

Retail Banking with Special Reference to Yes Bank

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Abstract:

Banks play a pivotal role in the economic growth of the country. Failure of any private sector bank or public sector bank, irrespective of the ownership can impact everyone. Hence, neither Government of India nor Reserve Bank of India (RBI) will never let a bank facing troubles in its financial position to fail. One of the major private banks in India 'Yes Bank Ltd', has been facing the problem of rapidly deteriorating financial position. This necessitated Reserve Bank of India (RBI) to take immediate actions to protect depositors money. This Research paper covers multiple dimensions of Yes bank's journey

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. and you have service spelt with a capital S.

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's cheque 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.

COMPANY PROFILE

YES BANK is India's fifth largest private sector Bank, founded by Rana Kapoor in 2004. Yes Bank is the only Greenfield Bank licence awarded by the RBI in the last two decades. YES BANK is a "Full Service Commercial Bank", and has steadily built a Corporate, Retail & SME Banking franchise, Financial Markets, Investment Banking, Corporate Finance, Branch Banking, Business and Transaction Banking, and Wealth Management business lines across the country.

Products and services:

- Corporate and Institutional Banking-The Corporate & Institutional Banking (C&IB) division at Yes Bank contribute a major part of the bank with a turnover of over ₹ 1,000 crores.
- Commercial Banking
- Investment Banking-Yes Bank's is a major player in Investment Banking in India and is involved in the identification, structuring and execution of transactions for its clients in diverse industries and geographies. Some of the typical transactions include mergers & acquisitions, divestitures, private equity syndication and IPO advisory.
- Corporate Finance-YES BANK's Corporate Finance practice offers a combination of advisory services and customised products to optimise risk based on "Knowledge Arbitrage"
- Financial Marketing-The Financial Markets (FM) business model provides Risk Management solutions related to foreign currency and interest rate exposures of clients.
- Retail Banking-YES BANK has banking network of over 600 branches and 2,000 ATMs giving it a major presence in urban India. Yes bank is one of the fastest growing private bank in India.

Operations:

As on 31 Dec 2015, the bank had 630 branches and 2000 ATMs. It had a balance sheet size of ₹ 1,23,200 crore and Gross NPA of 0.42% fifth largest bank in private sector.

LITERATURE REVIEW

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.

OBJECTIVES

- To study the issues and challenges in retail banking
- To study the recent trends in retail banking
- To ensure high satisfaction level and reduce percentage of complaints of customers in retail banking.
- To estimate the future growth of Indian retail banking.
- To understand Optimization of retail banking channels.
- 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.
2. **Secondary data collection-**This data was collected from Internet, Company's websites & Magazines.

SAMPLE SIZE

Sample size was restricted to 50 respondents, since it was not possible to cover the whole universe in the available time period.

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- Ghaziabad

Duration- 2 months

RESEARCH METHODOLOGY

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.

DATA COLLECTION

There are several Approaches 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

DATA ANALYSIS

The process by which sense and meaning are made of the data gathered in qualitative research, and by which the emergent knowledge is applied to clients' problems. This data often takes the form of records of group discussions and interviews, but is not limited to this. Through processes of revisiting and immersion in the data, and through complex activities of structuring, re-framing or otherwise exploring it, the researcher looks for patterns and insights relevant to the key research issues and uses these to address the client's brief.

Profile of Respondent:

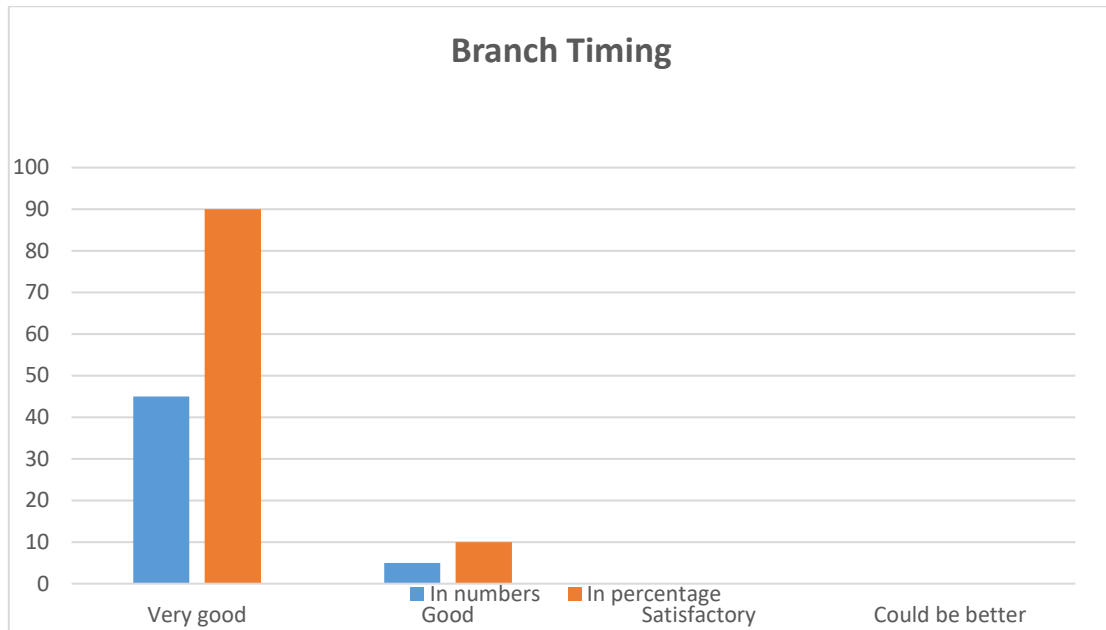
Respondents were the customers of YES bank of Ghaziabad city of age group 25-40 years

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	45	90
Good	5	10
Satisfactory	0	0
Could be better	0	0



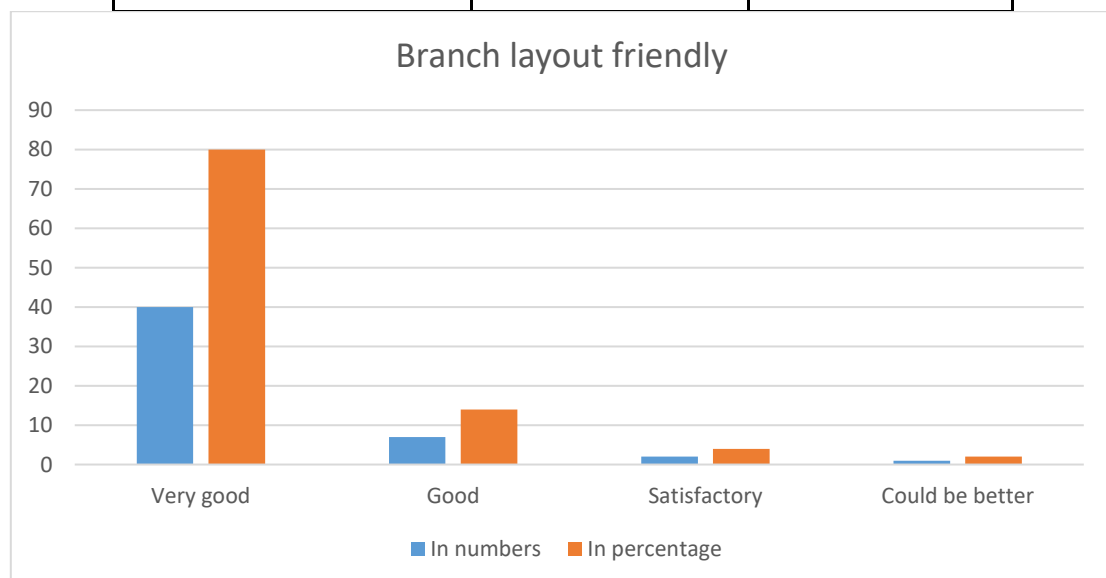
Interpretation

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	40	80
Good	7	14
Satisfactory	2	4
Could be better	1	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

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.

CONCLUSION

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

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Bibliography, as a discipline, is traditionally the academic study of books as physical, cultural objects; in this sense, it is also known as **bibliology** (from Greek *-λογία, -logia*). Carter and Barker (2010) describe bibliography as a twofold scholarly discipline—the organized listing of books (enumerative bibliography) and the systematic description of books as physical objects (descriptive bibliography).

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