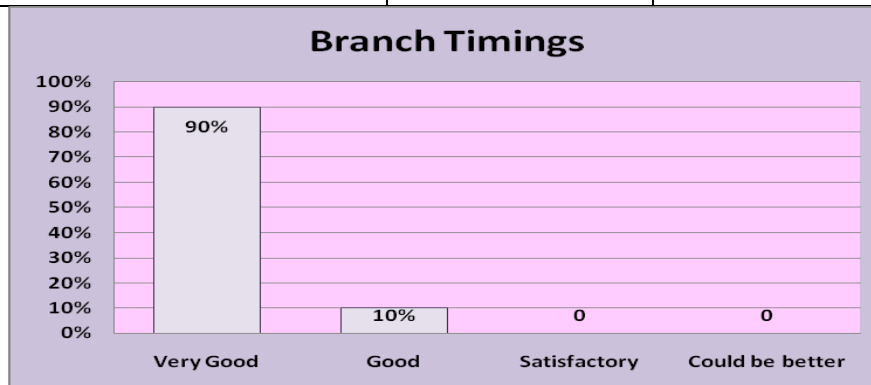
Respondents were the customers of YES bank of Ghaziabad city of age group 25-40 years

#### A. Opinion on Branch experience.

The Branch timings (9:30 am to 6:30 pm from Monday to Saturday) are convenient

**Table:1**

Parameter	In numbers	In percentage
Very Good	90	90
Good	10	10
Satisfactory	0	0
Could be better	0	0



#### Interpretation

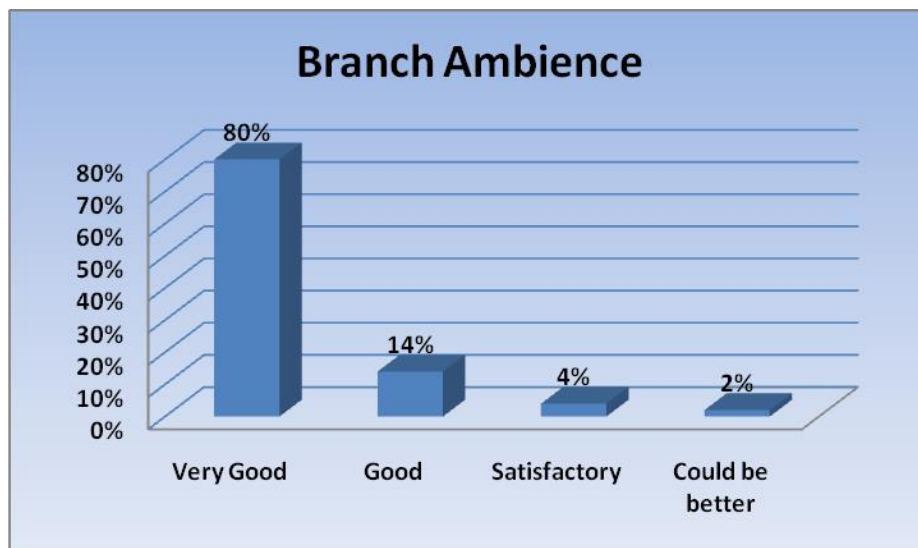
The purpose of this question is to know the whether the bank timings are convenient for the customer,90% of respondents opinioned that bank timings are very good and 10% of respondent opinioned that timings are good. None of the customers have any problem with respect to timings.

**Inference:** As 90% responded very good, it seems high number are happy with bank timings.

**The Branch ambience & layout is very friendly**

**Table:2**

Parameter	In numbers	In percentage
Very Good	80	80
Good	14	14
Satisfactory	4	4
Could be better	2	2



**Interpretation**

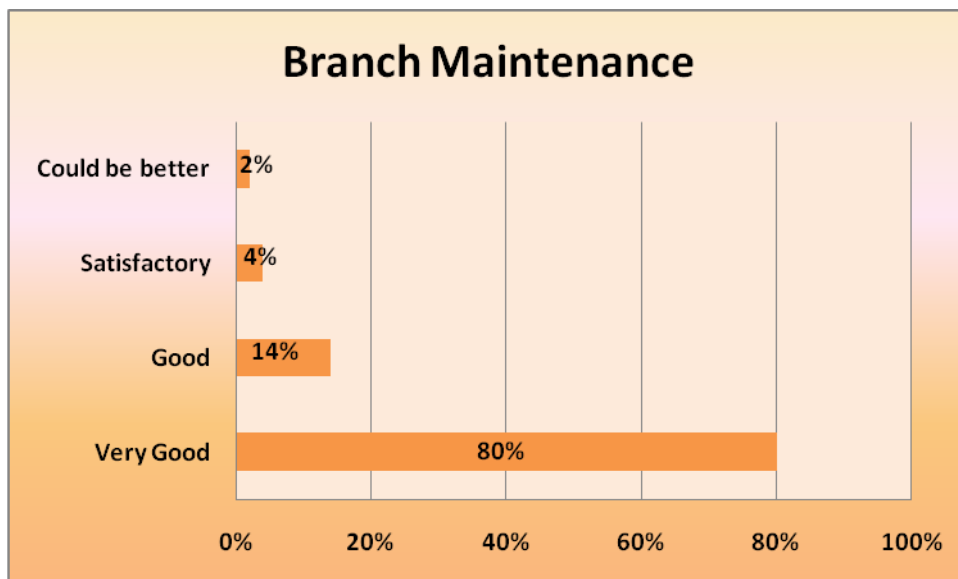
80% were of the respondent opinioned that Branch ambience is very good, 14% were of the opinioned that branch ambience is good while 4% opinioned that it is satisfactory & just 1% opinioned that it could be better.

**Inference:** As 80% of respondents say branch ambience is very good, so not too many respondents like the branch ambience.

### The Branch was clean and well maintained

Table :3

Parameter	In numbers	In percentage
Very Good	80	80
Good	14	14
Satisfactory	4	4
Could be better	2	2



#### Interpretation

80% were of the respondent opinioned that Branch cleanness is very good,14% were of the opinioned that branch cleanness is good while 4% opinioned that it is satisfactory & just 1% opinioned that it could be better.

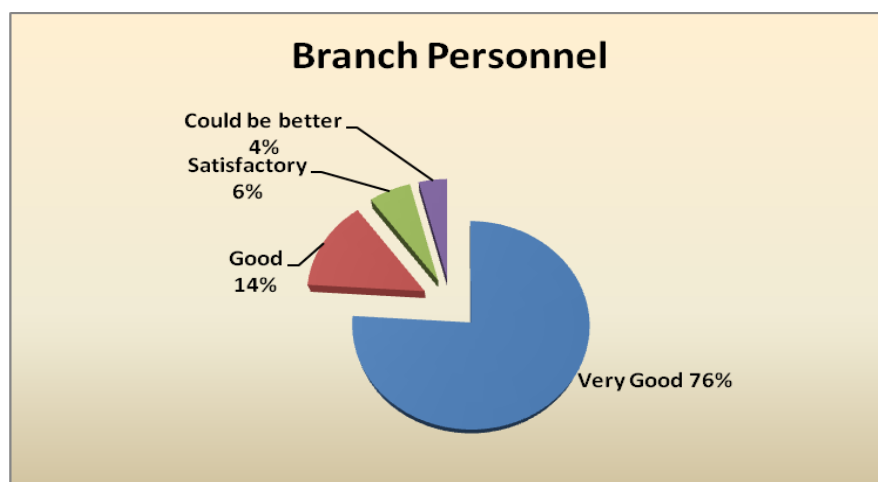
**Inference:**As 80% of respondents say branch cleanness is very good, so not too many respondents like the branch cleanness.

## B. Opinion of the customer regarding Branch personnel?

The Branch personnel have listened to me patiently and have been able to respond to my queries and clarifications

Table:4

Parameter	In numbers	In percentage
Very Good	76	76
Good	14	14
Satisfactory	6	6
Could be better	4	4



### Interpretation

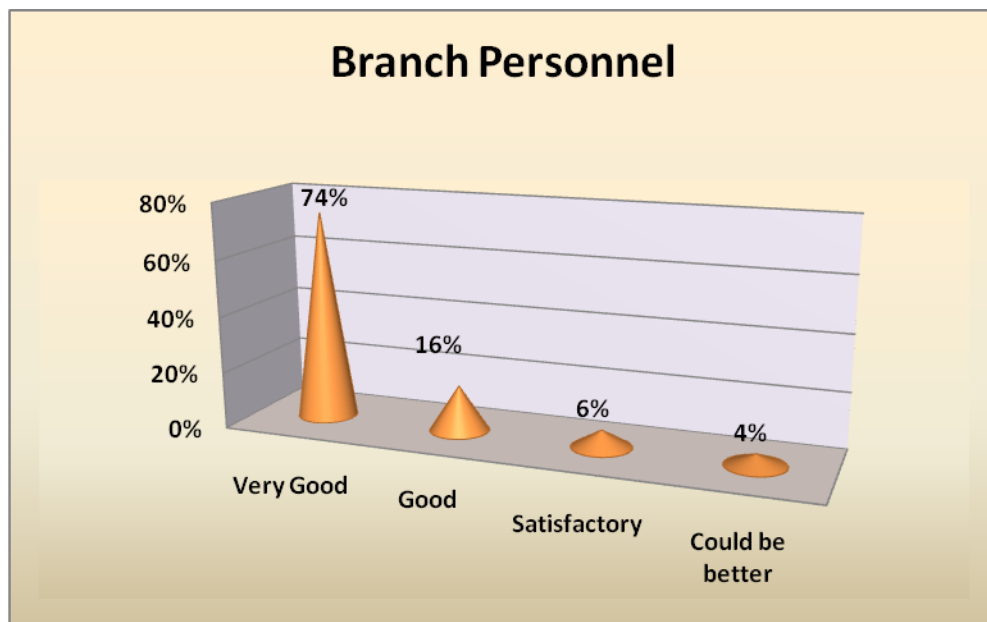
76% of respondents opined that branch personnel listened patiently & have been able to respond to their queries, 14% of respondents opined it is good. While only 6% of respondent opined that it is satisfactory and 4% said it could be better.

**Inference:**As only 76% of respondents say branch personnel listens Patiently and have been able to respond to queries and clarifications,so not too many respondents are satisfied.

**The Branch personnel have been very helpful and courteous**

**Table:5**

Parameter	In numbers	In percentage
Very Good	74	74
Good	16	16
Satisfactory	6	6
Could be better	4	4



**Interpretation**

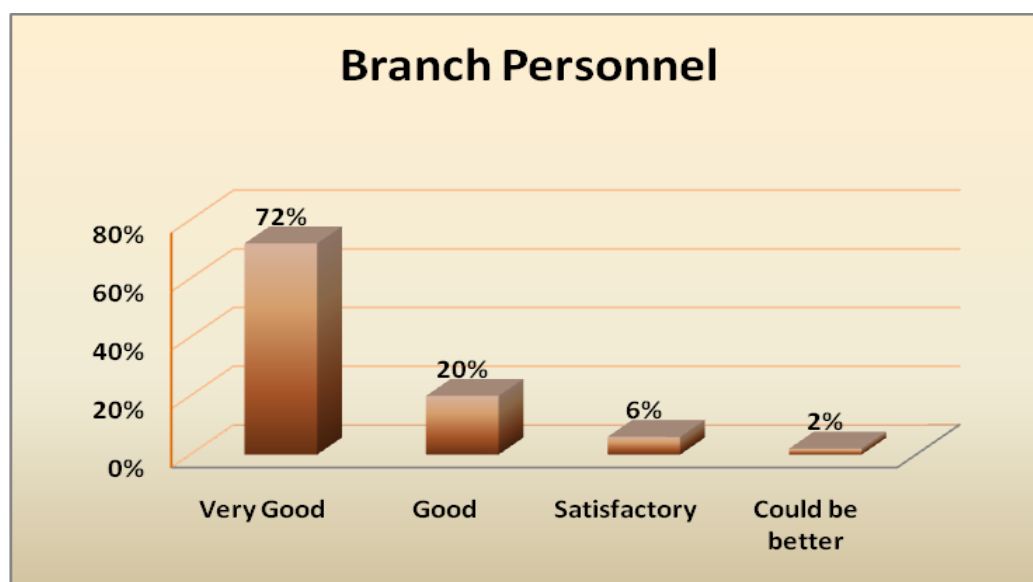
74% of respondents opinioned that branch personnel have been very helpful and courteous, 16% of respondents opinioned it is good. While only 6% of respondent opinioned that it is satisfactory and 4% said it could be better.

**Inference:**As only 74% of respondents say branch personnel have been very helpful and courteous,so not too many respondents are satisfied.

**The branch personnel have done a ‘Need Analyses’ & ‘Risk Assessment’ before recommending any investment option**

**Table:6**

Parameter	In numbers	In percentage
Very Good	72	72
Good	20	20
Satisfactory	6	6
Could be better	2	2



**Interpretation**

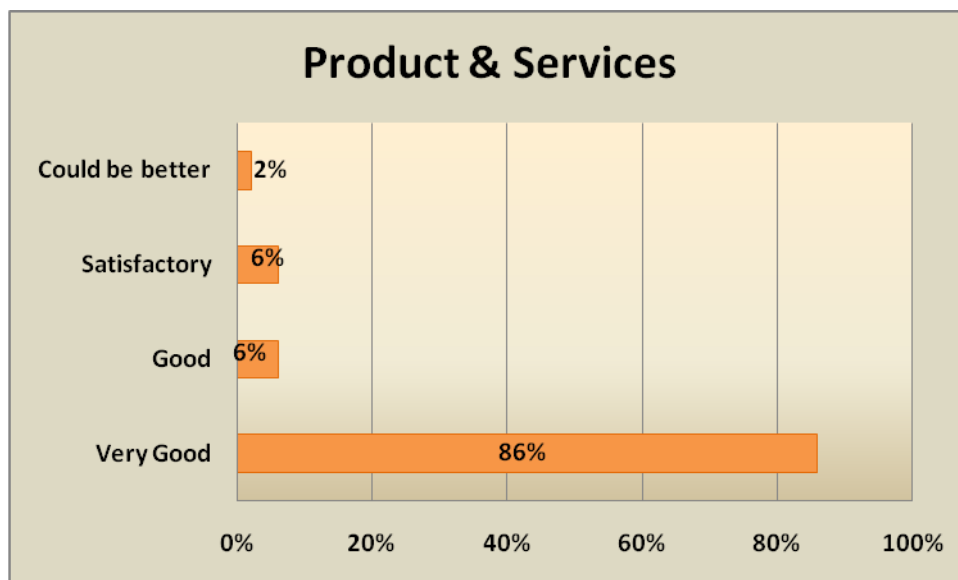
72% of the respondents opinioned that risk assessment before recommending any investment is very good, 20% of respondents opinioned that it is good, 6% of respondents opinioned that it satisfactory and only 2% said it could be better.

**Inference:**As only 72% of respondents say branch personnel does a ‘Need Analyses’ & ‘Risk Assessment’ before recommending any investment option,so not too many respondents have positive response.

**The branch personnel were aware of Product and Services and responded to your queries**

**Table :7**

<b>Parameter</b>	<b>In numbers</b>	<b>In percentage</b>
<b>Very Good</b>	<b>86</b>	<b>86</b>
<b>Good</b>	<b>6</b>	<b>6</b>
<b>Satisfactory</b>	<b>6</b>	<b>6</b>
<b>Could be better</b>	<b>2</b>	<b>2</b>



**Interpretation**

86% respondents opinioned that branch personnel responded to their queries and is very good, 6% says to be good & 6% satisfactory. Only 2% said it could be better.

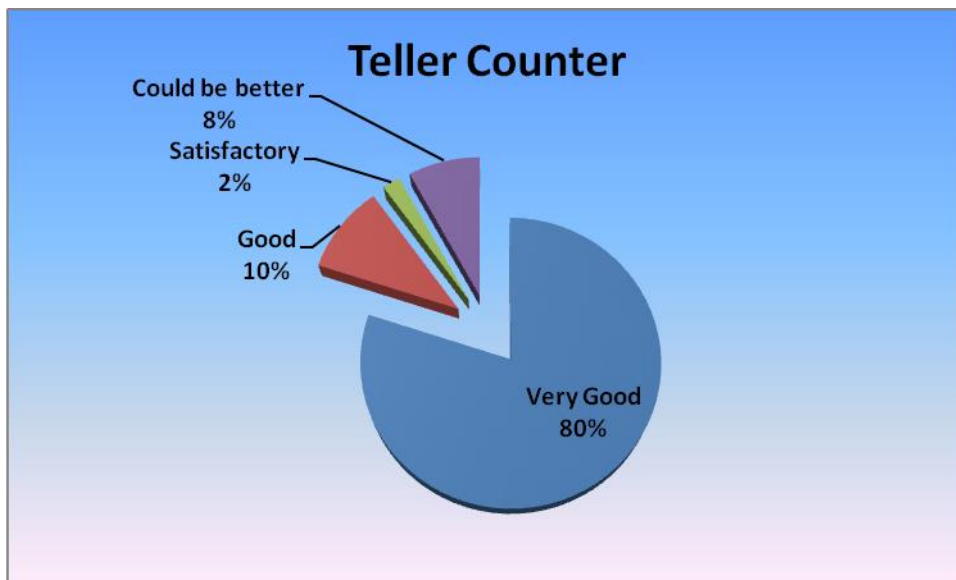
**Inference:**As 86% of respondents say branch personnel were aware of Product and Services and responded to customer queries,so not too many respondents are satisfied.

### C. Customer's opinion of transacting in Branches?

The waiting time at the Teller Counter was minimal

Table:8

Parameter	In numbers	In percentage
Very Good	80	80
Good	10	10
Satisfactory	2	2
Could be better	8	8



#### Interpretation

80% of respondent opinioned that waiting time is minimum at teller counter and it is very good, 10% of respondent opinioned that it is good, 8% its satisfactory and 2% said it could be better.

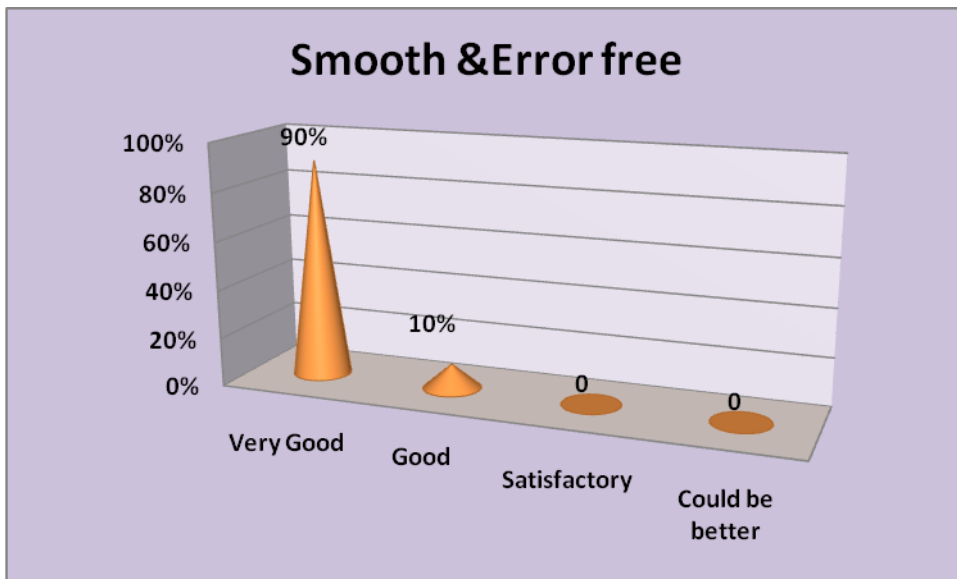
**Inference:**As 80% of respondents say waiting time at teller counter was minimal ,not too many were satisfied with transaction.



**The transactions done by us have been smooth & error free**

**Table:9**

<b>Parameter</b>	<b>In numbers</b>	<b>In percentage</b>
<b>Very Good</b>	<b>90</b>	<b>90</b>
<b>Good</b>	<b>10</b>	<b>10</b>
<b>Satisfactory</b>	<b>0</b>	<b>0</b>
<b>Could be better</b>	<b>0</b>	<b>0</b>



**Interpretation**

90% of respective opinioned that transactions are smooth and error free, 10% of respondent opinioned that transactions are good. None of the customers have any problem with respect to timings.

**Inference:** As 90% responded very good, it seems high number are happy with transactions.

**Yes bank looks into the feedback provided by you and takes necessary action if required.**

**Table:10**

<b>Parameter</b>	<b>In numbers</b>	<b>In percentage</b>
<b>Very Good</b>	<b>82</b>	<b>82</b>
<b>Good</b>	<b>10</b>	<b>10</b>
<b>Satisfactory</b>	<b>4</b>	<b>4</b>
<b>Could be better</b>	<b>4</b>	<b>4</b>



**Interpretation**

82% of respondent responded that Yes Bank looks into the feedback & is very good, 10% said its good, 4% said its satisfactory and 4% said it could be better.

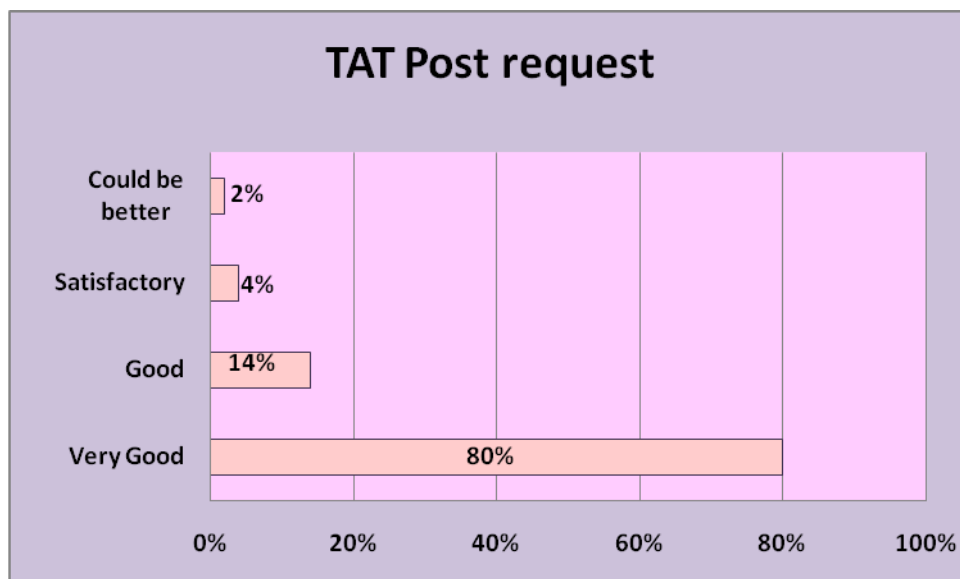
**Inference:**As 82% of respondents says Yes bank looks into the feedback provided by customer and takes necessary action if required, not too many were satisfied with transaction.

**D. Customer’s opinion for Bank seivces?**

**Are you happy with the TAT (Turn around time) post request**

**Table:11**

Parameter	In numbers	In percentage
Very Good	80	80
Good	14	14
Satisfactory	4	4
Could be better	2	2



**Interpretation**

80% of respondent opinioned that TAT post request is very good, 14% said its good 4% said its satisfactory 2% said it could be better.

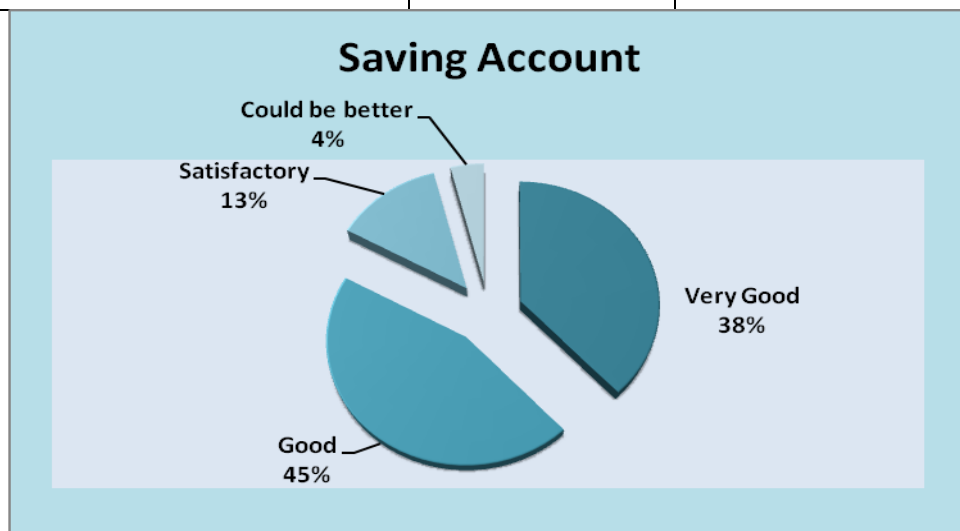
**Inference:**As 80% of respondents say the TAT (Turn around time) post request is very good, not too many were satisfied with TAT post request.

## E.Products and Services

**Which feature of the YBL Savings account you like most**

**Table: 12**

Parameter	In numbers	In percentage
<b>OBOPAY</b>	<b>38</b>	<b>38</b>
<b>Money Monitor</b>	<b>45</b>	<b>45</b>
<b>Instant FD OD facility</b>	<b>13</b>	<b>13</b>
<b>E-Cheques</b>	<b>4</b>	<b>4</b>



## Interpretation

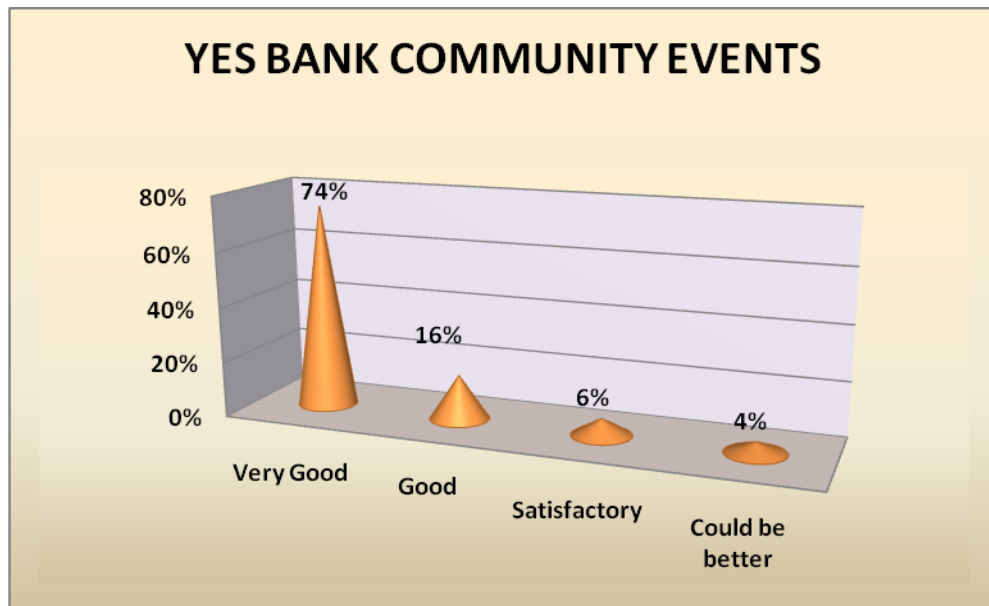
38% of the respondents opinioned for OBOPAY , 45% of respondent are in favour of Money Monitor, 13% are in favour of Instant FD OD while only 4% like E-cheques.

**Inference:** Maximum number of people like Money Monitor feature of YBL Savings account.

**How do you rate the ‘YES COMMUNITY EVENTS’ held at yes bank**

**Table:13**

Parameter	In numbers	In percentage
Very Good	38	74
Good	45	16
Satisfactory	13	6
Could be better	4	4



### Interpretation

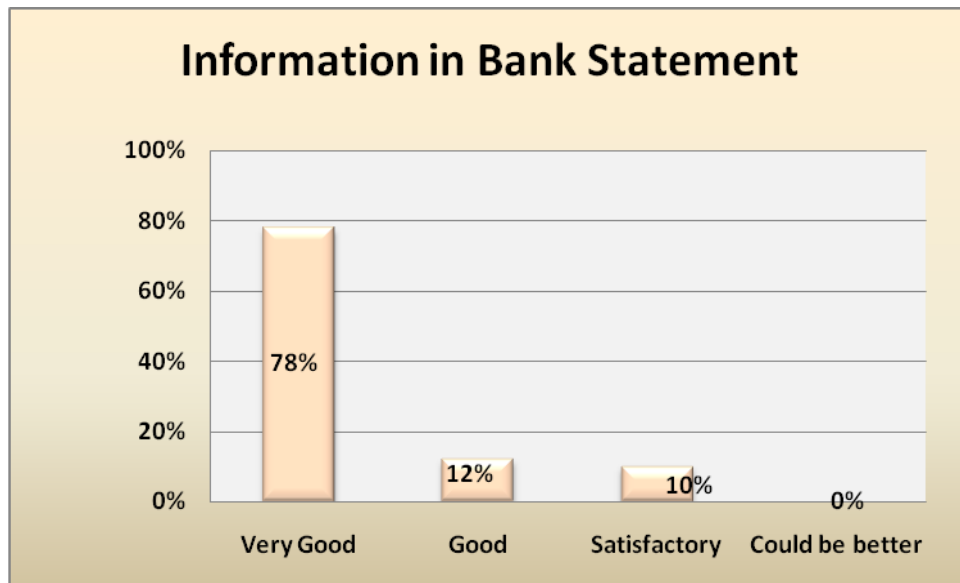
74% of the respondent opinioned that YES COMMUNITY EVENTS are very good,16% of respondents opinioned that events are good,6% said it is satisfactory and 4% said it could be better.

**Inference:**As 74% of respondents saysYES COMMUNITY EVENTS’ is very good, not too many opinioned for community events.

**Is the information in the Bank Statement clear, easy to understand and adequate**

**Table:14**

Parameter	In numbers	In percentage
Very Good	78	78
Good	12	12
Satisfactory	10	10
Could be better	0	0



### Interpretation

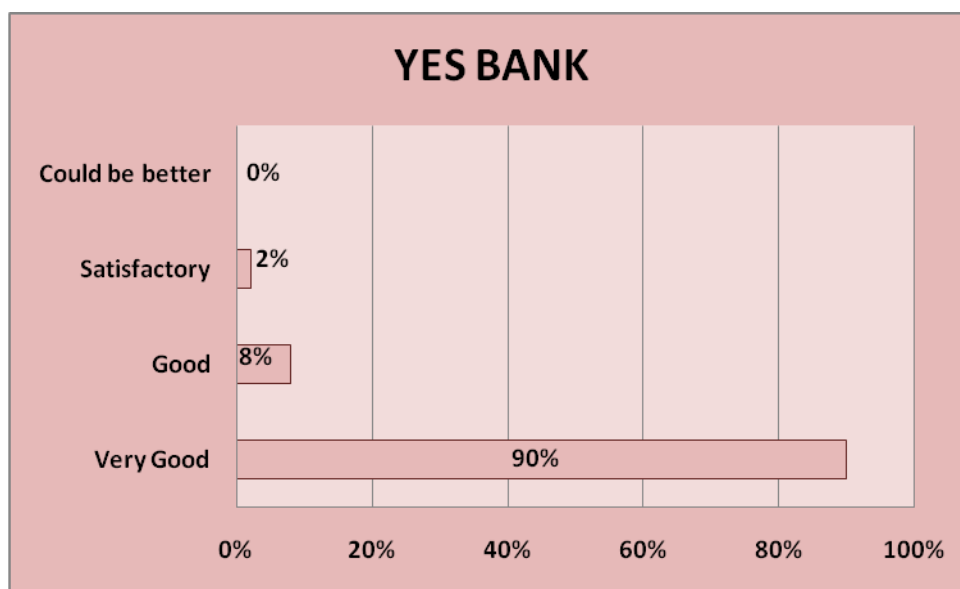
78% of the respondent opinioned that information in bank statement is clear, easy& adequate and is very good,12% of respondent opinioned that it is good,10% said it is satisfactory.

**Inference:** As 78% of respondents says information in the Bank Statement is clear, easy to understand and adequate or not, not too many were satisfied with the bank statement.

**Will you recommend YES Bank to your friends and relatives**

**Table:15**

Parameter	In numbers	In percentage
Most Definitely	90	90
Yes	8	8
May Be	2	2
No	0	0



**Interpretation**

90% of respondent opinioned that they will most definitely recommend YES BANK to their friends & relatives, 8% of respondent opinioned yes. Only 2% said may be.

**Inference:**As 90% of respondent opinioned that they will definetly recommend YES BANK to their families&friends, maximum number of respondent opinioned positive.



## FINANCIAL STATEMENTS

### BALANCE SHEET

	Mar ' 09	Mar ' 08	Mar ' 07	Mar ' 06	Mar ' 05
<b>Sources of funds</b>					
Owner's fund					
Equity share capital	296.98	295.79	280	270	200
Share application money	-	-	-	-	-
Preference share capital	-	-	-	-	-
Reserves & surplus	1,327.24	1,023.13	507.06	302.69	17
<b>Loan funds</b>					
Secured loans					
Secured loans	-	-	-	-	-
Unsecured loans					
Unsecured loans	16,169.42	13,273.16	8,220.39	2,910.38	663.03
Total	17,793.64	14,592.08	9,007.45	3,483.07	880.03
<b>Uses of funds</b>					
Fixed assets					
Gross block					
Gross block	194.88	133.01	86.66	36.24	17.59
Less : revaluation reserve					
Less : revaluation reserve	-	-	-	-	-
Less : accumulated depreciation					
Less : accumulated depreciation	64.15	35.73	17.38	6.81	1.25
Net block	130.73	97.28	69.28	29.43	16.34
Capital work-in-progress					
Capital work-in-progress	0.39	3.89	1.59	5.29	3.3
Investments					
Investments	7,117.02	5,093.71	3,073.12	1,350.14	394.86
<b>Net current assets</b>					

Current assets, loans & advances	1,326.86	729.7	376.88	155.01	49.66
Less : current liabilities & provisions	2,918.10	1,404.13	1,228.68	214.72	28.4
Total net current assets	-1,591.24	-674.42	-851.8	-59.71	21.26
Miscellaneous expenses not written	-	-	-	-	-
Total	5,656.90	4,520.45	2,292.20	1,325.16	435.77
<b>Notes:</b>					
Book value of unquoted investments	-	-	-	-	-
Market value of quoted investments	-	-	-	-	-
Contingent liabilities	43,481.94	68,874.54	52,061.58	17,524.20	6,522.22
Number of equity shares outstanding (Lacs)	2969.79	2957.9	2800	2700	2000

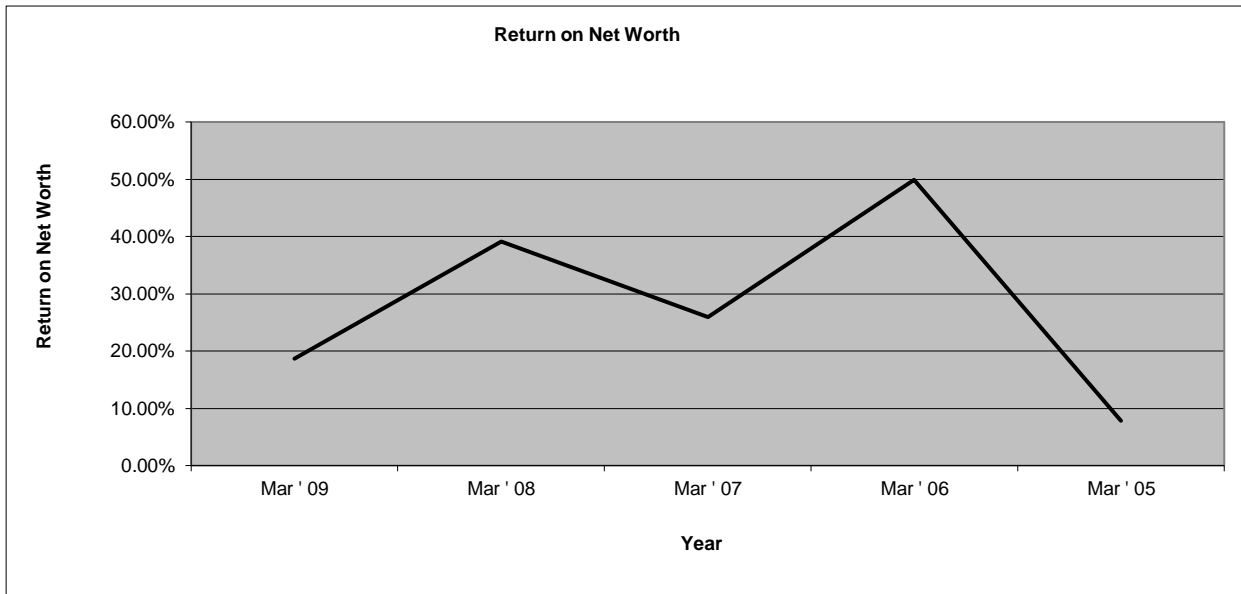
## **RATIO ANALYSIS**

### **Calculation of the ratios**

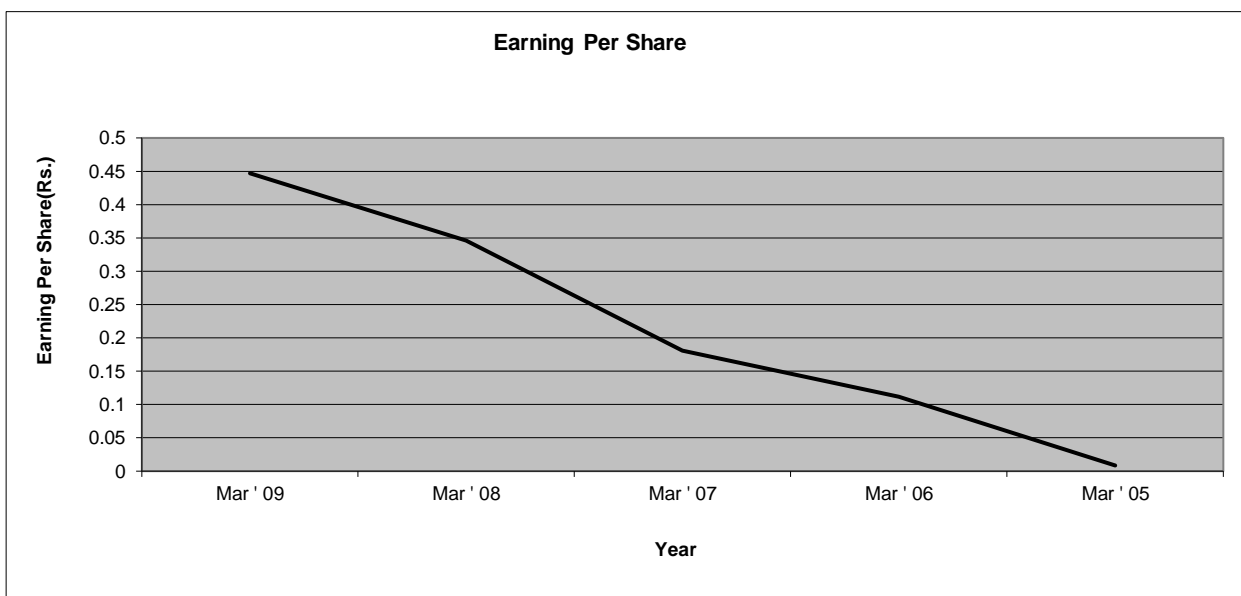
Particulars	Mar ' 09	Mar ' 08	Mar ' 07	Mar ' 06	Mar ' 05
Calculation of Owners Fund ( Equity Base)	1,624.22	1,318.92	787.06	572.69	217
Calculation of Net Profit for the Year	304.11	516.07	204.37	285.69	17
Operating Balance of Net Profit	1023.13	507.06	302.69	17	0
Return on Net Worth	0.19	0.39	0.26	0.50	0.07834
Total Fixed Assets	130.73	97.28	69.28	29.43	16.34
Earning Per Share (Rs.)	0.45	0.35	0.18	0.112107	0.0085
Current Assets	1,326.86	729.7	376.88	155.01	49.66
Current	2918.1	1404.13	1228.68	214.72	28.4

Liabilities					
Current Ratio	0.45	0.52	0.31	0.72	1.74859
Debt Equity Ratio					
(Loan/capital + Net Profit)					
Loan	16169.42	13273.16	8220.39	2910.38	663.03
Capital + Net Profit	1,624.22	1,318.92	787.06	572.69	217
Debt Equity Ratio	9.96	10.063658	10.44443	5.081947	3.05544
Working Capital	-1,591.24	-674.42	-851.8	-59.71	21.26
Net Profit for the Year	304.11	516.07	204.37	285.69	17
Return on Working Capital	-0.19	-0.77	-0.24	-4.78	0.79962

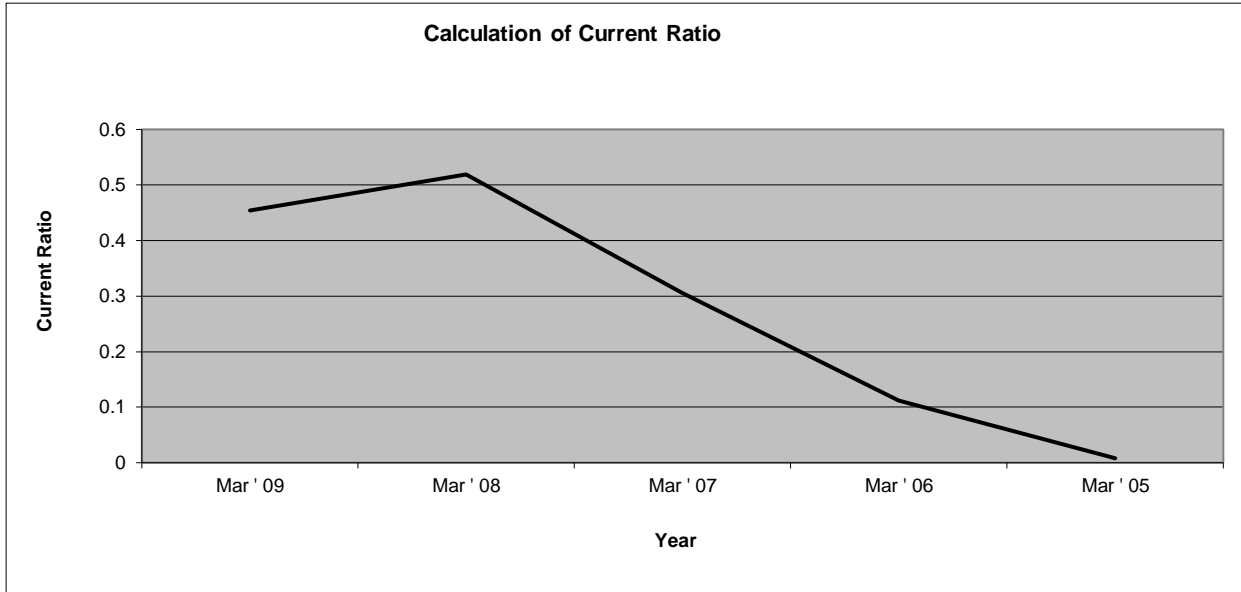
### Chart 1



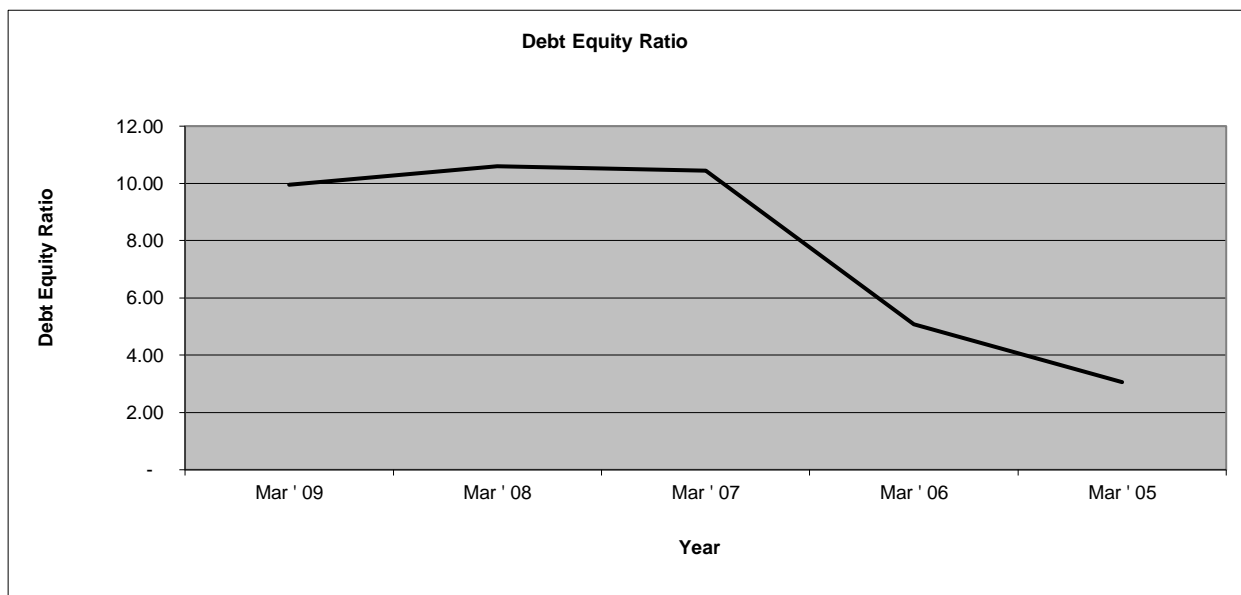
### Chart 2



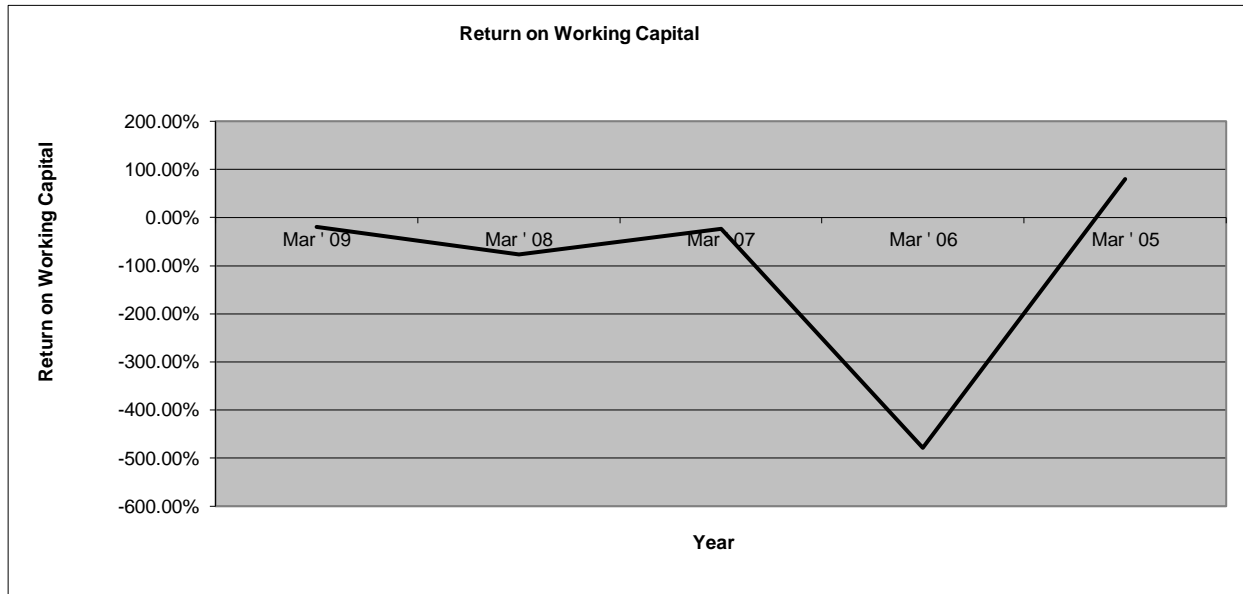
### Chart 3



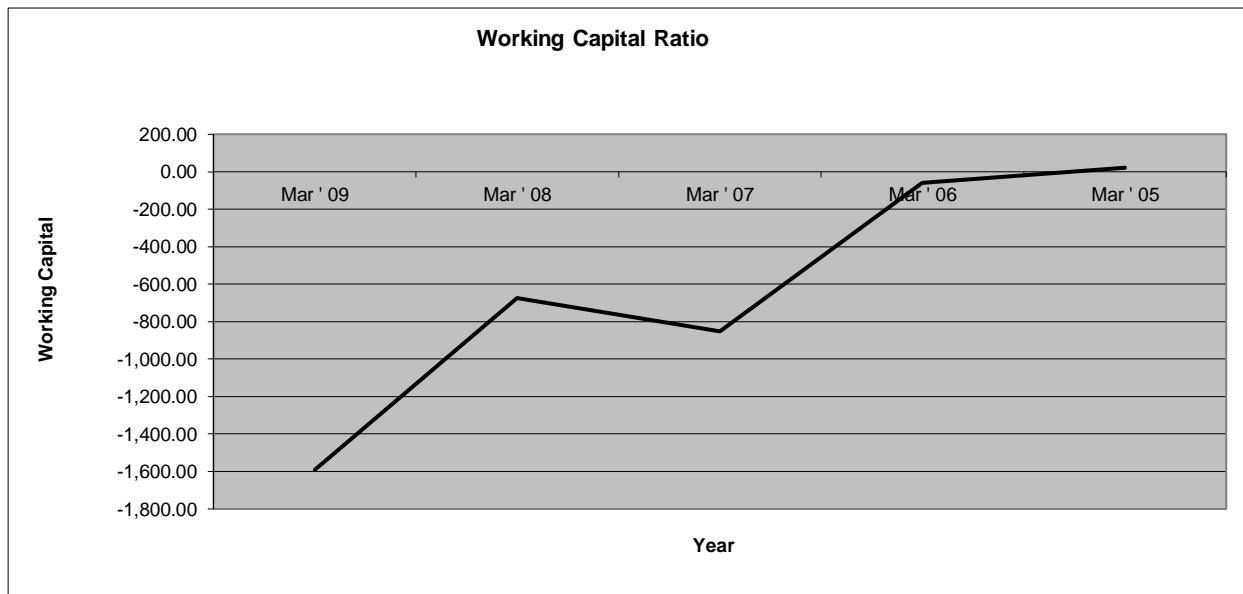
### Chart 4



### Chart 5



### Chart 6



## RATIOS

- Return on NetWorth = Net Profit / Owners Fund
- Earning Per Share = (Net Profit + Operating Balance of Net Profit) /  
Net Worth
- Current Ratio = CurrentAsset / CurrentLiabilities
- Debt Equity Ratio = Total Debt / Equity.
- Return on Working Capital = Net Profit for the year / Working  
Capital
- Working Capital = Current Asset – Current Liabilities.



## INTERPRETATIONS

- Return on Net Worth is low its shows that bank is getting less rate of return on the invested funds, with the reference to chart no. 1
- Earning per share is continuously increasing which could be helpful to attract more number of customers, with reference to chart no. 2
- The Current Ratio is adverse because it is lower than 1. Its means the bank has more current liabilities than current asset, with reference to chart no. 3
- The Debt Equity Ratio is adverse because it is more than Net Worth, more Debt is not good for bank, with reference to chart no. 4
- Return on working capital is slightly increasing as compare to previous years but it is still need to be more, with reference to chart no. 5
- Company has current liabilities more than current asset which is not good foe the viability of the bank it is not beneficial for short and long term and it is showing is negative sign, with reference to table no. 6

## OPPORTUNITIES AND CHALLENGES

Retail banking has immense opportunities in a growing economy like India. As the growth story gets unfolded in India, retail banking is going to emerge a major driver. How does the world view us? The BRIC report is viewing India as an economic superpower. A.T. Kearney, a global management-consulting firm, recently identified India as the “second most attractive retail destination” of 30 emergent markets.

The rise of Indian middle class is an important contributory factor in this regard. The percentage of middle to high-income Indian households is expected to continue rising. The younger population not only wields increasing purchasing power, but as far as acquiring personal debt is concerned, they are perhaps more comfortable than previous generations. Improving consumer purchasing power, coupled with more liberal attitudes towards personal debt, is contributing to India’s retail banking segment.

The combination of above factors promises substantial growth in retail sector, which at present is in the nascent stage. Due to bundling of services and delivery channels, the areas of potential conflicts of interest tend to increase in universal banks and financial conglomerates. Some of the key policy issues relevant to the retail-banking sector are: financial inclusion, responsible lending, and access to finance, long-term savings, financial capability, consumer protection, regulation and financial crime prevention.

### **What are the challenges for the industry and its stakeholders?**

*First*, retention of consumers is going to be a major challenge. According to a research by Riechheld and Sasser in the Harvard business review, 5percent increase in customer retention can increase profitability by 35 percent in banking business, 50 percent in insurance and brokerage, and 125 percent in the consumer credit card market. Thus, banks need to emphasis on retaining consumer and increasing the market share.

*Second*, rising indebtedness could turn out to be a cause for concern in the future. India’s position, of course, is not comparable to that of developed world where household debt

as a proportion of disposable income is much higher. Such a scenario creates high uncertainty. Expressing concerns about the high growth witnessed in consumer credit segments the reserve bank has, as a temporary measure, put in place risk containment measures and increased the weight from 100 percent to 125 percent in the case of consumer credit including personal loans and credit cards.

*Third*, information technology poses both opportunities and challenges. Even with ATM machines and Internet Banking, many of the customers still prefer the personal touch of their neighborhood branch bank. Technology has made it possible to deliver services throughout branch network, providing instant updates to checking accounts and rapid movement of money for stock transfers. However, this dependency on the network has bought IT department's additional responsibilities and challenges in managing, maintaining and optimizing the performance of retail banking networks. Illustratively, ensuring that all bank products and services are

available, at all times, and across the entire organization is essential for today's retail banks to generate revenue and remain competitive. Besides, there are network management challenges, whereby keeping this complex, distributed networks and applications operating properly in support of business objectives becomes essential. Specific challenges include ensuring that account transaction applications run efficiently between the branch offices and data centers.

*Fourth*, KYC Issues and money laundering risks in retail banking is yet another important issue. Retail lending is regarded as a low risk area for money laundering because of the perception of the sums involved. However, competition for clients may also lead to KYC procedures being waived in the bid for new business. Banks must also consider seriously the type of identification documents they will accept and other processes to be completed. The Reserve Bank has issued detailed guidelines on application of KYC norms in November 2004.

## **Trends In Retail Banking**

Growing a retail banking business is becoming increasingly challenging. The yield curve is flattening, reducing banks' net interest margin. Competition is intensifying, as new, non-traditional players enter the retail banking space. And consumer preferences for financial products, payment methods and distribution channels continue to evolve, providing revenue opportunities, but also introducing new operational challenges.

The changing dynamics of the retail banking business have significant implications for financial institutions. In order to successfully compete in this environment, banks must provide a distinctive customer experience and offer innovative product solutions in order to differentiate their value proposition in the marketplace.

Key trends in retail Banking are:

### 1. Bifurcation of the retail banking business

- National-Consolidate-Credit Cards, Home Equity Loans Mortgages
- Local- Fragmented- Deposits, Installment Loans, Small Business Loans

### 2. Lack of differentiation in retail financial services:

Many financial institutions are struggling to differentiate their value propositions in the retail banking market.

- Free checking is now offered by all or most financial institutions.
- Most institutions no longer charge for online banking or online bill payment.
- Extended branch hours are increasingly common in many markets, as banks
- seek to increase customer convenience.

3. Proliferation and growth of electronic payments: In the last 25 years, the range of payment methods available in the market has exploded. In addition to cash, checks, and credit cards, consumers can now use one of an expanding array of electronic payment options that includes debit cards, prepaid cards, online bill payment, automatic bill payment, and P2P services.

### 4. Increasing demand for ATM access

### **Strategies for Ensuring high Customer Satisfaction**

- Set service expectations and standards of behavior- this means that managers must set clear service expectations and standards of behavior, beginning with defining "excellent service."
- Identify and eliminate barriers and obstacles. Policies that do not make sense; procedures that get in the way; and rules, norms that make satisfying customers difficult all need to be eliminated to successfully improve service
- Learn and develop skills. Clearly, personnel at all levels should learn new skills related to service excellence and serve the customer.
- Listen to your customers. Measurement of customer satisfaction can be a powerful way to improve service if the feedback is not focused on punishment. Managers need to help staff hear, first hand, how they are doing. For this feedback to be effective, however, it must be tied to specific targets and goals and needs to be frontline driven
- Reinforce and support continuous improvement. The real challenge is keeping the energy, learning, and improving alive and going.

### **FUTURE OF RETAIL BANKING**

How do we see the future of retail banking? What are the major attributes of the shape of things to come in this sector?

*First*, customer service should be the be-all and end-all of retail banking. The other day a document released by the British Bankers Association, entitled UK Retail Banking Manifesto: addressing the challenges that lie ahead for the industry and its stakeholders on September 29, 2004 came to my notice. This document analysed the key policy issues relevant to the retail banking sector and highlighted the role of financial inclusion,

responsible lending, access to finance, and consumer protection. It is in this context that that one is reminded of the needs to develop the standards and codes for banking.

The contribution of the Committee on Procedure & Performance Audit on Public Services (CPPAPS) (Chairman: Shri S.S. Tarapore) has been invaluable and has provided great insight. Based on the recommendation of the CPPAPS, the Annual Policy Statement for 2005-06 announced the decision to set up an independent Banking Codes & Standards Board of India on the model of the mechanism in the UK in order to ensure that comprehensive code of conduct for fair treatment of customers is evolved and adhered to. The codes and standards, together with the institutional mechanism to monitor them, are expected to enhance the quality of customer service, to the individual customer in particular. The codes will bring about greater transparency in the system and also tackle the issue of information asymmetry. The Board would function as an industry-wide watchdog of the banking code and ensure that the banks comply with the banking codes. The codes would establish the banking industry's key commitments and obligations to customers on standards of practice, disclosure and principles of conduct for their banking services. The Board will monitor compliance with the Codes by the affiliated banks..

*Second*, sharing of information about the credit history of households is extremely important as far retail banking is concerned. Perhaps due the confidential nature of banker-customer, banks have a traditional resistance to share credit information on the client, not only with one another, but also across sectors. Globally, Credit Information Bureaus have, therefore, been set up to function as a repository of credit information - both current and historical data on existing and potential borrowers.

The database maintained by these institutions can be accessed by the lending institutions. Credit Bureaus have been established not only in countries with developed financial systems but also in countries with relatively less developed financial markets, such as, Sri Lanka, Mexico, Bangladesh and the Philippines. In Indian case, the Credit Information Bureau (India)

Limited (CIBIL), incorporated in 2000, aims at fulfilling the need of credit granting institutions for comprehensive credit information by collecting, collating and disseminating credit information pertaining to both commercial and consumer borrowers. At the same time banks must exercise due diligence before declaring a borrower as defaulter.

*Third*, outsourcing has become an important issue in the recent past. With the increasing market orientation of the financial system and to cope with the competition as also to benefit from the technological innovations such as, e-banking, the banks are making increasing use of "outsourcing" as a means of both reducing costs and achieving better efficiency. While outsourcing does have various cost advantages, it has the potential to transfer risk, management and compliance to third parties who may not be regulated. A recent BIS Report on "Outsourcing in Financial Services" developed some high-level principles. A basic requirement in this context is that a regulated entity seeking to outsource activities should have in place a comprehensive policy on outsourcing including a comprehensive outsourcing risk management programme to address the outsourced activities and the relationship with the service provider. Application of these principles in the Indian context is under consideration.

*Finally*, retail banking does not refer to lending only. In the whole story of retailing one should not forget the role played by retail depositors. The homemaker, the retail shop keeper, the pensioners, self-employed and those employed in unorganized sector - all need to get a place in the banks. It is in this backdrop that the Annual Policy for 2005-06 pointed out issues relating to financial exclusion and had announced that the RBI would implement policies to encourage banks which provide extensive services while disincentivising those which are not responsive to the banking needs of the community, including the underprivileged.

Furthermore, the nature, scope and cost of services need to be monitored to assess whether there is any denial, implicit or explicit, of basic banking services to the common person and banks have been urged to review their existing practices to align them with the objective of financial inclusion.

## **SUMMARY OF FINDINGS**

- With reference to table no.1, 90% of customers are happy with the bank timings & they opinioned that it is very good.
- With reference to table no. 2, 80% of respondents like the branch ambience & layout & find it friendly with reference to table no.3,80% of respondents said branch was clean and well maintained.
- With reference to table no.4,76% respondents view that Branch personnel had listened to them patiently and have been able to respond to their queries and clarifications.
- 74% of respondent responded that Branch personnel had been very helpful and courteous with reference to table no.5.
- With reference to table no. 6,72% of respondents opinioned that branch personnel does 'Need Analyses' & 'Risk Assessment' of customer savings before recommending any investment option to them.
- With reference to table no.7,86% of respondent that branch personnel are aware of Product and Services and responded to your queries.
- With reference to table no 8,80% of respondents opinioned that waiting time at the Teller Counter is very good.
- With reference to table no.9,90% of respondent opinioned that transactions are smooth and error free & is very good.
- With reference to table no. 10,82% of respondent responded that Yes Bank looks into the feedback & is very good.



- With reference to table no.11, 80% of respondent opinioned that they are happy with the TAT post request is very good.
- With reference to table no.12, 45% of respondent are in favour of Money Monitorfeature of the YBL Savings account.
- With reference to table no.13,74% of the respondent opinioned that YES COMMUNITY EVENTS are very good.
- With reference to table no. 14,78% of the respondent opinioned that information in bank statement is clear, easy & adequate and is very good.
- With reference to table no 15,90% of respondent opinioned that they will most definitely recommend YES BANK to their friends &relatives. Overall the response of the bank customer is good.

## **SUGGESTIONS**

Suggestions are always considered to be the most important part of any project report because for every pros there is cons associated with and to reduce the effect of latter, following suggestions must be taken into consideration in regard to retail banking.

- The Branch personnel should listen to customer patiently and should be able to respond to their queries and clarifications because some customer are new to some of the bank services and until and unless they will come to know about those services they will be not be satisfied.
  
- With reference to table no.5 as not many respondent opinioned that Branch Personnel are helpful and courteous, so I will suggest that Bank personnel should be helpful & courteous towards maximum number of customers.
  
- With reference to table no. 6, larger number of branch personnel should do 'Need Analyses' & 'Risk Assessment' before recommending any investment option to customer.
  
- With reference to table no.7, more branch personnel should be aware of Product and Services and responded to customer's queries.
  
- With reference to table. 10, YES bank should look into the feedback provided by customer and takes necessary action wherever required.
  
- With reference to table no. 12, bank should focus on Instant FD facility & E-cheques as small 10% of customer likes this.
  
- Some time the customer has to wait at the Teller Counter, the service should be improve by appointing more staff, with reference to table no.11.

- Information in the Bank Statement should be more clear, easy to understand and adequate.
- Along with customer satisfaction employee's participation must be kept active by appraising their salary as they'll as their work.
- Frequently customers must be kept delighted by providing them regards and by maintaining customer relationship so that their interest can be kept maintained.
- The YES bank should focus on business and service portfolio for a reputation of being niche players in the industry.
- The bank should concentrate on few reliable high net worth companies and individuals rather than cater to the mass market
- As 10% customer response is not good for the clarification of the queries response towards them so bank personnel should improve this issue because customer is a source through which business can be increase and satisfy customers is a source to create more customers, with reference to table no.4
- As it is only 10% respondent said that sometime there was a error in the transaction happened so to avoid these kinds of errors should be avoided because it is unnecessarily results in wastage of time for both staff members and service rendered, reference to table no. 9
- Their should increase in the number of events organize by bank because it is a opportunity for the bank to introduce new products and services and at the same time it is a open opportunity for the customer to come forward and suggest its views which might prove to add the values for the bank because 10% customer still not have a good response, with reference to table no.13

- Communication with the customer should improve and increase so bank can easily response towards them and in result the customer would be satisfy and no question that they will recommend the YES Bank to their friends and relatives because 2% customer are no responding it in a positive manner.

## **CONCLUSIONS – FUTURE GROWTH**

The project aims to study the retail banking operations of YES BANK. The study was very fruitful, it yielded the desired results, helped me understand the retail banking. The study also helps in what are the customer opinions towards operations of bank & its various product and services.

Any serious discussion of the future of the retail banking industry eventually raises a basic question: will future customers still need retail banks? The answer, it turns out, depends on banks themselves. With technology and nonbank businesses providing new options for safeguarding and managing their finances, customers will continue to depend on banks only as long as banks can provide service and value that cannot be found anywhere else.

The need to become highly customer focused has forced the slow-moving public sector banks to adopt a fast track approach. The unleashing of products and services through the net has galvanized players at all levels of the banking and financial institutions market grid to look a new at their existing portfolio offering. Conservative banking practices allowed.

Indian banks to be insulated partially from the Asian currency crisis. Indian banks are now quoting at higher valuation when compared to banks in other Asian countries (viz. Hong Kong, Singapore, Philippines etc.) that have major problems linked to huge Non Performing Assets (NPAs) and payment defaults. Co-operative banks are nimble footed in approach and armed with efficient branch networks focus primarily on the 'high revenue' niche retail segments.

The Indian banking has finally worked up to the competitive dynamics of the 'new' Indian market and is addressing the relevant issues to take on the multifarious challenges of globalization. Banks that employ IT solutions are perceived to be 'futuristic' and proactive players capable of meeting the multifarious requirements of the large customer's base.

## LEARNING EXPERIENCE

The Dissertation is to define the retail banking and regarding the general services of bank. The study was very fruitful, it yields the desire result, helped me to understand the banking services better. The study also yields what are the factors that banking is looking forward for the customer.

The Indian banking has come from a long way from being a sleepy business institution to a highly proactive and dynamic entity. This transformation has been largely brought about by the large dose of liberalization and economic reforms that allowed banks to explore new business opportunities rather than generating revenues from conventional streams (i.e. borrowing and lending). The banking in India is highly fragmented with 30 banking units contributing to almost 50% of deposits and 60% of advances.

Industry estimates indicate that out of 274 commercial banks operating in India, 223 banks are in the public sector and 51 are in the private sector. The private sector bank grid also includes 24 foreign banks that have started their operations here. Under the ambit of the nationalized banks come the specialized banking institutions.

The bank gives great importance towards customer satisfaction .The senior staff with their busy schedule try to advice the customer how to invest in better way.\

The employees in the bank are well behaved and give a great deal of satisfaction to see them how they approach their customers. The bank plays an important role not only to fulfill their duties towards customer but also to understand them better regarding what they want and how to maximize the return on the investment.

The bank has set up separate department for the impart training program for the employees. The biggest achievement is the implementation of core banking solution.

## QUESTIONNAIRE

### YES for YOU – Help us to serve you even better

Dear Valued Customer,

Your candid feedback on our service standards is very important for us to help you serve even better.

We would like to know a little more about you:

Your Name:

Your Cust Id/A/c No.(optional):

Your Branch:

Your E-mail id:

Your Contact details:

How frequently do you visit the Branch (in a month):

We would be extremely grateful if you would let us know how we are doing. We would like to know about your experience of Banking with us. Please tick as appropriate.

#### **A. How was the Branch experience?**

1) The Branch timings (9:30 am to 6:30 pm from Monday to Saturday) are convenient?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

2) The Branch ambience & layout is very friendly?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

3) The Branch was clean and well maintained?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

**B. How did you find our Branch personnel?**

4) The Branch personnel have listened to me patiently and have been able to respond to my queries and clarifications?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

5) The Branch personnel have been very helpful and courteous?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

6) The branch personnel have done a 'Need Analyses' & 'Risk Assessment' before recommending any investment option?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

7) The branch personnel were aware of Product and Services and responded to your queries?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

**C. How was your experience of transacting in our Branches?**

8) The waiting time at the Teller Counter was minimal?



**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

9) The transactions done by us have been smooth & error free?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

10) Yes bank looks into the feedback provided by you and takes necessary action if required.

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

11) Are you Happy with the TAT (Turn Around time) post request?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

12) Which feature of the YBL Savings account you like most?

**a) OBOPAY      b) Money Monitor      c) Instant FD      d) E-Cheques  
OD facility**

**D. How do you like what we send to you?**

13) How do you rate the 'YES COMMUNITY EVENTS' held at yes bank?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

14) Is the information in the Bank Statement clear, easy to understand and adequate?

**a) Very Good      b) Good      c) Satisfactory      d) Could be better**

15) Will you recommend YES Bank to your friends and relatives?

**a) Most Definitely      b) Yes      c) May be      d) No**

## **CHAPTER 5: BIBLIOGRAPHY**

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