CHAPTER 3

3. AN OVERVIEW OF BANKING SECTOR

3.1 INTRODUCTION

According to Section 5(b) of the Banking Regulation Act banking is defined as, ‘accepting, with the end goal of giving or venture, of accepting from the public, repayable with interest or generally, and withdrawal, with check, draft, order or otherwise’.

Indian bank originated during the first decade of 18th century. In 1786, General Bank of India was started and it was followed by Bank of Hindustan. The State Bank of India which is the oldest bank and it is established as “The Bank of Bengal” in June 1806 at Calcutta. The three banks Bank of Calcutta, Bank of Bombay and Bank of Madras merged together by 1921 and named as “Imperial Bank of India”. In 1955 the Imperial Bank of India become the nationalised bank and was renamed as State Bank of India.

During 1850s foreign banks like Credit Lyonnais established their operational activities at Calcutta. Allahabad bank was the first Indian bank which was established during 1865.

Later the banking market expanded with number of establishment such as Punjab National Bank by 1895 in Lahore and Bank of India by 1906 in Mumbai which were under the private proprietorship. From April 1, 1935 onwards, The Reserve Bank of India acquired the accountability of Indian banking sector. The Reserve Bank of India was nationalized and given broader supremacies after India’s Independence 1947. The Reserve Bank of India was constituted.
To control the problem of banknotes

- In order to uphold capitals with a sight to safeguarding financial constancy
- To function the credit and currency scheme of the country to its benefit

The major steps taken by the Government of India in order to regulate Banking institutions in the country:

Table 3.1 Year wise steps taken to regulate banking institutions in India

<table>
<thead>
<tr>
<th>Year</th>
<th>Steps taken by the Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>1949</td>
<td>Enactment of Banking Regulation Act</td>
</tr>
<tr>
<td>1955</td>
<td>Nationalization of State Bank of India</td>
</tr>
<tr>
<td>1959</td>
<td>Nationalization of SBI subsidiaries</td>
</tr>
<tr>
<td>1961</td>
<td>Insurance cover extended to deposits</td>
</tr>
<tr>
<td>1969</td>
<td>Nationalization of 14 major banks</td>
</tr>
<tr>
<td>1971</td>
<td>Creation of credit guarantee corporation</td>
</tr>
<tr>
<td>1975</td>
<td>Creation of regional rural banks</td>
</tr>
<tr>
<td>1980</td>
<td>Seven banks Nationalized with deposits over 200 crores</td>
</tr>
</tbody>
</table>

Important Legislation related with Banking Sector includes the following:

The major core legislation is:

1. The Reserve Bank of India Act, 1934
2. The Banking Regulation Act, 1949

The Acts governing specific functions is:

1. Indian Coinage Act, 1906
2. Public Debt Act, 1944
3. Securities Contract (Regulation) Act, 1956
4. Foreign Exchange Management Act, 1999
5. Government Securities Act, 2006

Acts which were governing Banking Operations:

1. The Negotiable Instruments Act, 1881
2. Bankers Books Evidence Act, 1891
3. Companies Act, 1956
4. Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
5. Securities and Exchange Board of India Act, 1992
6. The Prevention of Money Laundering Act, 2002

The Acts which were governing Individual Institutions:

1. The State Bank of India Act, 1954
2. Deposit Insurance and Credit Guarantee Corporation Act, 1961
3. Regional Rural Banks Act, 1976
6. The Industrial Finance Corporation (Transfer of Undertaking and Repeal) Act, 1993
7. The Industrial Development Bank (Transfer of Undertaking and Repeal) Act, 2003

Indian Banking Industry encompasses measures of public, private and foreign ownerships. Banking sector include two kinds of scheduled bank i.e. scheduled commercial bank and scheduled co-operative banks. The first and second category of scheduled commercial and scheduled co-operative banks comprises of following below:
Table 3.2 Types of bank operated in India

<table>
<thead>
<tr>
<th>Scheduled Commercial Bank</th>
<th>Scheduled co-operative banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector Bank</td>
<td>Scheduled Urban Co-operative Banks</td>
</tr>
<tr>
<td>- SBI and its Associates</td>
<td></td>
</tr>
<tr>
<td>- Nationalized Banks</td>
<td></td>
</tr>
<tr>
<td>- Other Public Sector Banks</td>
<td></td>
</tr>
<tr>
<td>Private Banks</td>
<td></td>
</tr>
<tr>
<td>Foreign Banks working in India</td>
<td>Scheduled State Co-operative Banks</td>
</tr>
<tr>
<td>Regional Rural Banks</td>
<td></td>
</tr>
</tbody>
</table>

According to Reserve Bank of India Act, 1934 Scheduled bank refers to bank which is listed under second schedule of the Reserve Bank of India Act and which execute business banking operations such as loan sanction, acceptance of deposits and other banking related services. Those banks which are not under this schedule are non-scheduled banks. Scheduled banks include nationalized, private and foreign banks. The Scheduled Commercial Banks and Cooperative banks are differentiated based on their holding pattern. Under Cooperative Societies Act the Cooperatives are registered as Cooperative credit institutions. The public sectors banks are those where majority of stake are held by Government of India or Reserve bank of India. In case of private sector majority of their stake were held by the individual private people. With limited liabilities these were registered as companies. Foreign banks are having their headquarters in foreign and registered here simultaneously it operate their branches in our home country.
### Table 3.3  Banking in India - Key Industry Indicators (As on March 31, 2014)

<table>
<thead>
<tr>
<th>Indicator Description (As on March 31, 2014)</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Commercial Banks</td>
<td>151</td>
</tr>
<tr>
<td>Population per office(in Thousands)</td>
<td>11.3</td>
</tr>
<tr>
<td>Number of Banks Branches</td>
<td>111,778</td>
</tr>
<tr>
<td>Aggregate deposits of Scheduled Commercial Banks in India (in Billion)</td>
<td>77393.9 (US$1289.88**)</td>
</tr>
<tr>
<td>Bank credit of Scheduled Commercial Banks in India (in Billion)</td>
<td>60130.9 (US$1002.18**)</td>
</tr>
<tr>
<td>Per capita Deposit of Scheduled Commercial Banks*</td>
<td>63962 (US$1066.03**)</td>
</tr>
<tr>
<td>Per capita Credit of Scheduled Commercial Banks**</td>
<td>49695 (US$828.25**)</td>
</tr>
<tr>
<td>Credit-Deposit Ratio(per cent)</td>
<td>78</td>
</tr>
<tr>
<td>Total no of ATMs</td>
<td>1,60,055</td>
</tr>
</tbody>
</table>

* Provisional  ** Conversion rate: US$1- 60

### 3.2  BANKING FEDERATIONS AND ASSOCIATIONS IN INDIA

Banking Federation helps in the development of banking industry and the service condition of banking employees. It helps in the improvement of working class of the people.

#### 3.2.1  Indian Institute of Banking and Finance

Indian Institute of Banking and Finance was established as a company under Section 25 of the Indian Companies Act, 1913 in the year 1928. Indian Institute of Banking and Finance act as a professional body for the
banks, financial institutions and the employees in India. Around 677 banks are the institutional members and about 4,50,000 employees as individual members. The mission of Indian Institute of Banking and Finance is “to develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy / counseling and continuing professional development programmes”.

3.2.2 Indian Banks Association

Indian Banks Association focus is to enlighten values towards banking principles and practices. Indian Banks Association was established on September 26, 1946 with members of around 22 based in Mumbai. The total membership is around 237 as on December 28, 2015. Out of 237 members 139 are ordinary members and 98 are associate members. Public sector banks, Private sector banks, foreign banks having offices in India, Co-operative banks, Regional rural banks and the financial institutions are the members.

IBA act as a key strategic player of the banking industry by means applying innovative strategy to support the Banking industry’s growth. It provides consultative approach by joining hands with Government of India and RBI on policy issues in order to enhance the efficiency, competitive environment through the specialized services.

3.2.3 Institute for Development and Research in Banking Technology

The banking research institute IDRBT was established in 1996 by Reserve Bank of India based in Hyderabad. The major focus of the institute IDRBT is to provide operational service support for the banks and financial institutions in the form of informational technology. To meet the emergent and
current requirements of finance and banking sector this institute’s offers academic and research programs.

3.2.4 Asset Reconstruction Company India Limited (ARCIL)

Asset Reconstruction Company India Limited procures from Indian Banks and financial institutions to start business resolution of Non-Performing Assets. The registered office is at Mumbai, Maharashtra. About 65 banks ARCIL has acquired portfolio. From Indian Banking System ARCIL has acquired more than Rs. 70,000 crore.
Figure 3.1  India’s banking industry is classified into scheduled commercial banks and scheduled co-operative banks with the Reserve Bank of India as the central bank.
Currently in India there are 27 public sector banks which include SBI and its 5 associates and nationalized banks are 19 in total. IDBI and Bhartiya Mahila Bank were categorized as Other Public Sector Banks by RBI.

State Bank of India is the largest banking and financial services company in terms of assets in India with 17,000 branches and foreign offices of around 200. There were 8 associates of SBI in 1959 and currently 5 associates of banks and they are as follows:

- State Bank of Bikaner & Jaipur
- State Bank of Hyderabad
- State Bank of Mysore
- State Bank of Patiala
- State Bank of Travancore

The seven non-banking subsidiaries associated with State Bank of India are as follows:

- SBI Capital Markets Ltd
- SBI Funds Management Pvt Ltd
- SBI Factors and Commercial Services Pvt Ltd
- SBI Cards and Payment Services Pvt Ltd
- SBI DFHI Ltd
- SBI Life Insurance Company Limited
- SBI General Insurance

**Nationalized Banks:**

The 19 nationalized banks in India are as follows:

1. Allahabad Bank
2. Andra Bank
3. Bank of Baroda
4. Bank of India
5. Bank of Maharashtra
6. Canara Bank
7. Central Bank of India
8. Corporation Bank
9. Dena Bank
10. Indian Bank
11. Indian Overseas Bank
12. Oriental Bank of Commerce
13. Punjab and Sind Bank
14. Punjab National Bank
15. Syndicate Bank
16. UCO Bank
17. Union Bank of India
18. United Bank of India
19. Vijaya Bank

Other Public Sector Banks

1. IDBI
2. Bhartiya Mahila Bank

Scheduled Commercial Banks (Private Banks):

Majority of the capital remained in private hands in case of private banks. The two types of private sector banks are Old Private Sector Banks and New Private Sector Banks.
List of Old Private Sectors Banks are as follows:

1. Catholic Syrian Bank
2. City Union Bank
3. Dhanlaxmi Bank
4. Federal Bank
5. Jammu and Kashmir Bank
6. Karnataka Bank
7. Karur Vysya Bank
8. Lakshmi Vilas Bank
9. Nainital Bank
10. Ratnakar Bank
11. South Indian Bank
12. Tamilnad Mercantile Bank

List of New Private Sector Banks are as follows:

On the basis of revised guidelines issued by Reserve Bank of India 1993, at present there are seven new private sector banks in India. They are as follows:

1. Axis Bank
2. Development Credit Bank (DCB Bank Ltd)
3. HDFC Bank
4. ICICI Bank
5. Indusind Bank
6. Kotak Mahindra Bank
7. Yes Bank
8. IDFC Bank
9. Bandhan Bank
Foreign Banks

Around 46 foreign banks in India are present in the form of branches as on December 31st 2015 and around 39 foreign banks are present in form of representative offices. In India majority of foreign banks are niche players. On the basis of two cardinal principle of RBI policy (i.e.), reciprocity and single mode of presence the foreign bank in India are present.

Regional Rural Bank:

During 1970s the Regional Rural Banks were started in order rectify the existence of cultural issues after nationalization. The commercial banks faced the difficulty to afford loan to the farmers. NABARD is regulating the activities. The three entities of RRBs with their respective shares are as follows:

- Central Government 50%
- State Government 15%
- Sponsor Bank 35%

The rating agency ICRA Limited generated a report showing that the majority of total assets of banking industry 75 percent hold by the public sector banks, 18.2 percent and 6.5 percent hold by private and foreign banks respectively.

3.3 AN OVERVIEW OF COIMBATORE DISTRICT

Coimbatore district is purposively selected for this study and the reason behind this is it is one of the major industrial cores of Tamil Nadu. It includes textile, commercial, educational institutions, information technologies and healthcare. The market potential of highly industrial equipped area urged
the banks to target their customers. Coimbatore district lies in the western part of Tamil Nadu.

Figure 3.2 Map of the study area – Coimbatore

Coimbatore district surrounded in east by Tiruppur district, in north Nilgiris district, in the north-east Erode district and in west and south by Palghat district and Idukki district of Kerala.

Coimbatore district consists of two revenue blocks Coimbatore and Pollachi with 10 Taluks and 295 Revenue Villages. The ten Taluks are Annur, Coimbatore (North), Coimbatore (South), Kinathukadavu, Madukkari, Perur, Pollachi, Sulur and Valparai.
Coimbatore district had total population of 3,458,045 and the sex ratio for every 1000 males are 1000 females which is above the national average of 929. Around 319,332 were under the age of six, 163,230 males and 156,102 females. Around 15.5% and 0.82% constitutes scheduled castes and scheduled tribes of the population respectively. The households of the district constitute around 958,035 and the average literacy constitutes 83.98%. Tamil is the principle language of the district.

Table 3.4 Bank-Wise and Category-Wise Employees of Scheduled Commercial

<table>
<thead>
<tr>
<th>Year</th>
<th>Bank Name</th>
<th>Officers</th>
<th>Clerks</th>
<th>Sub-Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-2015</td>
<td>Allahabad Bank</td>
<td>12771</td>
<td>7289</td>
<td>4171</td>
<td>24231</td>
</tr>
<tr>
<td></td>
<td>Andhra Bank</td>
<td>10304</td>
<td>5160</td>
<td>4335</td>
<td>19799</td>
</tr>
<tr>
<td></td>
<td>Bank of Baroda</td>
<td>22256</td>
<td>18976</td>
<td>8146</td>
<td>49378</td>
</tr>
<tr>
<td></td>
<td>Bank of India</td>
<td>19262</td>
<td>17790</td>
<td>8249</td>
<td>45301</td>
</tr>
<tr>
<td></td>
<td>Bank of Maharashtra</td>
<td>6368</td>
<td>5565</td>
<td>2256</td>
<td>14189</td>
</tr>
<tr>
<td></td>
<td>Bharatiya Mahila Bank Ltd.</td>
<td>437</td>
<td>-</td>
<td>-</td>
<td>437</td>
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<tr>
<td></td>
<td>Canara Bank</td>
<td>23372</td>
<td>20268</td>
<td>10344</td>
<td>53984</td>
</tr>
<tr>
<td></td>
<td>Central Bank of India</td>
<td>16247</td>
<td>14098</td>
<td>8694</td>
<td>39039</td>
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<tr>
<td></td>
<td>Corporation Bank</td>
<td>7824</td>
<td>8098</td>
<td>2074</td>
<td>17996</td>
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<td></td>
<td>Dena Bank</td>
<td>6365</td>
<td>4930</td>
<td>2337</td>
<td>13632</td>
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<td>Idbi Bank Limited</td>
<td>14473</td>
<td>1119</td>
<td>963</td>
<td>16555</td>
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<td></td>
<td>Indian Bank</td>
<td>9274</td>
<td>9449</td>
<td>1499</td>
<td>20222</td>
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<td>Indian Overseas Bank</td>
<td>16229</td>
<td>12189</td>
<td>3700</td>
<td>32118</td>
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<td></td>
<td>Oriental Bank of Commerce</td>
<td>10413</td>
<td>6795</td>
<td>2992</td>
<td>20200</td>
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<td>Punjab And Sind Bank</td>
<td>6409</td>
<td>2113</td>
<td>658</td>
<td>9180</td>
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<td>Punjab National Bank</td>
<td>24701</td>
<td>27832</td>
<td>10842</td>
<td>63375</td>
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<td></td>
<td>Syndicate Bank</td>
<td>12838</td>
<td>10553</td>
<td>4055</td>
<td>27446</td>
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<tr>
<td></td>
<td>Uco Bank</td>
<td>12313</td>
<td>8896</td>
<td>2400</td>
<td>23609</td>
</tr>
<tr>
<td>Year</td>
<td>Bank Name</td>
<td>Officers</td>
<td>Clerks</td>
<td>Sub-Staff</td>
<td>Total</td>
</tr>
<tr>
<td>------</td>
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<td>--------</td>
<td>-----------</td>
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<tr>
<td></td>
<td><strong>Union Bank of India</strong></td>
<td>18290</td>
<td>11731</td>
<td>5493</td>
<td>35514</td>
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<td><strong>United Bank of India</strong></td>
<td>7355</td>
<td>5428</td>
<td>2409</td>
<td>15192</td>
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<td><strong>Vijaya Bank</strong></td>
<td>6271</td>
<td>4304</td>
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<td><strong>Nationalised Banks</strong></td>
<td>263772</td>
<td>202583</td>
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<td>Axis Bank</td>
<td>42230</td>
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<td>-</td>
<td>42230</td>
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<td>Catholic Syrian Bank Ltd</td>
<td>1712</td>
<td>1141</td>
<td>178</td>
<td>3031</td>
</tr>
<tr>
<td></td>
<td>City Union Bank Limited</td>
<td>1647</td>
<td>2380</td>
<td>337</td>
<td>4364</td>
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<tr>
<td></td>
<td>Dcb Bank Limited</td>
<td>3288</td>
<td>37</td>
<td>27</td>
<td>3352</td>
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<tr>
<td></td>
<td>Dhanlaxmi Bank</td>
<td>1705</td>
<td>528</td>
<td>46</td>
<td>2279</td>
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<tr>
<td></td>
<td>Federal Bank</td>
<td>6092</td>
<td>3335</td>
<td>1554</td>
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<td>Hdfc Bank</td>
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<td>140</td>
<td>146</td>
<td>76286</td>
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<td>Icici Bank</td>
<td>67753</td>
<td>9</td>
<td>95</td>
<td>67857</td>
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<td>Ing Vysya Bank</td>
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<td>1259</td>
<td>530</td>
<td>8269</td>
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<td>Jammu &amp; Kashmir Bank Ltd</td>
<td>4849</td>
<td>2767</td>
<td>1667</td>
<td>9283</td>
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<td>Karnataka Bank Ltd</td>
<td>2780</td>
<td>3229</td>
<td>1373</td>
<td>7382</td>
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<td>Karur Vysya Bank</td>
<td>3838</td>
<td>2666</td>
<td>693</td>
<td>7197</td>
</tr>
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<td>Kotak Mahindra Bank Ltd</td>
<td>18335</td>
<td>-</td>
<td>-</td>
<td>18335</td>
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<tr>
<td></td>
<td>Lakshmi Vilas Bank</td>
<td>1537</td>
<td>1259</td>
<td>460</td>
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<td>Nainital Bank</td>
<td>361</td>
<td>288</td>
<td>186</td>
<td>835</td>
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<td>South Indian Bank</td>
<td>3887</td>
<td>3122</td>
<td>513</td>
<td>7522</td>
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<td>Tamilnad Mercantile Bank Ltd</td>
<td>1421</td>
<td>2099</td>
<td>599</td>
<td>4119</td>
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<td></td>
<td>The Ratnakar Bank Limited</td>
<td>3177</td>
<td>187</td>
<td>101</td>
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<td></td>
<td>Yes Bank Ltd.</td>
<td>10810</td>
<td>-</td>
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<td><strong>Private Sector Banks</strong></td>
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<td>State Bank of Bikaner &amp; Jaipur</td>
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<td>4749</td>
<td>3214</td>
<td>13238</td>
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<td>State Bank of Hyderabad</td>
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<td>6686</td>
<td>2244</td>
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<td>78540</td>
<td>94455</td>
<td>40243</td>
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<td>State Bank of Mysore</td>
<td>3477</td>
<td>4731</td>
<td>1985</td>
<td>10193</td>
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<td>Year</td>
<td>Bank Name</td>
<td>Officers</td>
<td>Clerks</td>
<td>Sub-Staff</td>
<td>Total</td>
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<tr>
<td>------</td>
<td>---------------------------------</td>
<td>--------</td>
<td>---------</td>
<td>-----------</td>
<td>-----------</td>
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<tr>
<td></td>
<td>State Bank of Patiala</td>
<td>5517</td>
<td>5648</td>
<td>3327</td>
<td>14492</td>
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<td>State Bank of Travancore</td>
<td>4896</td>
<td>6390</td>
<td>2489</td>
<td>13775</td>
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<td>State Bank of India &amp; Its</td>
<td>104657</td>
<td>122659</td>
<td>53502</td>
<td>280818</td>
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<tr>
<td></td>
<td>Associates</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>669289</td>
<td>351035</td>
<td>151102</td>
<td>1171426</td>
</tr>
</tbody>
</table>

Source: Reserve Bank of India Website

### 3.4 PROFILE OF PRIVATE BANKING SECTOR

#### Catholic Syrian Bank:

The foundation of Catholic Syrian Bank was about nine decades ago. The origin of bank was on 26th November 1920, in Thrissur district of Kerala. The commencement of banking operation started on 1st January 1921 with a credited capital of Rs. 5 lakhs and Rs. 45270 as a paid-up capital. For the first twenty years the concentrated in Kerala state alone. Later the bank took part in amalgamation of five small and medium sized banks in Kerala. The Catholic Syrian bank crossed its total deposits of Rs 25 crores by 1975 and attained the status of “A” class Scheduled Bank. About 80% of the branches were there in rural and semi-urban areas as a strong rural base. Currently there are 431 branches and 242 ATMs across India.

#### City Union Bank:

The City Union Bank was incorporated as ‘The Kumbakonam Bank Limited’ on 31st October 1904. The first agent of the bank is T.S.Raghavachariar and the others were Sarvashri R.Santhanam Iyer, S. Krishna Iyer and V.Krishnaswani Iyengar. On 24th January 1930 the first branch was opened at Mannargudi. On 22nd 1945, March the bank was included in second scheduled of Reserve Bank of India Act. The City Union Bank has network of around 495 branches and 1292 ATMs throughout India. On 31st October 2014 the bank celebrated 110 years of service.
Dhanlaxmi Bank

The bank was incorporated in 1927 at Thrissur, Kerala by group of entrepreneurs who is determined and pioneering joined together to form the bank. The good will of 89 years’ service of the company and the virtuous customer service along with innovation created a strong belief among the people which in turn result in growth from time to time. Around 678 branches were there across the country.

Federal Bank

The timeline of Federal bank traces back to the pre-independence era. Its headquarter is situated in Aluva, Kerala and it is one of the major Indian commercial bank among the private sector with around thousands of branches and ATMs across different part of India. Initially the bank was called as Travancore Federal Bank. The founder of the bank Mr.KP Hormis under his leadership it was successfully transformed as bank and it was announced officially in the year 1947.

Jammu and Kashmir Bank

Jammu and Kashmir bank was incorporated in 1938. It is listed on the National Stock Exchange and Bombay Stock Exchange. For around four decades continuous successful track record of profit were earned by this bank. To carry out Central Government banking business apart from collecting central taxes for CBDT it is the only private sector appointed as RBI’s agent. In order to indicate the highest degree of safety by standard & poor and CRISIL Jammu and Kashmir Bank rated as P1+. 
Karnataka Bank

Karnataka Bank was incorporated on February 18th, 1924 at Mangalore Karnataka. It is listed as ‘A’ Class Scheduled Commercial Bank in India. Few of the mergers such as Sringeri Sharada bank Ltd., Chitradurga bank Ltd and Bank of Karnataka resulted in the growth of the bank. With dedicated professional banking services now the Karnataka bank present throughout the nation with network of around 726 branches in around 21 states and 2 union territories. The bank is managed by devoted group of people with employee strength around 7,669 and 1, 22,000 shareholders. As a leading financial institution in India the bank is having customers over 9.2 million.

Karur Vysya Bank

Karur Vysya Bank was incorporated in the year 1916 in Karur. The bank was started by Sri M.A. Venkatarama Chettiar and Sri Athi Krishna Chettiar with an initial investment of Rs. 1.00 lakh. The branch consists of network of around 629 branches and ATM around 1645 as on 31.03.2015. Karur Vysya Bank is one of the earliest banks in India with full networking throughout the country with its branches under core banking solutions.

Lakshmi Vilas Bank

Lakshmi Vilas bank was incorporated on 3rd November 1926 by group of business people from Karur under the leadership of Shri V.S.N. Ramalinga Chettiar. The bank commenced the business on November 10th, 1926 after obtaining the certificate. The bank obtained RBI license on 19th June 1958. The Lakshmi Vilas bank becomes scheduled commercial bank on 11th August 1958. The network of the bank constitutes around 460 branches combining 7 extension counters and supervised by 11 Regional Offices. The
asset size of the bank as on March 31, 2015 was 24,705 crores constituting the income of about Rs.2,498.57 crores.

**Nainital Bank**

The Nainital bank was incorporated in the year 1922 by Bharat Ratna Pt. Govind Ballabh Pant in order to fulfill the banking needs of the people nearby that location. The Reserve Bank of India directed the nationalized bank, Bank of Baroda to carry out the affairs of the Nainital Bank. Bank of Baroda constitutes 98.57% of the total share and the rest 1.43% held by the public. The bank has 123 branches with a total business of Rs.7,491 crores as on 31st March 2015.

**Ratnakar Bank**

The Ratnakar bank was incorporated in the year 1943 and recently by 2010 there is a transformation under new team of management. The bank offers various services to their customers such as corporate & institutional banking, commercial banking, retail banking, agri & development banking and financial markets. The business size is about Rs.31,000 crores constituting about 14,00,000 customers. The network of the bank consists of 197 branches and 362 ATMs across 13 states in India as on March 2016.

**South Indian Bank**

The history of the South India bank trace back during Swadeshi movement and it is incorporated on January 29th 1929. It is the first bank to implement Core Banking System in Kerala. The network of the bank comprises about 834 branches, service branches of around 4, Extension counters of 42 and 1297 ATMs which is the third largest branch network among the Private Sector Banks. The South Indian Bank is the first private sector banks in Kerala to
open an overseas branch in June 1993 to facilitate the export and import business. The first private sector banks which opened an NRI branch in November 1992.

**Tamilnad Mercantile Bank**

The Tamilnad Mercantile Bank was incorporated on May 11\(^{th}\) 1921 as “The Nadar Bank Ltd”. The dedicated people joined together and constitute the Board of Directors and Shri M.V. Shanmugavel Nadar was elected as chairman on 4\(^{th}\) November 1921. The bank started its functioning on November 11\(^{th}\) 1921 after the inauguration done by Shri T.V. Balagurusamy Nadar at Tuiticorin. Initially only four branches were there at Tuiticorin, Madurai, Sivakasi and Virudhunagar till the year 1947. The network of the bank comprises of around 487 branches all over India and also it constitutes 10 Regional Offices, 11 Extension Counters, 6 Central Processing Centers, 1 Service Branch, 4 Currency Chests and 1014 Automated Teller Machines.

**Axis Bank**

The Axis bank incorporated its banking operations in 1994. The third largest private sector bank in India is the Axis bank. The bank consists of network around 2589 branches and 12,355 ATMs as on 31\(^{st}\) March 2015. The bank spread over nine international offices with its branches at Singapore, Hong Kong, Dubai, Colombo and Shanghai. The representative offices are at Dhaka, Dubai, Abu Dhabi and subsidiary at London, UK. As on March 31\(^{st}\) 2015, the balance sheet size of the bank is Rs. 4, 61,932. The bank constitutes nine wholly-owned subsidiaries and they are as follows;

- Axis Capital Ltd.
- Axis Private Equity Ltd.
- Axis Trustee Services Ltd.
- Axis Asset Management Company Ltd.
- Axis Mutual Fund Trustee Ltd.
- Axis Bank UK Ltd.
- Axis Securities Ltd.
- Axis Finance Ltd.
- Axis Securities Europe Ltd.

**Development Credit Bank (DCB Bank Ltd)**

The bank was incorporated in India in 1930s. Development Credit Bank is a scheduled commercial bank which is regulated by the Reserve Bank of India. The network of the bank constitutes 200 branches across 18 states and 2 union territories. Approximately around 450,000 customers were there at Development Credit Bank Ltd.

**HDFC Bank**

The Housing Development Finance Corporation Limited (HDFC) was incorporated in August 1994. The operation commenced its operations in January 1995. The Housing Development Finance Corporation registered office is in Mumbai. The network bank is around 4,281 branches in order to fulfil the needs of all the customers across the country.

**ICICI Bank**

The ICICI Bank was incorporated in the year 1994 by the Indian financial institution ICICI limited and it is one of the India’s largest private sector banks with total assets of Rs. 6,461.29 billion as of March 31, 2015. The network of
the ICICI bank is around 4,450 branches and 13,820 ATM’s across India. The major focus of the bank was to provide finance for medium-term and long-term project towards Indian business. In UK and Canada the ICICI bank had subsidiaries.

**IndusInd Bank**

The name IndusInd derives from the Indus Valley Civilization. The bank was incorporated in April 1994 by the finance minister Dr. Manmohan Singh. Indian residents and NRIs contributed their share of capital base around INR 1,000 million. The vision of the bank conceived by the head of Hinduja Group Mr. Srichand P. Hinduja a leading businessman. The network of the bank constitutes around 800 branches and around 1,500 ATMs spread across the country. The representative’s offices were there in London, Dubai and Abu Dhabi.

**Kotak Mahindra Bank**

Kotak Mahindra Bank in order to carry out the banking business RBI gave license in February 2003. Kotak Mahindra group is headed by the eminent leader Uday Kotak. Before its merger with ING Vysya it has network of around 641 branches and over 1,159 ATMs across 363 locations with employees around 29,000. The acquisition made Kotak Mahindra Bank as the fourth largest private sector bank in India which in turn resulted in increase of branches to 1200 with a total business of around 2.25 lakh crore.

**Yes Bank**

The only Greenfield license bank awarded by RBI in the last two decades is YES bank which is the fifth largest private sector bank and it was co-founded by Rana Kapoor in 2004. The network of the bank constitutes
around 630 branches and 2000 ATMs as on 31st December 2015. The balance sheet of the bank is around Rs 1, 23,200 crore with gross NPA of 0.42%.

**IDFC Bank**

The IDFC bank was incorporated in 1st October 2015 with headquarter in Mumbai and it was launched formally by Prime Minister Narendra Modi on 19th October, 2015. RBI issued the license for the bank in July 2015. The network of the branch is 23 and it is 91st scheduled commercial bank in India.

**Bandhan Bank**

The Reserve Bank of India gave principle approval to Bandhan Bank in April 2014 to set up the Universal bank. The Bandhan Bank was incorporated on 23rd December 2014. Bandhan Bank headquartered at Kolkata is the first bank set up after independence in eastern part of India. The bank has network of around 2,022 branches in 22 Indian states and Union Territories with employees of around 15,000. The Bandhan bank by the end of fiscal year 2015-2016 will have another 501 more branches as door step services with 50 ATMs across 27 states with total strength of 19,500 employees.

### 3.5 PROFILE OF PUBLIC BANKING SECTOR

**State Bank of India**

State Bank of India is government owned public sector banking with its headquarters in Mumbai, Maharashtra. State Bank of India one of the big banks along with the four big banks ICICI Bank, Bank of Baroda and Punjab National Bank. It’s an Indian Multinational government-owned corporation. The network of the bank comprises of more than 14000 branches, 191 foreign offices across 36 countries. The largest financial services company in India
based on assets and as of 2014-2015 the asset value of the bank is INR 20, 48,080 crores. The origin of State bank of India trace back to British India. Two presidency banks merged together along with Bank of Calcutta and Bank of Bombay to become Imperial Bank of India by 1955 which in turn named as State Bank of India. The bank was incorporated in 1806 as Bank of Calcutta.

**Allahabad Bank**

Allahabad Bank was incorporated on April 24th, 1865 by group of European at Allahabad. Dr. Bhogaraju Pattabhi Sitaramayya was the founder of Allahabad Bank and he is the eminent freedom fighter. On 20th November 1923 commenced its operation with a paid up capital of Rs. 1.00 lakh and authorised capital of 10.00 lakhs. The network of bank comprises of 2,741 branches across India. Allahabad bank branch has its branch in Hong Kong with its representative office in Shenzen.

**Bank of Baroda**

Bank of Baroda was incorporated on 20th July 1908 by Maharaja of Baroda, Maharaja Sayajirao Gaekwad III with its headquarter in Vadodara (earlier named as Baroda). The bank was nationalized along with thirteen other commercial banks in India on 19th July 1969. The network of the bank comprises of 5326 branches with around 8000 ATMs in India and abroad.

**Bank of India**

Bank of India was incorporated on 7th September 1906 by business people from Mumbai. Till 1969 the bank was private and later it was nationalized with 13 banks. The bank begins its operation with a paid-up capital of Rs.50 lakhs. Initially the human capital of the bank was 50 employees. The network of the bank comprises 4963 branches under the
control of 54 zonal offices. The bank spread over around 22 foreign countries across 5 continents. There are 60 offices which includes 5 subsidiaries, representative offices 5 and 1 joint venture.

**Bank of Maharashtra**

Government of India own about 81.61% of Bank of Maharashtra total shares. As of 5th April, 2016 the network of the bank comprises 1895 branches with around 15 million customers throughout India. V.G.Kale and late D.K.Sathe are the founders of the bank and it got registered on 16th September 1935 with a capital of around ₹1 million and started its operation on 8th February 1936. Out of the total branches about 38% of them were located in rural areas.

**Canara Bank**

The bank was incorporated on July 1906 at Mangalore, port town in Karnataka and the founder is Shri Ammembal Subba Rao Pai. The bank was nationalized in the year 1969. The network of the bank comprises the branches of 5787 with around 9144 ATMs covering the centers of 4081. In selected branches the bank set up hi-tech E-lounges such as ATM, Cheque deposit kiosk, Internet banking terminal, Cash deposit kiosk with voice guided system, self-printing passbook, online trading terminal and corporate website access.

**Central Bank of India**

The founder of the bank is Sri Sorbii Pochkhanawala and it was incorporated in 1911. The first chairman of true ‘Swadeshi Bank’ was Sir Pherozesha Mehta. The name All India Bank can be given to Central Bank of India since its distribution of network comprises of all 29 states and 7 Union
Territories in India. As on December 2015 the bank comprises the network of around 4709 branches, 4 extension counters and 29 satellite offices.

**Corporation Bank**

The bank was incorporated on 12\textsuperscript{th} March 1906 with an initial capital investment of around Rs.5000. The founder and president of the bank were Khan Bahadur Haji Abdullah and Haji Kasim Saheb Bahadur. The bank comprises of the network of 2426 branches with around 3001 ATMs and 4685 branchless banking units across India. The total business of the bank was Rs.3,40,199 crore as of 31\textsuperscript{st} December 2015. In around 4685 villages the bank has extended branchless banking units.

**Dena Bank**

The bank was incorporated on 26\textsuperscript{th} May 1938 by Devkaran Nanjee with the name of Devkaran Nanjee Banking Company. On December 1939 the bank was incorporated as a public bank and was renamed as Dena Bank. The network of the bank comprises of 1,773 branches and it was nationalized in July 1969 along with 13 other banks under the Banking Companies Act, 1970.

**India Bank**

The Indian Bank was incorporated on 15\textsuperscript{th} August 1907 and its headquarter is in Chennai. As on 31\textsuperscript{st} December 2015 the total employee strength is 20518. The network of the bank comprises 2537 branches were there in India. The overseas branches were there in Colombo, Srilanka and Singapore.
Indian Overseas Bank

The network of the Indian Overseas Bank consists of 1150 branches in Tamil Nadu with 3 extension counters and 8 branches and offices in overseas. The network of the ATM consists of 3300 in total all over India. The software used by its bank is developed by ISO certified in-house information technology department of the bank itself. In Malaysia IOB is a part-owner of a joint-venture bank. The overseas branches situated were there in Singapore, Hong Kong, Colombo, Seoul and Bangkok.

Oriental Bank of Commerce

The Oriental Bank of Commerce was established on 1943 in Lahore. The founder of the bank was Raj Bahadur Lala Sohan Lal and he is the first chairman of the bank. The bank faced the hurdle within four years after the partition it has to close down its branches in the newly formed Pakistan. It shifted its office from Lahore to Amritsar. Oriental Bank of Commerce ranked 19th position among the 20 nationalized banks on 1980 and it was nationalized on 15th April, 1980. The bank acquired Bari Doab Bank and Punjab Cooperative Bank which in turn the two banks had no additional branches. The Oriental Bank of Commerce merged with Global Trust Bank a private sector bank on 14th August 2004 which brought about 103 branches. The network of the bank comprises the branches of 1092 throughout India.

Punjab and Sind Bank

The Punjab and Sind Bank was incorporated on June 24th 1908 by Bahi Vir Singh, Sir Sunder Singh Majitha and Sardar Tarlochan Singh when. About 79.62% of the bank is owned by government and its headquarters in New Delhi. As of 31.03.15 the net worth of the bank is Rs. 4812 crores and the network of the bank consists of 623 branches out of which 623 branches were
there in Punjab. The Regional Rural bank Setluj Gramin Bank is sponsored by Punjab and Sind Bank.

**Punjab National Bank**

Punjab National Bank was incorporated in 19th May 1894 with a network of 6,300 branches with around 7,900 ATMs across 764 cities. Punjab National Bank is a state- owned corporation with its headquarters in Anarkali Bazaar, Lahore. The bank commenced its business operation from 12th April 1895 in Lahore. The first Indian bank solely started with Indian capital alone. The bank got the honour of maintaining the accounts of our national leaders Mahatma Gandhi, Jawaharlal Nehru, Lal Bahadur Shastri, Indira Gandhi and the Jalianwala Bagh Committee. The bank had employees of 68,290 as of 31st March 2015.

**Syndicate Bank**

Syndicate Bank was incorporated 1925 in Udupi with an initial capital of Rs.8000. The Syndicate bank started a Pigmy Deposit Scheme in 1928 through which bank collected as low as 2 annas every day from their depositors at their door step and the bank collected Rs.2 crore in a day later this scheme become the brand equity today. At the initial stage the bank was known as Canara Industrial and Banking Syndicate Limited. The bank was nationalized on 19th July, 1969. The founder of the bank was TM Pai, Upendra Pai and Vaman Kudva. The bank opened around 303 branches initially over the year and currently it includes 3552 branches as of 31st March 2015.

**UCO Bank**

The bank was incorporated on 1943 and the bank consists of board of directors who were the representatives from government of India and
Reserve Bank of India. The network of the bank consists of the branches 2500 in India and overseas. The headquarter of the bank is in Kolkata.

**Union Bank of India**

Union Bank of India is the government-owned bank in India which owns about 63.44% of its total share capital. As of 31st March 2016 the network of the bank constitutes 4196 branches. The bank was incorporated on 11th November 1919 as a limited company with headquarter in Mumbai and Mahatma Gandhi inaugurated the bank. The network of the bank had grown to 240 branches in all 28 states.

**United Bank of India**

United Bank of India comprises of the network of 35 Regional offices, 2005 branches spread all over India. The headquarter of the bank is in Kolkata. The United Bank of India was result of merger of four Bengali banks by 1950. The four banks are Comilla Banking Corporation, Bengal Central Bank, Comilla Union Bank and Hooghly Bank. The Reserve Bank of India supported this bank for the merging to form United Bank of India.

**Vijaya Bank**

Vijaya Bank was incorporated on 23rd October 1931. The founder of the bank is Shri A.B.Shetty. In 1958 the bank becomes scheduled bank. During 1963-68 the bank merged with nine smaller banks and steadily grows into large bank. On 15th April 1980 the bank becomes nationalized. The network of constitutes 1863 branches, 49 extension counters and 1651 ATMs. The highest number of branches is in its home state Karnataka. The strongly motivated force of 14000 employees is there on every initiative of the bank.
3.6 THE IMPACT OF WORK LIFE CONFLICT AMONG THE BANKING PROFESSIONALS

The employees working in banking industry are equipped with work related qualities due to increase in the pressure from family as well as work lead to rise of Work life conflict among the banking professionals. The people working in the banking sector should be more concentrative in their work since it involves the transaction of money. The employees working in banking deal not only with money and also the most precious customers. The employee’s presence of mind should be there and they should possess logical way of thinking in order to resolve the sensational tasks of complaint from customer. The banking service sector employees need to deliver work throughout the entire day in the established work structure.

Due to the information technology development male senior managers find difficult in balancing Work life since they can expect to get “on call” at any time or even at week end. The interviewed senior managers showed disparate idea over work from home since this technology upgrade results in lengthy office work schedule (Drew et al.2003). Irrespective of the organization type, job profile as well as designation employees in banking sector faces Work life balance issues. The technology upgradation results in positive and negative inferences on the banking workforce. The upgraded technology results in increased pressure of work because of the flexibility where the employees can execute the work at home with the help of technology.

The general Work life balance issues faced by banking professionals include family care responsibilities such as spouse, children and elderly people care at home. Some of the personal contributions consist of family ceremony,
time required for family relaxation and time to spend for children education. The Work life conflict among the banking professionals rose mainly due to organizational and job related factors. The personal related factors such nature of family, number of dependent, life style and support from spouse are the factors related with family-work conflict.