



“INDIAN BANKING SECTOR” – A PERSPECTIVE

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ABSTRACT

With the prospective potential to become the fifth largest banking industry in the world by 2020 and third largest by 2025 according to KPMG-CII report, India's banking and financial sector is mounting speedily. The Indian Banking industry is presently worth Rs. 81 trillion (US \$ 1.31 trillion) and banks are now utilizing the most up-to-date technologies like internet and mobile devices to carry out transactions and communicate with the masses.

The primary reason behind this change is the consequence of the improved security and encryption routines created on the Internet. The second reason is banks would be reluctant to lose a potential market share to banks that are willing to offer their services on the Internet. As banks depend more and more on information technology and the Internet to carry on their business and interact with the market, technology risks will potentially increase, both for individual banks and the financial industry at large. Continuous technology advances and innovations are having significant impact on the way banks interact with their customers, suppliers and counterparts. The present research paper provides a glance on the growth of Indian banking Industry. The study works within the scope of private & public sector banks.

KEYWORDS : Indian banking, Private bank, Public bank.

Introduction:

In India, the implication of the business of saving money has been made accessible in the Banking Regulation Act, (BR Act), 1949. As stated in Section 5\_ (c) of the BR Act 'a banking company is a corporation which transacts the business of banking in India.'

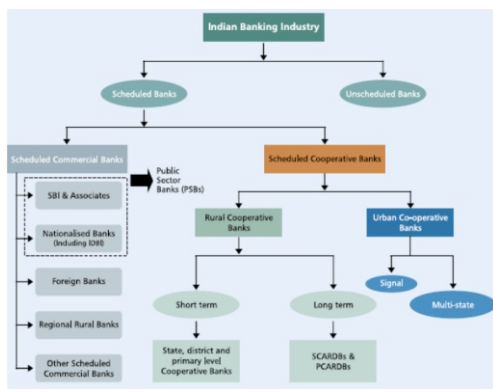
Objective:

The research paper makes an effort to analyze the recent growth in Indian banking sector with the data available regarding branch numbers, employees working, deposits etc.

Banking Structure In India:

Banks which are incorporated in the second phase of the RBI are called schedule banks. These banks comprise into two banks, which are termed as Scheduled Commercial Banks and Scheduled Co-operative Banks. These banks are entitled for certain amenities such as financial accommodations from Reserve Bank of India and have obligations to fulfill certain statutory obligations. Central banks are in command of economic policy through dynamic obligations and may be the bank of last resort to the banking sector in the event of a financial crisis.

Graph 1.1



Source: <http://www.insightsonindia.com>

Indian Banking Sector:

1.1 State Bank of India: The bank is majority-owned by the Indian government and consequently ends up with two objectives. One of

the principle objectives of the national and state governments in India is financial inclusion, serving poverty in India, which has traditionally not had an entry to any financial services ([www.docshut.com](http://www.docshut.com)). State Bank Group comprises of the bank itself (State Bank of India) and seven (now six) Associate Banks (AB): State Bank of Bikaner and Raipur, State Bank of Hyderabad, State Bank of Indore, State Bank of Mysore, State Bank of Patiala, State Bank of Saurashtra (gained by State Bank of India in August 2008), State Bank of Travancore.

Table 1.1 SBI Profile

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	12070	13252	14350	14902	15564
No. of Employees	205896	200299	222933	215481	228296
Business per employee	55.60	63.60	70.47	79.84	94.39
Profit per employee	0.47	0.45	0.39	0.53	0.65
Deposits	7420731	8041162	9339328	10436474	12027396

(Source: A Profile of Banks 2012-13, (Amount in Million))

1.2 Industrial Credit and Investment Corporation of India Limited (ICICI) Bank-

In Year 1955, the action took by the World Bank, the Government of India and the executors of Indian Industry, for the organizing of ICICI Bank. The essential focus behind this is to make a progressive monetary establishment for giving medium-term and long-term project financing to different Indian organizations.

Table 1.2 ICIC Bank Profile

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	1434	1721	2565	2786	3134
No. of Employees	51835	41068	56969	58276	62065
Business per employee	115.4	76.5	73.5	70.8	73.5
Profit per employee	1.1	0.9	1	1.1	1.4
Deposits	2183478	2020166	2256021	2555000	2926136

(Source: A Profile of Banks 2012-13, (Amount in Million))

1.3 Canara Bank:

Canara Bank was initiated in July 1906, at Mangalore. In 2003-2004 bank began internet banking services to customer in bank branch and in the year 2005, 100%

computerization of the branches is finished. On June 2011, the bank has extended its provincial vicinity, and presents 3273 different branches all over geographical sections.

**Table 1.3 Canara Bank profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2850	3155	3365	3707	3837
No. of Employees	44090	43380	43397	42272	42693
Business per employee	78.02	98.26	119.91	137.44	142.02
Profit per employee	0.50	0.74	0.98	0.82	0.70
Deposits	1868925	2346514	2934366	3270537	3558560

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.4 Syndicate Bank:** Syndicate Bank was first established in 1925 in Udupi. A full-fledged IT arrangement is acknowledged by the bank for better administration and requirement fulfillment of the customer. For better administration and consciousness of technology, to enhance skills and knowledge of an employee, the bank organizes annual, quarterly training program for the employees and customers also.

**Table 1.4 Syndicate bank profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2343	2429	2623	2828	3041
No. of Employees	25068	25569	28509	26904	26606
Business per employee	75.07	74.68	87.54	107.41	125.70
Profit per employee	0.36	0.32	0.40	0.53	0.81
Deposits	1158851	1170258	1355961	1579411	1853559

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.5 HDFC Housing Development Finance Corporation Limited:** (HDFC Ltd.) was launched in the year 1977 with the objective to accomplish a community need of enabling home proprietorship by giving long-term finance to families. The bank transacts both traditional commercial banking as well as investment banking. Today all branches of HDFC banks offer transactional Internet banking service to the customer.

**Table 1.5 HDFC bank profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	1422	1736	1999	2553	3046
No. of Employees	52687	51888	55752	66076	6940
Business per employee	44.6	59.0	65.3	65.4	75.0
Profit per employee	0.42	0.6	0.74	0.80	1.00
Deposits	1428116	1674044	2085864	2467064	2962470

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.6 Dena Bank:** Dena Bank was started in the year 1969. Dena bank provides different Internet banking services such as balance request for information, a cheque book request for information, fund transfer, Real-Time Gross Settlement System (RTGS)/National Electronic Fund Transfer (NEFT) transactions, outward cheque status inquiry and supplementary services to the customer. Dena bank is the first bank, which has been introduced minor saving scheme, Credit card in rural India known as "DENA KRISHI SAKH PATRA (DKSP)".

**Table 1.6 Dena Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	1125	1165	1233	1286	1411
No. of Employees	9883	10525	9953	10202	11093
Business per employee	71.40	82.70	107.70	128.40	143.10
Profit per employee	0.47	0.49	0.62	0.79	0.73

Deposits	430506	513443	642096	771668	972072
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(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.7 Punjab National Bank (PNB):** PNB has established itself firmly as one of the premier banking institution in the country with a long tradition of rigorous and prudent banking. The bank has more than 119 years of penetrating presence, encounters in the banking segment. PNB has excess of 6000 branches with 6460 ATMs, 5047 Business Correspondents and 2165 ultra-small branches. Recently PNB received "Vigilance excellence award 2014" by institute of public enterprises.

**Table 1.7 Punjab National Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	4536	5056	5256	5777	5977
No. of Employees	54780	57103	53114	62127	63292
Business per employee	65.49	80.80	101.78	113.20	116.52
Profit per employee	0.56	0.73	0.84	0.84	0.81
Deposits	2097605	2493298	3128987	3795885	3915601

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.8 Catholic Syrian Bank:** The Catholic Syrian Bank Ltd begins on 26th November 1920. The bank started business on 1<sup>st</sup> January, 1921. Throughout the two decades since the establishment this bank was working in Kerala only. Nowadays it got developed and not lagging behind to accept the challenges instead of more than 75% of bank clients is by little and economically weaker strata of the society.

**Table 1.8 Catholic Syrian bank profile.**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	377	378	377	385	403
No. of Employees	2676	2696	2820	2651	2817
Business per employee	37.40	41.90	53.70	67.50	73.60
Profit per employee	0.14	0.01	0.05	0.10	0.12
Deposits	63328	69784	87257	106049	123416

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.9 Industrial Development Bank of India (IDBI) Bank:** IDBI Bank is the progressive bank in the present era around the world. Public sector bank completely focuses on core banking information technology platform. This empowers the bank to give brief, customized banking and financial administrations to the client. On date March 31, 2013, bank has downright business of Rs 4, 23,423 corers and the net benefit of Rs. 1882 corers.

**Table 1.9 IDBI Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	41041	43690	46462	50713	54478
No. of Employees	462926	473041	471727	494520	507694
Business per employee	78.32	93.59	115.25	127.85	142.23
Profit per employee	0.49	0.57	0.70	0.69	0.65
Deposits	21057056	25839338	31265862	35969893	41272523

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.10 Karnataka Bank:** Karnataka bank has started its working on February 18th, 1924 in Mangalore. The bank has in excess of 88 years' knowledge of giving proficient banking and quality administrations to its client.

**Table 1.10 Karnataka Bank**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	469	486	501	527	574
No. of Employees	4947	5244	5795	6087	6339

Business per employee	64.90	72.70	77.10	85.90	96.60
Profit per employee	0.50	0.30	0.40	0.40	0.50
Deposits	203333	237306	273364	316083	360562

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.11 Bank of India:** Bank of India started in 17th September, 1906. Shortly bank has broad vicinity in 20 diverse remote nations spread in excess of 5 landmasses having 53 business locales including 4 subsidiaries, 4 Representative Offices and 1 Joint Venture, with key banking and financial canter viz., Tokyo, Singapore, Hong Kong, London, Jersey, Paris and New York.

**Table 1.11 BOI Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	3118	3304	3586	4088	4373
No. of Employees	40155	39676	39788	41537	42348
Business per employee	83.30	101.10	128.40	136.00	158.20
Profit per employee	0.75	0.44	0.62	0.64	0.64
Deposits	189708	229761	298885	318216	381839

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.12 Bank of Baroda (BOB):** Bank of Baroda trusts in the quality and honesty of associations assembled with its clients. The bank has 102 years of experience in the banking business, having self-confidence of Internet banking administrations. The client can revel in diverse web benefits in advantageous time.

**Table 1.12 BOB Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	3006	3182	3447	3993	4377
No. of Employees	364440	38152	39385	41447	43108
Business per employee	91.40	98.10	122.90	146.60	168.90
Profit per employee	0.60	0.80	1.10	1.20	1.00
Deposits	1923970	2412619	3054395	3848711	4738833

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.13 Central Bank of India:** Central Bank of India was the leading Indian business bank oversaw by Indians, which were initiated in the year 1911. The bank launched Go Green Campaign for customers. Now a day's bank provides well-organized and sheltered Internet banking service to the entire branch customer.

**Table 1.13 Central Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	3644	3704	3871	4151	4429
No. of Employees	32804	34826	34015	35901	37113
Business per employee	56.03	71.18	83.52	86.16	97.30
Profit per employee	0.17	0.33	0.44	0.15	0.28
Deposits	1312718	1621075	1793560	1961733	2260383

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.14 Corporation Bank:** Corporation Bank started in 1906, in the sanctuary town of Udupi, by the pioneering deliberations of an aggregation of visionaries. Corporation Bank was the herald came to developing and adjusting to the financial part of the banks.

**Table 1.14 Corporation bank profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	1079	1180	1370	1512	1716
No. of Employees	124665	13143	13861	13813	14819
Business per employee	104.90	126.87	157.28	171.30	192.13
Profit per employee	0.76	0.95	1.09	1.09	0.97
Deposits	739839	927337	1167475	1361422	1660055

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.15 Indian Overseas Bank (IOB):** Indian Overseas Bank (IOB) was laid down by in 10th February, 1937. In 1964, it introduced computerization in the areas of inter-branch reconciliation and provident fund accounts. The bank also operates 1,043 automated teller machines. It was ranked no. 1 among public sector banks by Business Today –PMG survey and Financial Express– Ernst and Young survey.

**Table 1.15 IOB Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2012	2099	2281	2733	3042
No. of Employees	25512	267332	25626	27201	28280
Business per employee	68.95	71.20	100.50	117.60	128.80
Profit per employee	0.52	0.26	0.42	0.38	0.20
Deposits	1001159	1107947	1452288	1784342	2021353

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.16 ING Vysys Bank Ltd:** This bank was carried out in the year 1930. The fundamental motivation to structure a bank, which gives some assistance to the persons who weren't preferential enough to revel in banking administrations. As per the requirement of Internet banking services, bank installed required hardware and software configuration in every bank branch.

**Table 1.16 ING Vysya Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	474	497	527	547	562
No. of Employees	6086	6113	6909	9642	9381
Business per employee	60.64	62.38	67.48	55.98	64.43
Profit per employee	0.30	0.39	0.45	0.46	0.63
Deposits	248895	258653	301942	35195	41334

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.17 United Commercial Bank Ltd. (UCO Bank):** The United Commercial Bank Ltd. was conceived in the year of 6th January, 1943 with its Registered and Head Office at Kolkata. In the year 1985, the name of the bank changed to UCO BANK. As of 6th January, 2013 the bank had 2,500 service units spread all over India, with two overseas branches each in Singapore and Hong Kong.

**Table 1.17 UCO Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2113	2195	2248	2436	2646
No. of Employees	23736	23264	23026	23147	24109
Business per employee	73.20	86.40	106.90	116.40	118.90
Profit per employee	0.24	0.44	0.42	0.51	0.27
Deposits	1002216	1224156	1452776	1540035	1734310

(Source: A Profile of Banks 2012-13, (Amount in Million)

**1.18 Union Bank of India (UBI):** Union Bank of India was set up on 11th November 1920; Union Bank has accepted a greatly essential part in the financial development of India. Regardless, 100 percent of bank extensions are under framework's organization and using Core Banking Solution at a substantial stage to offer choices to customers, adding speed and convenience for transactions. UBI has launched today its major IT initiative, the Core Banking Solution, for anywhere banking interconnecting its 12 branches across centers.

**Table 1.18 UBI Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2684	2941	3150	3344	3660
No. of Employees	29014	29419	27746	30838	31798

Business per employee	69.40	85.30	104.30	107.00	121.50
Profit per employee	0.63	0.75	0.80	0.60	0.70
Deposits	1387028	1700397	2024613	2228689	2637616

(Source: A Profile of Banks 2012-13, (Amount in Million))

**1.19 Allahabad Bank:** Allahabad Bank was started on 24th April, 1865 by a group of Europeans in Allahabad. At present, Allahabad Bank has 44 Zonal offices, 6 staff training colleges and 3 staff training centers all over India. Banks take initiative towards updating internet banking technology.

**Table 1.19 Allahabad Bank Profile**

	2008-09	2009-10	2010-11	2011-12	2012-13
No. of Branches	2340	2367	2504	2594	2794
No. of Employees	20457	20959	21227	22334	22557
Business per employee	70.60	84.50	106.30	121.70	137.30
Profit per employee	0.38	0.58	0.67	0.84	0.53
Deposits	849718	1060558	1318872	1595931	1787416

(Source: A Profile of Banks 2012-13, (Amount in Million))

**Conclusion:** The role of banks is not only directly important, but also it is enormously needful in the precise conduct of the programs projected by the government. So that it may revolutionize in the provision of loans from time to time along with their views and behaviour also to the people of weaker sections of the society. In order to change the social and economic structure of the country, the bank shall have to adopt the advanced technologies with innovative services to increase the customers of the bank.

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