CHAPTER 2

OVERVIEW OF BANKS UNDER STUDY

2.1 INTRODUCTION

The Indian banking can be broadly categorized into nationalized (government owned), privet banks and specialized banking institutions. The reserve bank of India acts a centralized body monitoring any discrepancies and shortcoming in the system. Ever since nationalization of banks took place in 1969, the public sector banks or the nationalized banks have acquired a prominent place and has since then seen tremendous progress.

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 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 base. Privet banks have been fast on the uptake and are reorienting their strategies using the internet as a medium the internet has emerged as the new and challenges frontier of marketing with the conventional physical world tenets being just as applicable like in any other marketing medium.
The Indian banking has come from 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 revenue 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. Indian nationalized banks (banks owned by the government) continue to their sheer size and penetrative networks which assures them high deposit mobilization.

The Reserve Bank of India acts as a centralized body monitoring any discrepancies and shortcoming in the system. It is the foremost monitoring body in the Indian financial sector. The nationalized banks (government owned banks) continue to dominate the Indian banking arena. Industry estimates indicate that out of 274 commercial banks operating in India, 223 banks are in the public sector and 51 are in the privat sector. The privat sector banks grid also includes 24 foreign banks that have started their operations here. Under the ambit of these nationalized banks come the specialized banking institutions.

2.2 INDIAN BANKING SYSTEM

Today commercial banks have become a part and parcel of our life. There was a time when the dwellers of city alone could enjoy their services. Now, banks offer access to even a common man and their activities extend to areas hither to untouched. Apart from their traditional business-oriented functions, they have now come out to fulfil national responsibilities. Commercial banks cater to the requirements of agriculturists, industrialists, traders and to all the other sections of the society. Thus, they accelerate the economic growth of a country and steer the wheels of the economy towards its goal of "self-reliance in all fields". It naturally arouses our interest in knowing more about 'banks' and the various people and activities connected with them.

2.3 EVOLUTION OF BANKING INSTITUTIONS

It is worthwhile to analyse the origin of 'banking' before going into the evolution of banking institutions. Since the banking activities were started in different periods in
different countries, there is no unanimous view regarding the origin of the word 'bank'. The word 'Bank' is said to have derived from the French word 'Banco' or 'Bancus' or 'Banque' which means a 'bench'. In fact the early Jews in Lombardy transacted their banking business by sitting on benches. When their business failed, the benches were broken and hence the word 'Bankrupt' came into vogue.

Another common-held view is that the word 'Bank' might be originated from the German word 'Bank' which means a joint stock fund. Of course, a bank has to essentially deal with funds and hence this derivation may not be a mere conjecture. In due course, it was Italianise into 'Banco', Frenchised into 'Banque' and finally Anglicised into Bank',d This view is most prevalent even today. However, the evolution of modern banking institutions can be traced to three ancestors, viz: (i) Goldsmiths (ii) Money lenders and (iii) Merchant bankers.

2.3.1 Goldsmiths

The goldsmiths of London used to receive precious metals like gold and silver for safe custody. When this practice of safeguarding valuables became widespread, the goldsmiths started levying some charges for the same. Thus, it is purely an English affair. In due course, these goldsmiths began to issue notes against the safe custody deposits of valuables and money. These notes were popularly called Goldsmith Notes. These notes were widely used as a medium of exchange and a means of payment.

2.3.2 Money Lenders

The next stage of evolution was the goldsmiths becoming money lenders. The goldsmiths found by experience that it was not necessary to hold on hand all the safe custody deposits of valuables and money deposited with them. So, after keeping a contingency reserve, they started lending the deposits received and thereby earned interest. Thus, goldsmiths became true bankers by receiving deposits and lending the surplus.
2.3.3 Merchant Bankers

The merchant bankers were primarily traders. By virtue of their high and widespread reputation, people started depositing their metallic money in return for documents which were taken as titles of money. These documents were called 'Hundies' which were used to remit funds. They performed banking business as a side occupation.

Thus, the evolution of commercial banking can be traced to the practice of safe-keeping of gold and other valuables with goldsmiths/ money-lenders/merchants.

The first banking institution was the 'Bank of Venice' established in Italy in 1157. It was followed by the 'Bank of Barcelona' in 1401; the 'Bank of Genoa' in 1407 and the 'Bank of Amsterdam' in 1609. The bank of England was established in 1694 on Italian lines. However, modern commercial banks came into picture in England after the passage of the Banking Act of 1833.

2.4 HISTORY OF COMMERCIAL BANKING IN INDIA

The development of banking in India can be traced to the establishment of the "English Agency Houses" by the East India Company. In those days, these agency houses were performing banking business along with their main business of trading. However, due to lack of their own capital and the dual functions undertaken by them, they could not succeed in the field of banking business. Hence, they failed and vanished from the Indian banking scene.

Again, the East India Company took the initiative for the development of modern banking in India by establishing three Presidency banks, viz.:

(i) The Bank of Bengal in 1809
(ii) The Bank of Bombay in 1840 and
(iii) The Bank of Madras in 1843.

Since these banks were dominated by British people, there was a huge cry for banks with Indian management. The 'Swadeshi Movement' gave a spurt to this idea and many private banks were established. Even petty traders, tailors etc. started banks in the name of swadeshi movement without paying any attention to the basic financial norms. Hence, most of the weak banks went out of the banking scene and there was a
severe banking crisis during 1913-28 which incidently coincided with the World War I. Inspite of this crisis, some of the well-established banks survived. Among them, the prominent ones are:

(i) The Punjab National Bank Ltd. in 1895.
(ii) The Bank of India Ltd. in 1906.
(iii) The Canara Bank Ltd. in 1906.
(iv) The Indian Bank Ltd. in 1907.
(v) The Bank of Baroda Ltd. in 1908.
(vi) The Central Bank of India Ltd. in 1911.

Another landmark in the history of Indian banking was the establishment of the Imperial Bank of India in 1921 by amalgamating the three presidency banks. The Imperial Bank of India Act was passed in 1920 paving way for the formation of the Imperial Bank of India. It was given almost all the powers of a central bank except the issue of currency notes. Meanwhile, various committees recommended the importance of establishing a central bank. Finally, on the recommendations of the Banking Enquiry Committee, The Reserve Bank of India Act was passed in 1934 and accordingly the Reserve Bank of India came into existence in 1935 as the central bank of our country. It was established originally as a private bank with a fully paid up capital of Rs. 5 crores. However, after independence, the Reserve Bank (Transfer to Public ownership) Act 1948 was passed and the Government took over the Reserve Bank of India from private shareholders by paying adequate compensation to them. The Reserve Bank of India started functioning as a nationalised bank from January 1, 1949 onwards.

The next development was the passing of the 'State Bank of India' Act in 1955 which established the State Bank of India by nationalising the Imperial Bank. Subsequently, in 1959. The State Bank of India (Subsidiary Banks) Act was passed and the major state-associated banks were converted into subsidiary banks of the State Bank of India. Today, there are seven subsidiary banks of the State Bank of India. The following are the subsidiary banks:

(i) The state Bank of Bikaner and Jaipur;
(ii) The state Bank of Hyderabad;
(iii) The State Bank of Mysore;
(iv) The State Bank of Patiala;
(v) The State Bank of Saurashtra;
(vi) The State Bank of Triyancore;
(vii) The State Bank of Indore.

In each of the above subsidiary banks, the State Bank of India holds not less than 55 per cent of the issued capital. Another major step taken in the field of banking in India was the nationalisation of the fourteen major commercial banks in 1969. It was followed by the nationalisation of six more banks in 1980. Thus, the public sector banks dominate the Indian banking scene. However, the Government of India introduced a Bill in the Parliament on 13th December, 2000 providing for reduction in Government equity in the public sector banks from the existing “Not less than 51%” to "33%". Now, under the financial sector reforms process, the RBI has permitted the setting up of private banks as public limited companies.

2.5 COMMERCIAL BANKS

As the very name implies, commercial banks are those banks which receive deposits from public and lend money to trade, industry and commerce. They concentrate mainly on commercial and trade activities. Generally, they receive deposits from public which are repayable on demand or at short notice. They also lend to traders and manufactures for short periods. They provide the working capital to business in the form of overdraft and cash credit. They discount bills of exchanges and thereby extend finance for the promotion of trade. Besides these, they render a number of agency services such as collection of cheques, payment of insurance premia and provide general utility services such as safe keeping of valuables, issue of letters of credit, remittance of funds etc. The services of commercial banks are ever expanding with the change in the needs and requirements of the society and today they have come forward to take up the role of development bankers as well.

2.6 PUBLIC SECTOR BANKS

Total 15 public sector banks have been considered for study. Overviews of all 15 public sector banks in brief have been given as follow.
The roots of the State Bank of India lie in the first decade of 19th century, when the Bank of Calcutta, later renamed the Bank of Bengal, was established on 2 June 1806. The Bank of Bengal was one of three Presidency banks, the other two being the Bank of Bombay (incorporated on 15 April 1840) and the Bank of Madras (incorporated on 1 July 1843). All three Presidency banks were incorporated as joint stock companies and were the result of the royal charters. These three banks received the exclusive right to issue paper currency in 1861 with the Paper Currency Act, a right they retained until the formation of the Reserve Bank of India. The Presidency banks amalgamated on 27 January 1921, and the re-organized banking entity took as its name Imperial Bank of India. The Imperial Bank of India remained a joint stock company.

Pursuant to the provisions of the State Bank of India Act of 1955, the Reserve Bank of India, which is India's central bank, acquired a controlling interest in the Imperial Bank of India. On 30 April 1955, the Imperial Bank of India became the State Bank of India. The government of India recently acquired the Reserve Bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking regulatory authority.

In 1959, the government passed the State Bank of India (Subsidiary Banks) Act, enabling the State Bank of India to take over eight former state-associated banks as its subsidiaries. On 13 September 2008, the State Bank of Saurashtra, one of its associate banks, merged with the State Bank of India. SBI has acquired local banks in rescues.
For instance, in 1985, it acquired the Bank of Cochin in Kerala, which had 120 branches. SBI was the acquirer as its affiliate, the State Bank of Travancore, already had an extensive network in Kerala.

As of 31 March 2012, the bank had 173 overseas offices spread over 32 countries. It has branches of the parent in Colombo, Dhaka, Frankfurt, Hong Kong, Tehran, Johannesburg, London, Los Angeles, Male in the Maldives, Muscat, Dubai, New York, Osaka, Sydney, and Tokyo. It has offshore banking units in the Bahamas, Bahrain, and Singapore, and representative offices in Bhutan and Cape Town. It also has an ADB in Boston, USA. State Bank of India is India's largest bank with a network of over 14097 branches, more than 26000 ATMs of State Bank of India. Also SBI has 173 overseas offices spread over 32 countries.

**Awards:**

The following is list of few awards which SBI got:

1. State Bank of India has been adjudged the best Bank 2009 By Business India (August-2009)
2. “Best Executive” Award to the Chairman by Asia Money.
5. The Bank was voted, for the third year in a row, as the “Most Preferred Housing Loan” and “Most Preferred Bank” in the CNBC AWAAZ Consumer Awards in a survey conducted by CNBC TV18 in association with AG Nielsen & Company.
2.6.2 ORIENTAL BANK OF COMMERCE

Oriental Bank of Commerce made a beginning under its Founding Father, Late Rai Bahadur Lala Sohan Lal, the first Chairman of the Bank. Within four years of coming into existence, the Bank had to face partition. Branches in the newly formed Pakistan had to be closed down and the Registered Office had to be shifted from Lahore to Amritsar. Late lala Karam Chand Thapar, the then Chairman of the Bank, in a unique gesture honored the commitments made to the depositors from Pakistan and paid every rupee to its departing customers.

The Bank has witnessed many ups and downs since its establishment. The period of 1970-76 is said to be the most challenging phase in the history of the Bank. At one time profit plummeted to Rs.175, which prompted the owner of the bank, the Thapar House, to sell / close the bank. Then employees and leaders of the Bank came forward to rescue the Bank. The owners were moved and had to change their decision of selling the bank and in turn they decided to improve the position of the bank with the active cooperation and support of all the employees. Their efforts bore fruits and performance of the bank improved significantly. This was the turning point in the history of the bank.

The bank was nationalized on 15 April 1980. At that time total working of the bank was Rs.483 crores having 19th position among the 20 nationalized banks. Within a decade the bank turned into one of the most efficient and best performing banks of India.

The bank has progressed on several fronts crossing the Business Mix mark of Rs 2 lacs crores as on 31 March 2010 making it the seventh largest Public Sector Bank in
India, achievement of 100% CBS, reorienting of lending strategy through Large & Mid Corporates and establishment of new wings viz., Rural Development and Retail & Priority Sector. The Bank has to its utmost credit lowest staff cost with highest productivity in the Indian banking industry.

OBC has a network of 530 branches and 505 ATM's spread throughout India, out of which 490 branches offer centralized banking solutions. On 14 August 2004, Global Trust Bank Limited (GTB) was amalgamated into OBC. GTB was a leading private sector bank in India that was associated with various financial discrepancies leading to a moratorium being imposed by RBI shortly before being merged into OBC.

**Awards:**

The following is list of few awards which Oriental Bank of Commerce got:

1. Ranked among top 50 companies by the leading financial daily, Economic Times.
2. Ranked as 323rd biggest bank in the world by Bankers Almanac (January 2006), London.
4. Included in the top 1000 banks in the world according to The Banker, London.
5. Golden Peacock Award for Excellence in Corporate Governance - 2005 by Institute of Directors.
Allahabad Bank is one of the premier nationalized banks in India. It is also the oldest joint stock bank of India. It was incorporated by a group of Europeans at Allahabad on April 24, 1865. It was the time Indian economy had started shifting towards organized trade and business affairs. After some years in 1920, the P&O Bank brought Allahabad Bank and its headquarters at Kolkata. The Allahabad bank got an entirely new identity when it was nationalized in 1969 along with 13 other banks in India. Since then the Allahabad Bank had a smooth journey towards progress. Today it is one of the leading banks in India with a whooping business of over Rs.1, 00,000 crores. To put the Bank on a higher growth path by building a Strong Customer-base through Talent Management, induction of State-of-the-art Technology and through Structural Re-organization. To ensure anywhere and anytime banking for the customer with latest state-of-the-art technology and by developing effective customer centric relationship and to emerge as a world-class service provider through efficient utilization of Human Resources and product innovation.

**Awards:**

The following is list of few awards which Allahabad Bank got:

1. Reserve Bank of India has conferred upon Allahabad Bank the first prize for its in-house magazine Triveni Dhara.
2. Bank has been awarded the National Award of First Prize for excellence in MSE Lending for 2009-10 by the Govt. of India. The Prize was handed over to Shri J.P.Dua, Chairman and Managing Director of the Bank by H.E. Smt.
Pratibha Devisingh Patil, Hon’ble President of India in New Delhi on 31.08.2010.

3. Bank has been awarded “Indira Gandhi Rajbhasha Puraskar” by H.E Md. Hamid Ansari, Hon’ble Vice-President of India for excellence in implementation of Rajbhasha in the Bank for 2008-09 on 14.09.2010.

4. Bank has been awarded the Reserve Bank Rajbhasha Puraskar for excellence in implementation of Rajbhasha in the Bank from Dr. D. Subbarao, Hon’ble Governor, and RBI on 26.05.2010.

5. The Reserve Bank of India has also awarded to Allahabad Bank, first prize in Region ‘A’ and fourth prize in Region ‘B’ under Reserve Bank Rajbhasha Shield competition 2003-04 meant for public sector Banks/Financial Institutions.

2.6.4 BANK OF INDIA

Bank of India was founded on 7th September, 1906 by a group of eminent businessmen from Mumbai. The Bank was under private ownership and control till July 1969 when it was nationalized along with 13 other banks. Beginning with one office in Mumbai, with a paid-up capital of Rs.50 lakh and 50 employees, the Bank has made a rapid growth over the years and blossomed into a mighty institution with a strong national presence and sizable international operations. In business volume, the Bank occupies a premier position among the nationalized banks.

The Bank came out with its maiden public issue in 1997 and follow on Qualified Institutions Placement in February 2008. Total number of shareholders as on 30/09/2009 is 2,15,790.
While firmly adhering to a policy of prudence and caution, the Bank has been in the forefront of introducing various innovative services and systems. Business has been conducted with the successful blend of traditional values and ethics and the most modern infrastructure. The Bank has been the first among the nationalised banks to establish a fully computerised branch and ATM facility at the Mahalaxmi Branch at Mumbai way back in 1989. The Bank is also a Founder Member of SWIFT in India. It pioneered the introduction of the Health Code System in 1982, for evaluating/rating its credit portfolio.

The Bank's association with the capital market goes back to 1921 when it entered into an agreement with the Bombay Stock Exchange (BSE) to manage the BSE Clearing House. It is an association that has blossomed into a joint venture with BSE, called the BOI Shareholding Ltd. to extend depository services to the stock broking community. Bank of India was the first Indian Bank to open a branch outside the country, at London, in 1946, and also the first to open a branch in Europe, Paris in 1974. The Bank has sizable presence abroad, with a network of 29 branches (including five representative office) at key banking and financial centres viz. London, New York, Paris, Tokyo, Hong-Kong and Singapore. The international business accounts for around 17.82% of Bank's total business.

Awards:

The following is list of few awards which Bank of India got:

3. BoI rated by Economic Times/AC Nielsen Survey for „The Most Trusted Brands” (MTB) 2009 -2nd under PSU Banks Category (next to SBI).
4. International Award in Outsourcing – Sponsored by Everest Group & Forbes at New York, USA.
5. The Second Public Sector Unit Award 2010 by Dalal Street.
The Maharaja of Baroda, a princely state of British India, by name Sir Sayyajirao Gaekwad III, had the same vision in establishing a bank for servicing the public at large and the citizens of Baroda State, a Gujarathi population in particular. On 20th July 1908, Bank of Baroda was established under the rules of Companies Act 1897, in a small building at Baroda, by the Maharaja with a paid up capital of Rs.10 lakhs. The guidelines set by the Maharaja for the bank was to serve the people of the State of Baroda as well as the neighboring regions with money lending, saving, transmission and encouraging the development of arts, science, commerce and trade for the people.

Even during the worst financial disaster caused by the First World War, during the period 1913 to 1917, when as many as 87 banks closed their shutters, Bank of India survived the turbulence with its clear vision, ethical standards and financial prudence to grow from strength to strength. There were heroes to sustain the development of this bank to its present glory, from ordinary people as customers and the heirs of the Royal family of Baroda.

The success story of the Bank of Baroda is studded with many a leaps and strides it made in the International presence, apart from establishing branches all over the Indian nation, by acquisition of already popular banking entities, as also commencing new commercial banking establishments, in the unique Gujarathi style. During the years of 1908 to 2007 (and the century year being round the corner) Bank of Baroda’s growth owes to the excellence in rendering financial products and services to the national and international population. Countries beginning from America to Zambia,
in the alphabetical order have been enjoying the services of Bank of Baroda as of today. A brief statistics will reveal the magnitude of growth Bank of India has achieved today: fifth largest bank in India; total assets over 1,78,000 crore’s, number of offices and branches 2800; more than 1000 ATMs, notwithstanding affiliates, subsidiaries and delivery channels all over the world.

Awards:

The following is list of few awards which Bank of Baroda got:

1. Bank of Baroda was awarded the ‘Best PSU Bank’ in the 2nd edition of Bloomberg UTV Financial Leadership Awards.
2. Bank of Baroda – Best Public Sector Bank: MCX and CNBC-TV18, India’s No. 1 Business medium presented for the first time, the ‘India Best Banks and Financial Institutions Awards’ to felicitate India’s best financial professionals for their contribution in building a robust financial system.
3. Bank of Baroda Wins Dun & Bradstreet Award: Dun & Bradstreet (D&B), the world’s leading provider of global business information, knowledge and insight, announced and presented the ‘Dun & Bradstreet - Polaris Software Banking Awards 2011’ in Mumbai.
5. Bank of Baroda bags three Awards of Association of Business Communicators of India (ABCI) for the year 2008.

**2.6.6 CORPORATION BANK**
Corporation Bank came into being as Canara Banking Corporation (Udipi) Limited, on 12th March, 1906, in the temple town of Udupi, by the pioneering efforts of a group of visionaries. The Bank started functioning with just Rs.5000/- as its capital and at the end of the first day, the resources stood at 38 Rupees-13 Annas-2 Pies. The Founder President Khan Bahadur Haji Abdullah Haji Kasim Saheb Bahadur, committed to fulfill the long felt banking needs of the people and also to inculcate the habit of savings, provided the much-needed impetus to founding a financial institution that would bring about prosperity to the society.

The content of the first Appeal to the public dated 19th February, 1906 speaks volume about the lofty ideals and ethos behind the foundation. The Founder President Haji Abdullah declared that:

"The Primary object in forming ‘Corporation’ is not only to cultivate habits of thrift amongst all classes of people, without distinction of caste or creed, but also habits of co-operation amongst all classes”.

“This is ‘Swadeshism’ pure and simple and every lover of the country is expected to come forward and co-operate in achieving this end in view”

The initial growth was consciously cautious and need based. The first branch of the Bank was opened at Kundapur in 1923, followed by the second in Mangalore in 1926. The Bank stepped into the then Coorg State in 1934 by opening its seventh branch at Madikeri. In 1937 the Bank was included in the second schedule of Reserve Bank of India Act, 1934.

In 1939, the Bank’s name changed from Canara Banking Corporation (Udipi) Ltd., to “Canara Banking Corporation Ltd.,” and strongly put forth its vision with the motto-“Sarve Janah Sukhino Bhavantu” which means“Prosperity to All”

The second change in the name of the Bank occurred in 1972, from ‘Canara Banking Corporation Ltd.’ to ‘Corporation Bank Limited.’ and finally ‘Corporation Bank’ following its nationalization on 15th April, 1980.
Awards:

The following is list of few awards which Corporation Bank got:

1. Financial Express - Ernst Young India's Best Banks Survey 2010-11 ranks Corporation Bank as Second Best Public Sector Bank.
2. First Prize under "National Award for Excellence in Lending to Micro Enterprises" for 2010-11 from Ministry of Micro, Small & Medium Enterprises, Govt. of India.

2.6.7 PUNJAB NATIONAL BANK

PNB was founded in the year 1895 at Lahore (presently in Pakistan) as an off-shoot of the Swadeshi Movement. Among the inspired founders were Sardar Dayal Singh Majithia, Lala HarKishen Lal, Lala Lalchand, Shri Kali Prosanna Roy, Shri E.C. Jessawala, Shri Prabhu Dayal, Bakshi Jaishi Ram, Lala Dholan Dass.

With a common missionary zeal they set about establishing a national bank; the first one with Indian capital — owned, managed and operated by the Indians for the benefit of the Indians. The Lion of Punjab, Lala Lajpat Rai, was actively associated with the management of the Bank in its formative years.
The Bank made steady progress right from its inception. It has shown resilience to tide over many a crisis. It withstood the crisis in banking industry of 1913 and the severe depression of the thirties.

It survived the most critical period in its history — the Partition of 1947 — when it was uprooted from its major area of operations. It was the farsightedness of the management that the registered office of the Bank was shifted from Lahore to Delhi in June 1947 — even before the announcement of the Partition.

With the passage of time the Bank grew to strength spreading its wings from one corner of the country to another. Some smaller banks like, The Bhagwan Dass Bank Limited, Universal Bank of India, The Bharat Bank Limited, The Indo-Commercial Bank Limited, The Hindustan Commercial Bank Limited and The Nedungadi Bank were brought within its fold.

PNB has the privilege of maintaining accounts of the illustrious national leaders like Mahatma Gandhi, Shri Jawahar Lal Nehru, Shri Lal Bahadur Shastri, Shrimati Indira Gandhi besides the account of the famous Jalianwala Bagh Committee.

Nationalisation of the fourteen major banks on 19th July, 1969 was a major step for the banking industry. PNB was one amongst these. As a result, banking was given a new direction and thrust.

The banks were expected to reach people in every nook and corner, meet their needs, and work for their economic upliftment. Removal of poverty and regional imbalances were accorded a high priority.

**Awards:**

The following is list of few awards which Punjab National Bank got:

1. AC Nielson Survey - 9th amongst Top 50 Most Trusted Services Brands in India.
2. The Banker's Almanac - Ranked 3rd amongst banking sector in India and 323rd rank in the world in 2006.
3. PNB bags Most Socially Responsive Bank Award 2011.
4. PNB receives Best Bank Award-2011.
5. PNB Bagged Golden Peacock National Training Award 2011.

2.6.8 INDIAN BANK

The Bank was incorporated on March 5, 1907 under the Indian Companies Act, 1882 as Indian Bank Limited and commenced operations on August 15, 1907. The Head Office of the Bank was set up at Parry’s Buildings, Parry’s Corner in Chennai (then known as Madras) and was shifted to Bentincks Buildings on Rajaji Salai (then known as North Beach Road), Chennai in July 1910. Subsequently, in May 1970, the Head Office was shifted to its present location with its address as 31, Rajaji Salai, Chennai, in a building which stands on the same site as Bentinck’s Building. On February 8, 2003 the Head Office was renumbered as 66, Rajaji Salai, Chennai 600 001, India.

The Bank commenced business as Indian Bank Limited at Madras. The Bank opened its first overseas branch in Colombo, Sri Lanka, in 1932. In 1962, the Bank acquired the businesses of Royalaseema Bank, the Bank of Alagapuri, Salem Bank, the Mannargudi Bank and the Trichy United Bank. The Bank was nationalised on July 19, 1969. After nationalisation, the Bank was renamed Indian Bank. The Bank of Thanjavur Limited (with 157 branches) was amalgamated with the Bank 1990. The first RRB, Sri Venkateswara Grameena Bank, was sponsored by the Bank in 1981.

Awards:

The following is list of few awards which Indian Bank got:

1. The Financial Inclusion Award of the year 2012.

3. INDIAN BANK was declared as a Winner in BEST BANKs category and Best Education Loan category in the Banking Survey conducted by OUTLOOK MONEY Award 2010 on the basis of its performance during the year 2009-10.

4. Financial Express - Ernst & Young "Best Public Sector Bank Award (Runners Up) during the "FE - BEST BANK AWARDS 2010-11".

2.6.9 BANK OF MAHARASHTRA

The Mahratta Chamber of Commerce (MCC) was established in Poona in 1934 and its Founder Secretary Shri A.R.Bhat was a great visionary.

Shri Bhat initiated for a comprehensive review of banking services available in the region through the special issue of Kesari newspaper released in memory of Lokmanya Tilak within a few months of establishment of MCC. He ensured that his friend, Shri V. P.Varde, considered as a doyen of co-operative movement, wrote an article on the necessity of a separate bank for Maharashtra, thus launching a public discussion on the subject. While there was no noticeable response to the article of Shri Varde, Shri A R Bhat kept on discussing the subject with leaders in Trade and Industry.

Shri Bhat ensured that Mahratta Chamber and its Directors took up the issue and held a Conference on Business and Industry in Poona on behalf of the MCC in February 1935.

Shri Bhat pushed the proposal for formation of a bank and succeeded in getting the following resolution adopted by the conference:
"For providing capital to the trade and industry in Maharashtra, it is essential to establish a Joint Stock commercial bank. The Mahratta Chamber is, therefore, requested to make all the necessary enquiries in that behalf and take appropriate steps for floating such a bank. The business community in Maharashtra is urged to support such an effort."

The Swadeshi movement of the first decade of the 20th Century gave stimulus to the establishment of a number of commercial banks under Indian Management in Maharashtra.

The MCC formed a sub-committee consisting of Sarvashri V.G.Kale, D.K.Sathe, N.G.Pawar, G.D.Apte and A.R.Bhat to work out the details.

The first meeting of the committee was held on 19 May 1935 in the conference room of the Kesari Mahratta office and besides the committee members, prominent personalities from the City like Shri Babasaheb Kamat, the then President of the MCCI, J S.Karandikar, Rajabhau Godbole, Govindrao Pandit, Damuanna Potdar, S.R.Sardesai, Baburao Gokhale, and N.N. Kshirsagar among others participated in deliberations.

Another meeting of the subcommittee with wider public representation was followed on 27 May 1935 in the meeting hall of Kesari Mahratta office and decisions on matters like the number of Directors on the Board of the proposed bank (maximum to be 11 members), Amount of each share (to be Rs.50/-) and primary condition for becoming a Director (to hold a minimum of 500 shares) were taken.

Awards:

The following is list of few awards Bank of Maharashtra got:

1. RBI, presented the first Annual Dr. Baba Saheb Ambedkar Rolling Trophy for the Best Branch in disbursement and recovery of credit to SC/ST borrowers during 2010-11.
2. The "Reserve Bank Rajbhasha Shield" for bilingual house magazine (Mahabank Pragati) for the year 2009 – 10.
3. The Bank's in-house magazine - Mahabank Pragati won the second position in the competition among Banks for the best published magazine.
5. ‘National Award 2009 for Excellence in the field of Khadi & Village Industry’.

2.6.10 CENTRAL BANK OF INDIA

Established in 1911, Central Bank of India was the first Indian commercial bank which was wholly owned and managed by Indians. The establishment of the Bank was the ultimate realisation of the dream of Sir Sorabji Pochkhanawala, founder of the Bank. Sir Pherozesha Mehta was the first Chairman of a truly 'Swadeshi Bank'. In fact, such was the extent of pride felt by Sir Sorabji Pochkhanawala that he proclaimed Central Bank of India as the 'property of the nation and the country's asset'. He also added that 'Central Bank of India lives on people's faith and regards itself as the people's own bank'. During the past 99 years of history the Bank has weathered many storms and faced many challenges. The Bank could successfully transform every threat into business opportunity and excelled over its peers in the Banking industry.

Awards:

The following is list of few awards Central Bank of India got:

1. Among Top 5 Most Trusted Banks by a survey conducted by AC Nielsen and Economic Times.
2. Best Education Loan Provider Award (Outlook Money NDTV Profit Awards) for second year in succession.
3. SKOCH Challenger Award for Best Business Model.
4. 2010 IMM Award for Excellence as Eminent Organization.
5. National Award for Best Bank in Financing to Khadi and Village Industries Commission.

2.6.11 INDUSTRIAL DEVELOPMENT BANK OF INDIA

The Industrial Development Bank of India (IDBI) was established on 1 July 1964 under an Act of Parliament as a wholly owned subsidiary of the Reserve Bank of India.

In 16 February 1976, the ownership of IDBI was transferred to the Government of India and it was made the principal financial institution for coordinating the activities of institutions engaged in financing, promoting and developing industry in the country.

In the wake of financial sector reforms unveiled by the government since 1992, IDBI evolved an array of fund and fee-based services with a view to providing an integrated solution to meet the entire demand of financial and corporate advisory requirements of its clients.

In September 2003, IDBI diversified its business domain further by acquiring the entire shareholding of Tata Finance Limited in Tata Home finance Ltd., signaling IDBI’s foray into the retail finance sector. The migration to the new business model of commercial banking, with its gateway to low-cost current, savings bank deposits,
would help overcome most of the limitations of the current business model of development finance while simultaneously enabling it to diversify its client/asset base. Towards this end, the IDB (Transfer of Undertaking and Repeal) Act 2003 was passed by Parliament in December 2003. The Act provides for repeal of IDBI Act, corporatisation of IDBI (with majority Government holding; current share: 58.47%) and transformation into a commercial bank.

The provisions of the Act have come into force from 2 July 2004 in terms of a Government Notification to this effect. The Notification facilitated formation, incorporation and registration of Industrial Development Bank of India Ltd. as a company under the Companies Act, 1956 and a deemed Banking Company under the Banking Regulation Act 1949 and helped in obtaining requisite regulatory and statutory clearances, including those from RBI.

On 29 July 2004, the Board of Directors of IDBI and IDBI Bank accorded in principle approval to the merger of IDBI Bank with the Industrial Development Bank of India Ltd. to be formed incorporated under the Companies Act, 1956 pursuant to the IDB (Transfer of Undertaking and Repeal) Act, 2003 (53 of 2003), subject to the approval of shareholders and other regulatory and statutory approvals.

A mutually gainful proposition with positive implications for all stakeholders and clients, the merger process is expected to be completed during the current financial year ending 31 March 2005.

Awards:

The following is list of few awards IDBI Bank got:

1. IDBI Bank was adjudged winner under Development Finance-Led Poverty Reduction category for its “Rural Transformation Fellowship Program” in the Association of Development Financing Institutions in Asia & the Pacific Awards 2012 in Istanbul, Turkey. The Bank also received the “Best Website” Award at the ceremony.

2. IDBI Bank’s Hindi House Journal "Vikas Prabha” receives award from Governor of RBI.
3. IDBI Bank bags IBA’s prestigious Banking Technology Award.
4. IDBI Bank adjudged as the Bank of the Year in the 3rd Dalal Street Investment Journal for the Year.
5. IDBI Bank Wins Asian Banker Technology Implementation Award 2011 for Best Data and Analytics Project.

2.6.12 UNION BANK OF INDIA

Union Bank of India was established on 11th November 1919 with its headquarters in the city of Bombay now known as Mumbai.

The Head Office building of the Bank in Mumbai was inaugurated by Mahatma Gandhi, the Father of the nation in the year 1921, and he said on the occasion:

"We should have the ability to carry on a big bank, to manage efficiently crores of rupees in the course of our national activities. Though we have not many banks amongst us, it does not follow that we are not capable of efficiently managing crores and tens of crores of rupees."

His prescient words anticipated the growth of the bank that has taken place in the decades that followed. The Bank now operates through over 2800 branches across the country. The Bank's core values of prudent management without ignoring opportunities is reflected in the fact that the Bank has shown uninterrupted profit during all 90 years of its operations.

Union Bank has been playing a very proactive role in the economic growth of India and it extends credit for the requirements of different sectors of economy. Industries,
exports, trading, agriculture, infrastructure and the individual segments are sectors in which the bank has deployed credit to spur economic growth and to earn from a well-diversified portfolio of assets.

Resources are mobilized through Current, Savings and Term Deposits and through refinance and borrowings from abroad. The Bank has a large clientele base of over 24 million.

On the technology front the Bank has taken early initiatives and 100% of its branches are computerized. The Bank has also introduced Core Banking Solution with connectivity between branches. 100% of the business of the Bank is under Core Banking Solution making it a leader among its peers in infusion of technology. Many innovative products are developed using the technology platform to offer an array of choices to customers, adding speed and convenience to transactions. Technology will also enable the Bank to derive substantial cost reduction while creating the requisite capacity to handle the ever increasing volume of business in a competitive environment that offers immense opportunities.

**Awards:**

The following is list of few awards Union Bank of India got:

1. The Asian Banker ranked Union Bank of India the 7th Strongest Bank in Asia-Pacific Region in 2009. The Bank was ranked at No. 3 amongst banks in India.
2. The bank was awarded the prestigious “Asian Banker IT implementation award 2007” by the Asian Banker, a Singapore based research and intelligence organization at Asian Banker Summit.
3. In survey conducted by Business Today-KPMG, Union Bank of India was ranked 8th in the list.
4. Union Bank of India has been the winner of Association of Business Communicators of India Gold Award for marketing and Brand Communications, 2010. The award is in recognition of the transformation process undertaken by the Bank.
The idea of a truly Indian bank was first conceived of by Mr. G.D Birla, the doyen of Indian Industrial renaissance, after the historic "Quit India" movement in 1942. Soon this nascent idea came into reality and, on the 6th of January 1943, The United Commercial Bank Ltd. was born with its Registered and Head Office at Kolkata. The very first Board of Directors was represented by eminent personalities of the country drawn from all walks of life, and this all-India character of the Bank has been assiduously maintained till this day not only in the composition of its Board but also in the geographical spread of its 1700 odd branches in the country as well as in its overseas centres in Singapore and Hong Kong.

Having traversed periods of expansion and consolidation, the Bank was nationalized by the Government of India on the 19th July 1969 whereupon 100 per cent ownership was taken over by the government in UNITED COMMERCIAL BANK. This historic event brought about a sea-change in the entire fabric of the bank's thinking and activities, commensurate with the government's socio-political approach of mass banking as against class banking hitherto practised. Branch expansion started at a fast pace, particularly in rural areas, and the bank achieved several unique distinctions in Priority Sector lending and other social upliftment activities. To keep pace with the developing scenario and expansion of business, the Bank undertook an exercise in organizational restructuring in the year 1972.

This resulted into more functional specialization, decentralization of administration and emphasis on development of personnel skill and attitude. Side by side, whole hearted commitment into the government's poverty alleviation programmes continued
and the convenorship of State Level Bankers' Committee (SLBC) was entrusted on the Bank for Orissa and Himachal Pradesh in 1983.

The year 1985 opened a new chapter for the Bank as the name of the Bank changed to UCO BANK by an Act of Parliament. The customer friendly and socially committed character, however, remained even with this change in name which has, over the years, been regarded as one of the well-known and vibrant banks in the country. Today, with all its inner strengths, UCO Bank has come a long way to symbolize friendliness for customers and efficiency in its banking business. Truly, UCO Bank HONOURS YOUR TRUST.

Awards:

The following is list of few awards UCO Bank got:

1. UCO Bank was awarded the Runner Up prize for outstanding achievement in the “Best Financial Inclusion Initiative” category of IBA Banking Technology Awards 2010.

2. UCO Bank was declared the winner of the Leap Vault Change Leadership Awards 2010 under the Corporate Change Leadership (Business Turnaround category).


4. It was honoured with “National Awards for Excellence in Lending to Micro Enterprises” for its excellent performance in lending to micro enterprises from Government of India and Ministry of Micro, Small & Medium Enterprises.

2.6.14 DENA BANK
Dena Bank is an Indian commercial bank based in Mumbai. Dena Bank was founded on 26th May, 1938 by the family of Devkaran Nanjee under the name Devkaran Nanjee Banking Company Ltd

It became a Public Ltd. Company in December 1939 and later the name was changed to Dena Bank Ltd. It has a branch network of over 1100 branches. The logo of Dena Bank depicts Goddess Lakshmi, the Goddess of Wealth, according to Hindu mythology. It was the desire of the founding fathers of the Bank that the Bank should be a symbol of prosperity for all its clients, and the logo represents this promise.

The contemporary 'D' in the logo reflects the dynamism, dedication and the drive towards customer satisfaction. The logo of Dena Bank Depicts Goddess Lakshmi, the Goddess of Wealth, according to hindu mythology.

**Awards:**

The following is list of few awards Dena Bank got:

1. Dena Bank gets NABARD social banking award.
2. The 2nd prize awarded to Dena Bank in the field of Rajbhasha for effective implementation of Hindi during 2010 – 2011 in Maharashtra.
3. Dena Bank has been awarded bronze trophy by ABCI for best features in its house magazine "Dena Jyoti" for the year 2009.

**2.6.15 INDIAN OVERSEAS BANK**

In 1937, Thiru.M. Ct. M. Chidambaram Chettyar establishes the Indian Overseas Bank (IOB) to encourage overseas banking and foreign exchange operations. IOB
started up simultaneously at three branches, one each in Karaikudi, Madras (Chennai) and Rangoon (Yangon). It then quickly opened a branch in Penang and another in Singapore. The bank served the Nattukottai Chettiars, who were a mercantile class that at the time had spread from Chettinad in Tamil Nadu state to Ceylon (Sri Lanka), Burma (Myanmar), Malaya, Singapore, Java, Sumatra, and Saigon. As a result, from the beginning IOB specialized in foreign exchange and overseas banking (see below). In the 1960s, the banking sector in India was consolidating by the merger of weak private sector banks with the stronger ones; IOB absorbed five banks, including Kulitali Bank (est. 1933). Then in 1969 the Government of India nationalized IOB. At one point, probably before nationalization, IOB had twenty of its eighty branches located overseas. After nationalization it, like all the nationalized banks, turned inward, emphasizing the opening of branches in rural India.

In 2000, IOB engaged in an initial public offering (IPO) that brought the government's share in the bank's equity down to 75%. In 2001 it acquired the Mumbai-based Adarsha Janata Sahakari Bank, which gave it a branch in Mumbai. Then in 2009 IOB took over Shree Suvarna Sahakari Bank, which was founded in 1969 and had its head office in Pune. Shree Suvarna Sahakari Bank has been in administration since 2006. It had nine branches in Pune, two in Mumbai and one in Shirpur. The total employee strength was estimated to be little over 100.

**Awards:**

The following is list of few awards Indian Overseas Bank got:

1. NABARD's award 2000-2001 for creating maximum number of credit links of Self Help Groups in comparison to all the other Banks in Tamil Nadu.
2. Best Award under the category of Banking Technology in the year 2001.
3. The Best Public Sector Bank under Micro Credit category for Dun & Bradstreet and Polaris Software Banking Awards 2011
4. The Bank bagged SKOCH AWARD for Financial Inclusion which was conferred to the Bank for "Best Practices through Banking & Financial Services for promoting Inclusive growth & Poverty Alleviation from across Urban and Rural India".
2.7 PRIVATE SECTOR BANKS

Total 10 private sector banks have been considered for study. Overviews of all 10 private sector banks in brief have been given as follow.

2.7.1 YES BANK

Yes Bank, incorporated in 2003 by Rana Kapoor and Late Ashok Kapur, is a new age private sector bank. It is the only bank that has been awarded a greenfield license by the Reserve Bank of India (RBI). It offers a full range of products and services in areas of corporate and institutional banking, financial markets, investment banking, corporate finance, business and transaction banking, retail and wealth management across India. Subsequently, on December 11, 2003, RBI was informed of the participation of three private equity investors namely Citicorp International Finance Corporation, ChrysCapital II, LLC and AIF Capital Inc., to achieve the financial closure of the Bank. RBI by their letter dated February 26, 2004 provided their no-objection to the participation of the three private equity investors namely Citicorp International Finance Corporation, ChrysCapital II, LLC and AIF Capital Inc. in the equity of the Bank at 10%, 7.5% and 7.5%, respectively, and also advised the Bank to infuse a sum of Rs. 2000 million as the paid up capital. Additionally, the RBI advised the Bank to submit an application for final approval after completion of all formalities for incorporation as a banking company and setting out the capital structure of the Bank as approved by RBI.

RBI by their letter dated December 29, 2003 decided to further extending `In Principle' approval for a period up to February 29, 2004 to allow the Bank to complete all financial arrangements. Yes Bank obtained its certificate of Commencement of Business on January 21, 2004. Subsequently, in March 2004, the Bank achieved the
mobilization of the initial minimum paid up capital of Rs. 2,000 million. Further, the Promoters by their letter dated March 29, 2004 made a final application for a banking licence under Section 22 (1) of the Banking Regulation Act, 1949 providing complete details of the capital structure, the composition of Board of Directors, the proposed human resources, information technology, premises and legal-policies and the business and financial plan of the Bank.

Further, by their letter dated September 2, 2004, RBI included the Bank in the Second Schedule of the RBI Act, 1934 with effect from August 21, 2004 and a corresponding notification was published in the Official Gazette of India (PART III-Section 4) on August 16, 2004.

Awards:

The following is list of few awards Indian YES Bank got:

1. YES BANK receives the "Fastest Growing Bank" Award third year in a row at the Business World Best Bank Awards 2011.
2. Wins the Best Multi-channel Capability Project Award for increasing its distribution and optimizing its mobile banking services.
3. Received the Asian Banker IT Implementation Award for Best HR Systems Implementation Project, Singapore, 2010.
4. Received the Financial Insights Innovation Award for Innovation in Business Excellence on February 26, 2010 in Singapore.

2.7.2 AXIS BANK
Axis Bank was formed as UTI when it was incorporated in 1994 when Government of India allowed private players in the banking sector. The bank was sponsored together by the administrator of the specified undertaking of the Unit Trust of India, Life Insurance Corporation of India (LIC) and General Insurance Corporation Ltd. and its subsidiaries namely National insurance company ltd., the New India Assurance Company, the Oriental Insurance Corporation and United Insurance Company Ltd. However, the name of UTI was changed because of the disagreement on terms and conditions of the bank authority over certain stipulations including royalty charged over the name from UTI AMC. The bank also wanted to have a new name from its pan-Indian as well as international business perspective. So from July 30, 2007 onwards the UTI bank was named as Axis Bank.

Set up with a capital of Rs. 115 crore- with UTI contributing Rs. 100 crore, LIC contributing Rs. 7.5 crore and GIC and its four subsidiaries contributing Rs. 1.5 crores, the bank came in operation with its first registered office at Ahmedabad. Today, Axis Bank has more than 726 branch offices and Extension Counters spread over 341 cities, towns and villages of the country. Presently, the authorized share capital of Axis Bank is Rs. 300 Crores and the paid up share capital is Rs. 232.86 Crores. The Axis bank is currently capitalized with Rs. 282.65 Crores with a public holding of 57.05% apart from the promoters. The FY2009 shows a net profit of Rs. 500.86 crore up by 63.24% yoy over the Net Profit of Rs. 306.83 crores for the third quarter of last year. Axis Bank its customers with all kinds of facilities that should be provided by a modern Bank. It deals with personalized as well as commercial banking. It has one of the largest spread ATM network in the country.

**Awards:**

The following is list of few awards Indian AXIS Bank got:

1. Ranked 3rd Strongest Bank in Asia Pacific region by Asian Banker.
2. Ranked No. 1 in "overall experience with bank staff" and "overall branch facilities" by The Hindustan Times-MaRS Survey Report dated, 29th March, 2010.
3. Axis bank was awarded Best bank award in the private sector category at NDTV Profit Business Leadership Awards 2008.

2.7.3 FEDERAL BANK

The history of Federal Bank dates back to the pre-independence era. Though initially it was known as the Travancore Federal Bank, it gradually transformed into a full-fledged bank under able leadership of its Founder, Mr. K P Hormis. The name Federal Bank Limited was officially announced in the year 1947 with its headquarters nestled on the banks on the river Periyar. Since then there has been no looking back and the bank has become one of the strongest and most stable banks in the country.

Awards:

The following is list of few awards Indian Federal Bank got:

1. Federal Bank has won the ‘Great Mind Challenge’ award for implementing the most innovative solution for business.
2. Federal Bank received the Rashtriya Udyog Ratna Award.
3. Best Bank Award among Small Banks for ‘Mobile Banking and Electronic Payments’.
5. The Excellence Award for “Second Best Bank” among Traditional Private Sector Banks in Kerala - constituted by the State Forum for Banker’s Clubs Kerala. The Bank also received all three Excellence Awards for Best Branches
and the award for the Best Branch Managers among Traditional Private Sector Banks in Kerala.

2.7.4 HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED (HDFC)

The Housing Development Finance Corporation Limited (HDFC) was amongst the first to receive an 'in principle' approval from the Reserve Bank of India (RBI) to set up a bank in the private sector, as part of the RBI's liberalisation of the Indian Banking Industry in 1994. The bank was incorporated in August 1994 in the name of 'HDFC Bank Limited', with its registered office in Mumbai, India. HDFC Bank commenced operations as a Scheduled Commercial Bank in January 1995.

Awards:

The following is list of few awards Indian HDFC Bank got:

2. IBA Banking Technology Awards 2010 - Technology bank of the year, best online bank, best customer initiative, best use of business intelligence, best risk management system and runners up - best financial inclusion.
4. NDTV Business Leadership Awards 2010 - Best private sector bank.
5. The Banker Magazine - World’s Top 1,000 Banks.
ICICI Bank was originally promoted in 1994 by ICICI Limited, an Indian financial institution, and was its wholly-owned subsidiary. ICICI's shareholding in ICICI Bank was reduced to 46% through a public offering of shares in India in fiscal 1998, an equity offering in the form of ADRs listed on the NYSE in fiscal 2000, ICICI Bank's acquisition of Bank of Madura Limited in an all-stock amalgamation in fiscal 2001, and secondary market sales by ICICI to institutional investors in fiscal 2001 and fiscal 2002. ICICI was formed in 1955 at the initiative of the World Bank, the Government of India and representatives of Indian industry. The principal objective was to create a development financial institution for providing medium-term and long-term project financing to Indian businesses.

In the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services group offering a wide variety of products and services, both directly and through a number of subsidiaries and affiliates like ICICI Bank. In 1999, ICICI became the first Indian company and the first bank or financial institution from non-Japan Asia to be listed on the NYSE.

After consideration of various corporate structuring alternatives in the context of the emerging competitive scenario in the Indian banking industry, and the move towards universal banking, the managements of ICICI and ICICI Bank formed the view that the merger of ICICI with ICICI Bank would be the optimal strategic alternative for both entities, and would create the optimal legal structure for the ICICI group's universal banking strategy. The merger would enhance value for ICICI shareholders through the merged entity's access to low-cost deposits, greater opportunities for
earning fee-based income and the ability to participate in the payments system and provide transaction-banking services. The merger would enhance value for ICICI Bank shareholders through a large capital base and scale of operations, seamless access to ICICI's strong corporate relationships built up over five decades, entry into new business segments, higher market share in various business segments, particularly fee-based services, and access to the vast talent pool of ICICI and its subsidiaries.

In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly-owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank. The merger was approved by shareholders of ICICI and ICICI Bank in January 2002, by the High Court of Gujarat at Ahmedabad in March 2002, and by the High Court of Judicature at Mumbai and the Reserve Bank of India in April 2002. Consequent to the merger, the ICICI group's financing and banking operations, both wholesale and retail, have been integrated in a single entity.

Awards:

The following is list of few awards Indian ICICI Bank got:

1. For the fifth year in a row, ICICI Bank was awarded the "Best Foreign Exchange Bank (India)" by Finance Asia Country Awards. The Bank also received the "Best Bond House (India)".
2. ICICI Bank featured as the top Indian brand to be listed in the annual BrandZ's Top 100 Most Valuable Global Brands study.
3. ICICI Bank awarded the Best Bank (India) by Global Finance.
4. ICICI Bank received the "Best House of the Year (India)", by Asia Risk.
5. ICICI Bank tops the list of "Most Trusted Private Sector Bank" and ranks 10th in the list of "India's Most Trusted Service Brands" by Brand Equity, Most Trusted Brands 2011.
2.7.6 KARUR VYSYA BANK LIMITED

The Karur Vysya Bank Limited, popularly known as KVB, one such endeavour, was set up in 1916 by two great visionaries and illustrious sons of Karur, the Late Shri M A Venkatarama Chettiar and the Late Shri Athi Krishna Chettiar to inculcate the habit of savings and provide financial assistance to traders and small agriculturists in and around Karur, a textile town in Tamil Nadu. Though the bank started with a seed capital of Rs.1 lakh, it has withstood innumerable changes and challenges in the past few decades and has profitably emerged as one of the leading banks in India without compromising on its fundamentals.

The bank is professionally managed and guided by the Board of Directors drawn from different fields with vision, experience, knowledge and business acumen. Shedding its inherent regional flavour, the bank has now spread its wings far and wide with over 320 branches in 13 States and 3 Union Territories in order to gain a pan India presence. The bank has been conducting its affairs meticulously to conform to all the prudential norms and exacting statutory regulations.

KVB has consistently maintained strong fundamentals with a higher percentage of Capital Adequacy Ratio than mandated by the RBI. KVB has also been generating profits and rewarding its stakeholders with handsome dividends since inception.

Awards:

The following is list of few awards Indian Karur Vysya Bank got:
1. Bloomberg UTV Financial Leadership Awards, 2012 has conferred the Best Private Sector Bank on KVB
2. Dun & Bradstreet – Best Private Sector Bank in Asset Quality, 2010

2.7.7 KOTAK MAHINDRA BANK

Established in 1985, the Kotak Mahindra group has been one of India's most reputed financial conglomerates. In February 2003, Kotak Mahindra Finance Ltd, the group's flagship company was given the license to carry on banking business by the Reserve Bank of India (RBI). This approval created banking history since Kotak Mahindra Finance Ltd. is the first non-banking finance company in India to convert itself in to a bank as Kotak Mahindra Bank Ltd. Today, the bank is one of the fastest growing bank and among the most admired financial institutions in India. At Kotak Mahindra Bank, we address the entire spectrum of financial needs for individuals and corporates. we have the products, the experience, the infrastructure and most importantly the commitment to deliver pragmatic, end-to-end solutions that really work. A license authorising the bank to carry on banking business has been obtained from the Reserve Bank of India in terms of Section 22 if the Banking Regulation Act, 1949. It must be distinctly understood, however, that in issuing the license, the Reserve Bank of India does not undertake any responsibility for the financial soundness of the bank or the correctness of any of the statements made or opinion expressed in this connection.
Awards:

The following is list of few awards Indian Kotak Mahendra Bank got:

5. Best IT Team of the Year, 4 years in a row from 2006 to 2009.

2.7.8 INDUSIND BANK

IndusInd Bank derives its name and inspiration from the Indus Valley civilisation - a culture described by National Geographic as 'one of the greatest of the ancient world' combining a spirit of innovation with sound business and trade practices. Mr. Srichand P. Hinduja, a leading Non-Resident Indian businessman and head of the Hinduja Group, conceived the vision of IndusInd Bank - the first of the new-generation private banks in India - and through collective contributions from the NRI community towards India's economic and social development, brought our Bank into being.

The Bank, formally inaugurated in April 1994 by Dr. Manmohan Singh, Honourable Prime Minister of India who was then the country’s Finance Minister, started with a
capital base of Rs.1,000 million (USD 32 million at the prevailing exchange rate), of which Rs.600 million was raised through private placement from Indian Residents while the balance Rs.400 million (USD 13 million) was contributed by Non-Resident Indians.

IndusInd Bank, which commenced its operations in 1994, caters to the needs of both consumer and corporate customers. It has a robust technology platform supporting multi-channel delivery capabilities. The Bank has 2 Representative offices, one each in London and Dubai.

The Bank believes in driving its business through technology. It has multi-lateral tie-ups with other banks providing access to their ATMs for its customers. It enjoys clearing bank status for both major stock exchanges - BSE and NSE - and three major commodity exchanges in the country - MCX, NCDEX, and NMCE. It also offers DP facilities for stock and commodity segments. The Bank has been bestowed with the mandate of being a Settlement Banker for six tea auction centers.

Awards:

The following is list of few awards Indusind Bank got:

3. Awarded the “Best Bank in New Generation Category” by the STATE FORUM OF BANKERS CLUB KERALA.
4. ‘Excellence Award’ as the 2nd best New Generation Bank in Kerala for the second consecutive year awarded by the State Forum of Bankers Clubs, Kerala.
5. Awarded the CII Environment Best Practice Award 2012 for the “Most Innovative Environmental Project”.
The Lakshmi Vilas Bank Limited (LVB) was founded in 1926 by seven people of Karur under the leadership of Shri V.S.N. Ramalinga Chettiar, mainly to cater to the financial needs of varied customer segments. The bank was incorporated on November 03, 1926 under the Indian Companies Act, 1913 and obtained the certificate to commence business on November 10, 1926. The Bank obtained its license from RBI in June 1958 and in August 1958 it became a Scheduled Commercial Bank.

During 1961-65 LVB took over nine Banks and raised its branch network considerably. To meet the emerging challenges in the competitive business world, the bank started expanding its boundaries beyond Tamil Nadu from 1974 by opening branches in the neighboring states of Andhra Pradesh, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Gujarat, West Bengal, Uttar Pradesh, Delhi and Pondicherry. Mechanization was introduced in the Head office of the Bank as early as 1977. At present, with a network in 16 states and the union territory of Pondicherry, LVB has a base in the state of Tamil Nadu. LVB has been focusing on retail banking, corporate banking and bank assurance.

Awards:

The following is list of few awards Lakshmi Vilas Bank got:
1. The ‘Diamond Award’ for the most innovative use of technology was awarded to Lakshmi Vilas Bank by Hitachi Data Systems at a gala event in Kota Kinabalu, Malaysia.

2. The Bank won the prestigious Banking Technology Award - Best Bank Award for Electronic Payments Systems among small banks for the year 2010-11 - of the IDRBT.

2.7.10 JAMMU AND KASHMIR BANK

The origin of Jammu and Kashmir Bank Limited, more commonly referred to as J&K Bank, can be traced back to the year 1938, when it was established as the first state-owned bank in India. The bank was incorporated on 1st October 1938 and it was in the following year (more precisely on 4th July 1939) that it commenced its business, in Kashmir (India). It was initially set up as a semi-State Bank, with its capital being contributed by State as well as the public under the control of State Government.

Jammu and Kashmir Bank had to face serious problems in 1947 i.e. at the time of independence. With the partition of Pakistan, two out of the total ten branches of the bank, namely the ones in Muzaffarabad and Mirpur, fell to the other side of the line of control (now Pak Occupied Kashmir), along with cash and other assets. At that point of time, in keeping with the extended Central laws of the state, J&K Bank was categorized as a Government Company, as per the provisions of Indian Companies Act 1956.

It was in the year 1971 that Jammu and Kashmir Bank was granted the status of a 'Scheduled Bank'. Five years later, it was declared as "A" Class Bank, by the Reserve
Bank of India (RBI). As the years passed on, the bank started achieving more and more success. Today, it boasts of more than 500 branches across the country. It was only recently that Jammu and Kashmir Bank became a billion dollar company. Governed by the Companies Act and Banking Regulation Act of India, it is regulated by RBI and SEBI. It finds a listing on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as well.

Awards:

The following is list of few awards J & K Bank got:

1. J&K Bank wins Dun & Bradstreet Banking Award-2011
2. J&K Bank’s Annual Report 2008-09 has won three awards at the prestigious League of American Communications Professionals 2009 Vision Awards – the world’s largest award programme for Annual Reports, organised by California-based League of American Communications Professionals, USA.
3. J&K Bank wins prestigious FE India’s Best Banks Award. The Award is an inspiration for future and recognition of our past – Chairman.
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