CHAPTER III

CONCEPTUAL FRAMEWORK AND PROFILE OF SELECT BANKS IN INDIA

Satisfaction is an overall psychological state that reflects the evaluation of a relationship between the consumer/customer and a company – environment – product/service. It involves one of the following three psychological elements: cognitive (thinking/evaluation), affective (emotional/feeling) and behavioral. The most comprehensive definition of satisfaction has been offered by Kotler and Keller, who define satisfaction as “person’s feeling of pleasure or disappointment which results from comparing a products perceived performance or outcome against his/her expectations.

Satisfaction is a term which is highly abstract in nature. As it is related with the psychological feeling of a person, it cannot be defined in a particular manner. Satisfaction differs from person to person according to their own perception. Perception in general means the act of perceiving or understanding or evaluating a given thing with their own past experience. Such perception is the pivotal element of satisfaction.

As banking industry lies in the service sector, it needs to concentrate on how to satisfy its customers in a highly competitive environment. Customer satisfaction is a dependent factor on expectations and perceptions. Only when their expectations are fulfilled, they become satisfied. Satisfaction also depends on the quality of service being offered by banks. Since services are intangible, the inner feeling about how the services are offered is much felt by the customers in order to arrive at the higher degree of satisfaction. If the performance falls short of expectations, the customer is dissatisfied. If it matches expectations, the customer is satisfied and if it exceed, then the customer is delighted.
The goal for every service organization is to make its customers satisfied. Satisfied customers will continue to be customers and also make others to become customers. This is technically called as customer loyalty. Following are some of the factors that affect customer satisfaction.

3.1 Factors that affect customer satisfaction

➢ Expectations

Expectations are of three kinds (a) Ideal expectations (b) pre – expectations and (c) minimum expectations. Ideal expectations are persons own values and hopes for the action that a customer expects from a company. This includes lower cost, friendly personal service, convenient location etc. Pre – expectations mean the level of expectations a customer has on the different features of the company and the services offered. This includes mouth-to-mouth communication, business idea, basic elements of marketing etc. All these factors are connected to each other either directly or indirectly. Minimum expectations describe the minimum level of expectations that a customer expect from the company. There are four different factors affecting the minimum expectations. They are (a) situational factors (b) customers background factors (c) competition situation and (d) marketing of services.

➢ Experiences

Expectations are proportioned to experiences and this creates reaction in the scale of satisfaction – dissatisfaction. This satisfaction scale is divided into three basic categories (a) under expectation situation (positive experience), (b) balance situation (match to the expectations) and (c) over expectation situation (negative experience).

In case of under experience situation the expectations of the customer are less and the experience he actually gets from the service organization is high and hence called positive experience. In this situation the customer tells
his/her friends or neighbors about the good service offered by a particular service organization. When the expectations of a customer match with the experience in a service organization, then the situation is said to be a balanced situation. Here the expectation is equal to experience. The third situation is the over expectation situation where the customer gets negative experience i.e. his/her expectations are higher than the actual experience he receives and the customer gets disappointed or dissatisfied.

3.2 Levels of satisfaction (Rope Timo, 1994)

The customer satisfaction levels can be divided into different categories according to how strongly and to which direction the customers have reacted.

- **Greatly disappointed level**

  When the expectations of the customers are completely unfulfilled they are called as greatly disappointed customers. These customers may break the customer relationship with the organization and spread negative words about the organization and its services.

- **Mildly disappointed level**

  If the expectations of the customers are partially fulfilled i.e. they may be satisfied with one or more features of the organization and the service rendered but not with all the features of the organization and the service, then they are called mildly disappointed customers. When an organization seems to have this type of customers, the service provider should have a system of collecting customer feedback on a regular basis in order to rectify the defects with the organization; otherwise the organization may lose their valuable customers.
Experience according to expectations level

Though the service organization performs according to the expectations of the customers, it does not necessarily improve or weaken the customer relationship with the service provider. This is a situation where it is possible for the competitor to make a better offer for the customer and this way can attract the customers towards their organization. But without the competitors’ offer there is every chance for the customer to continue with the same service provider based on personal acquaintance.

Mildly positively surprised level

At this level the customers do not usually give feedback on their positive experiences; rather they stay as customers and are ready to recommend the service provider to others. The customer relationship with the organization keeps on going, if the company keeps fulfilling the expectations of the customers in the future as well.

Greatly positively surprised level

The customer attains a very high level of satisfaction when their expectations are low and the service organization performs and provides service in an exemplary manner. The customer will thank the service provider on his own for the treatment he got. The customer is very likely to spread positive word-of-mouth to others also at this level.

Oliver’s theory divides potential customer satisfaction level into three categories:

Negative disconfirmation

This is a level of satisfaction where the level of service turns out to be worse than expected by the customer.
Positive disconfirmation

At this level the service is better than expected by the customer.

Simple disconfirmation

This is the level where the level of service matches the level of service.

3.3 Importance of measuring customer satisfaction

The primary objective of any business organization is profit. In case of service organizations, in order to achieve their primary goal, it needs to satisfy its customers. The organization should meet the needs of their customers and strive to provide/perform service according to the expectations of the customers. Unless their requirements are met to the fullest extent, achieving the primary goal is a question mark. So it becomes necessary to measure customer satisfaction by means of customer satisfaction surveys. The survey should be methodologically sound based on what customers think, conducted with a reliable sample of customers and updated at regular intervals.

Customer satisfaction measurement enables to identify the requirements of customers, helps to understand how customers perceive the services offered, identify and improve the areas where the customers are dissatisfied, train the staff to understand the customers’ priorities and finally increase profit through customer retention and loyalty.

3.4 Tools to measure customer satisfaction

Managing customer satisfaction is one of the biggest challenges an organization faces. The tools or methods to measure customer satisfaction needs to be defined sophisticatedly to fulfill the desired norms. Following are the methods to measure customer satisfaction.
Direct methods

Under this method the customers are contacted personally and their valuable feedback is sought. Through this method the customers could be directly tabbed. Following are some of the ways of data collection.

- Face to face conversation
- Complaint handling meeting
- Request for feedback through questionnaires/schedules in person or through e-mail
- Feedback through external agencies
- Call centers

These feedbacks need to be sophisticated, highly focused and structured so that conclusive results could be fetched out. The questions asked under this method should be in such a way that the customers are encouraged to respond in an obvious manner. This type of feedback is treated as one of the best way to measure customer satisfaction.

Indirect method

The major drawback of direct method is that it is very costly and also requires a lot of pre compiled preparation to implement. There are other indirect methods of getting feedback regarding customer satisfaction to overcome the drawbacks of the direct methods.

- Complaint box in service centers/complaint registration segment in website

Under this method the customer can make a written complaint i.e. issues and problems relating to some service can be registered in complaint
registration segment or can directly drop such complaints in the specific box kept in the service centers without any human intervention. These complaints can be assessed daily/weekly/fortnightly etc. If the complaints are high, it shows that customers are not much satisfied and vice versa. This helps the service organization to take corrective actions wherever necessary.

- **Assessing customer loyalty**

  The service organization can assess its customers based on the active customer who does transactions regularly and from the database the organization maintains. Through this method the organization can come to a conclusion about the active customers and the customers who do not operate their accounts for a long time. A customer is said to be loyal if he/she visits the service centre on a regular basis for carrying out the transactions.

### 3.5 Process of measuring customer satisfaction

Many companies have discovered that there is a strong correlation between satisfaction and loyalty only at the high levels of customer satisfaction. Hence it is evident that each and every service organization should measure the level of satisfaction of their customers. Following are the steps in assessing customer satisfaction.

- **Internal**
  
  1. **Categorise Customers**

    The first and the foremost thing a service provider has to do is to classify its total customers based on some logical reasoning including customers those who avail the services either directly or indirectly.

  2. **Classify the services**

    The service provider must then assess and classify the services that are being offered by them to their customers in order to satisfy their wants. The
services can be classified as traditional and modern (with the use of technology) and can sort the services that are used more by different segments of customers.

3. **Determine how the services are different from that of the competitors**

   It is necessary in this present competitive environment to determine how the services which are provided at present to the customers are different from those of the other service provider in the same line of operation (competitors).

4. **Promotional activities that describes the service and the service organisation**

   The most important thing a service organization must note is that how the promotional activities are being carried out by them to make their customers, both existing and potential, know about various features of the service provider and the services provided by them.

   - **External**

     After internal process, the service provider can measure customer satisfaction in two ways: depth interviews and analysis through distribution of questionnaire.

     Depth interviews can be used to collect data from customers belonging to different categories depending on the complexity of the customers – service provider relationship. Such type of interviews can be structured and focused directly towards the opinion of the customers pertaining to the quality of service provided, their level of satisfaction and where improvement is sought.

     Data can be collected through distribution of questionnaire to customers for measuring customer satisfaction. A well framed questionnaire
consisting of questions relating to the needs or expectations of the customer, experience or quality of services being provided and their level of satisfaction of customers towards various service quality dimensions can be circulated and the responses has to be sought.

At the time of framing of questionnaire, the service provider should keep in mind the length of the questionnaire and the rating scale to be used to measure the responses of the customers. The questionnaire should contain a reasonable number of questions which are easy to understand and could reflect the exact requirements or perceptions of the customers. The rating scale should be framed in such a way that it should produce mean score of the responses given by the customers.

To get an accurate measure of customer satisfaction, a true representative of the total population must be selected as sample unit using random sampling technique and a sufficiently larger sample must be obtained. The primary data collected either through interview method or by distribution of questionnaire must be analysed using a specialist package such as STATISTICA, SAS or SPSS which will make standardized analysis much easier and quicker and offer more in the long run.

The result usually depicts both the satisfaction drivers and the dissatisfaction aspects of various services provided by the service organization. The service organization should and must improve the areas where the customer are dissatisfied and try to maintain the quality of service where the customers are satisfied. Gap analysis should be carried out so that necessary corrective measures can be taken at the right time.

According to Hayes (1992) following are the main steps of the customer satisfaction survey.

It was noted from the model that after formulating the research objectives, the researcher has to analyse the customer from their behavioural
aspect and a preliminary market analysis must be conducted through different sources in order to obtain behavioural intensions of customers, various competitive edges and how the services are provided by the competitors. Based on this preliminary analysis, a questionnaire has to be designed inculcating the various survey parameters and the well constructed questionnaire has to be circulated among the customers for data collection.

The data which is collected has to be checked for reliability and has to be analysed and compared with standards and any improvement, if required, has to be formulated and implemented.

Fig. 3.1

Source: Measuring customer satisfaction: Development and use of questionnaire, AQSC quality press
3.6 Customer satisfaction – macro models

1. Traditional macro-model of satisfaction

(adapted from Woodruff & Gardial, 1996)

*includes intent to purchase, word-of-mouth, loyalty and complaints

- Perceived performance differs from objective or technical performance especially when a service is complex, intangible and when the customer is unfamiliar with the service.

- Comparison standards can come from numerous sources that can vary by individual, situation and service type.

- Perceived disconfirmation is the evaluation of perceived performance according to one or more comparison standards. Disconfirmation can have positive, negative or zero effect.

- Satisfaction is a state of feeling and a consumer may have different levels of satisfaction for different service experience.

- Outcomes of satisfaction may involve intent to repurchase, consumers communication with his/her networks regarding satisfaction/dissatisfaction for a service and complaints.
The above model shows the link between customer loyalty and performance. At the first instance, the customer compares the service performance with certain standards from various sources and evaluates the performance. The effect of evaluation is either positive, negative or zero effect which leads either to satisfaction or dissatisfaction. The outcome of satisfaction situation is intent to purchase in future also and dissatisfaction leads to complaints.

2. **Linkage of customer value chain to customer satisfaction**

![Fig. 3.3](image)

The above given model highlights the concept of value as a driving force in product/service choice and satisfaction. According to this model the product attributes play a vital role in deciding the consequence of use and the desired end state of using the product in future. If the feeling for product is positive, the consequence and the end state would be positive and vice versa if the feeling for attributes is negative.

(adapted from Woodruff & Gardial, 1996)
3. Model of linkage between satisfaction and value

This model is an other version of the above model in a abbreviated form developed by Oliver (1999). This model depicts the link between satisfaction and value. According to this model the quality, performance and cost of the input i.e. service performance has an impact on the formation of satisfaction. Here the customer not only evaluates the quality of service but also the cost involved in utilizing the service. This model shows the use of gross benefit-cost judgements by consumers.

4. Model showing linkage of overall service satisfaction, encounter satisfaction and perceived service quality

Research for this model supports the conceptualization of perceived quality as a separate construct, distinct from satisfaction (Bitner & Hubbert, 1994). It highlights the construct of overall satisfaction in contrast to the construct of a component level of satisfaction. This model denoted a stronger correlation between these two constructs.
5. Technical service quality, perceived service and expected service

The next model differentiate between technical service quality and perceived service quality and shows how satisfaction results from a comparison between expected service and perceived service (Bateson, 1991). “Other data inputs” includes word-of-mouth, past experience and advertising.

According to this model the contact personnel i.e. the person who delivers the service and technical service quality has a strong impact on perceived service and expected service. If the expectations are lesser than perceived service, the customer attains high level of satisfaction and if the expectations are more than that of the perceived service it leads to dissatisfaction.
3.7 Customer satisfaction – micro models

Erevelles and Leavitt (1992), in their research have given a brief summary of some of the micro-models pertaining to customers satisfaction. There are seven types of models they have reviewed in their article, which are as follows:

➢ The Expectations Disconfirmation Model

This has been a dominant model in satisfaction research where consumers compare pre-consumption expectations with post-comparison experiences of a product/service to form an attitude of satisfaction or dissatisfaction towards the product/service. In this model, the authors have proved that expectations are derived from beliefs. This is the predictive meaning of the expectations concept.

➢ The perceived Performance Model

This model deviates from the above given model which states that expectations play a less significant role in satisfaction formation. The model performs well in situations where a product/service performs positively that the consumer’s expectations get discounted in their post consumption reaction to the product/service.

➢ Norms Model

This model resembles the Expectations Disconfirmation Model where the consumer compares perceived performance with some standard for performance. In this case the standard is not a predictive expectation. The consumer uses what should happen as the comparison standard rather than considering what will happen in the consumption experience.
➢ Multiple Process Models

This model characterizes the satisfaction formation process as multidimensional i.e. consumer uses more than one standard of comparison in forming a (dis)confirmation judgement about an experience with a product/service.

➢ Attribution Model

This model integrate the concept of perceived service performance into the satisfaction process for a product/service. According to this model consumers use three factors to determine attribution’s effect in satisfaction. They are locus of casuality, stability and controllability. The locus of casuality can be external (credit or blame a service provider gets) or internal (that is, the consumer is responsible for the product/service performance); stable causes would tend to have more impact on satisfaction because consumers tend to be more forgiving of product/service failures that appear to be rare events and finally, controllability affects attribution in that a poor outcome in a consumption experience mean that the consumer will be unsatisfied with the product/service provider if the consumer believes that the provider has the capacity i.e. control, to perform in a better manner.

➢ Equity Model

This model emphasize the consumer’s attitude about fair treatment in the consumption process. Fair treatment can use the concept of the equity ratio (amount of return for the effort made) or the concept of social comparison (perceived, relative level of product/service performance that other consumers experience).

The above given models show that, either macro-models or micro-models, expectations, perception, value etc. are taken into consideration to arrive at satisfaction. It is to be noted here that customer satisfaction
contributes to the profitability of any service organization. In all the above cases, it was found that service quality plays a vital role in the growth of service industries especially in the banking sector. It can also be said that no industry can survive without providing better service to their ultimate customer. Customer service is one of the most vital factor that contributes towards reputation and credibility among the customers. Measurement of service quality is again a very difficult task because of its unique characteristics.

3.8 SERVQUAL (Service Quality)

SERVQUAL is the principal instrument widely used to assess the service quality for a variety of services rendered by banks. Parasuraman et.al (1988) have conceptualized a five dimensional model of service quality such as reliability, tangibility, responsiveness, assurance and empathy. This has become almost the standard way of measuring service quality. The five dimensions of service quality are:

1. Tangibles : physical facilities, equipment and appearance of personnel
2. Reliability : ability to perform the promised service dependably and accurately
3. Responsiveness : willingness to help customers and provide prompt service
4. Assurance : knowledge and courtesy of employees and their ability to inspire trust and confidence
5. Empathy : caring, individualized attention the firm provides to its customers

It is commonly said that what is not measured is not managed. Without measurement, managers can’t be sure whether service quality gap exists,
where they exist and what potential corrective actions should be taken. In the present competitive global environment, service industries, especially, the banking services are utilized by almost each and every person irrespective of their nature of work.

It becomes necessary for the service provider, whether public sector or private sector, to maintain the quality of their service in order to retain their customers. As a result measuring service quality gains importance in all service industries. Following are some of the models that was designed and tested for the relationship between service quality dimensions, customer satisfaction and customer loyalty.

Fig. 3.7

The above model for customer satisfaction and customer loyalty was conceptualized by Zhaohua Deng, Yaobin Lu, Kwok Kee Wei and Jinlong Zhang in the year 2010 (Understanding customer satisfaction and loyalty: An empirical study of mobile instant messages in China). The findings of the study confirmed that trust, perceived service quality, perceived customer value, functional value and emotional value, contribute towards customer satisfaction with mobile instant message.

The results revealed that trust, customer satisfaction and switching cost directly enhance customer loyalty and found that age, gender, and usage time have moderate effects. It was understood from the above model that the factors influencing customer satisfaction are trust, service quality and the perceived value. Perceived value includes functional value, emotional value, social value and monetary value. The other moderator variables are age, gender and usage time. Finally customer satisfaction leads to customer loyalty.

![Fig. 3.8]

Source: Journal of Marketing and Communication, Vol.6, Issue 1, May-Aug 2010

The above model was proposed by Manimaran.S (“Linkage between service quality and customer loyalty in commercial banks”) to examine the nature of linkage between service quality and customer loyalty in Indian retail
banking. The findings of the study indicate that service quality is an important
driver of customer loyalty, its indirect effect through perceived value and
customer satisfaction is considerably larger than the direct effect in generating
higher customer loyalty.

It is important for the bank managers to understand the relevant service
quality dimensions in their banking that could reinforce positive customer
satisfaction assessments. This model reveals that there is no significant direct
linkage between service quality and customer loyalty. At the same time, the
service quality has a significant indirect impact on customer’s loyalty through
customer satisfaction.

**Fig. 3.9**

Source: Total Quality Management, Vol.21, No.12, Dec 2010, pg.1315-1341

The above model designed by Usha Lenka, Damodar Suar and Pratap Mohapatra (Customer satisfaction in Indian commercial banks through total quality management approach) depicts the variables which has positive influence on customer satisfaction. In their study they have pointed out that
customer satisfaction is derived from service performance, which includes human, technical and physical aspects of the service firm.

The human aspects of service delivery depend on employees satisfaction with the job and their emotional attachment towards the organization. The authors reported that employees give better service when they operate in a work environment that has a supportive leadership style, better HRM practices, customer-oriented values and a conducive service climate.

The hard aspects of the management information system and physical evidence of the firm also contribute to better service performance and help in achieving customer satisfaction. This clearly indicates that transformational leadership, workplace spirituality and service climate increase employees’ job satisfaction and affective commitment, which have a positive influence on human aspects of service quality, which in turn increases customer satisfaction. Management information system and physical evidence as technical aspect and tangible aspect of service quality also have a positive impact on customer satisfaction.

**Fig. 3.10**

The above given model was developed by Arun Kumar et.al (Influence of service quality on attitudinal loyalty in private banking: An empirical study) to examine the influence of service quality on attitudinal loyalty in Indian private retail banking. The statistical analysis of the survey revealed that customers distinguish five dimensions of service quality in the case of the private retail banking.

These five dimensions of customer-perceived service quality are: Factor1: Reliability, responsiveness and empathy, Factor2: Assurance, empathy and responsiveness, Factor3: assurance, empathy and price, Factor4: reliability and Factor5: tangible and empathy. The results of this study also support strongly that the intuitive notion improves service quality and increases favourable behavioural intentions (attitudinal loyalty).

Further the results yielded an intricate pattern of service quality-attitudinal loyalty relationship at the level of the overall dimensions. This model depicts that the variables tangibility, reliability, responsiveness, assurance, empathy and price and CHS of a bank are the service quality dimensions that leads to customers’ attitudinal loyalty which ultimately retains valued customers.

**Fig. 3.11**

The above given model was designed by Jose Angel Miguel-Davila et.al. (Operations in banking: the service quality and effects on satisfaction and loyalty) assessed the effect of service quality on customer satisfaction and loyalty. They pointed out that the value of the operative aspect is the highest and the one that most influences service quality.

This responds to the need for service and to the fact that customers often conceive service quality as that related with the performance in banking transactions and diminishing the importance of the physical aspect of the institution, the visual aspect and the look of the employees, because what is actually important to them are the aspects that are more crucial to them.

They have also observed that how the new technological advancements influence the perception of quality. The significant values of inter-correlations of aspects that influence the service quality suggest that these indicators are correct and that each of them is important in determining the quality. As regards quality and satisfaction, the high value achieved indicates that, to a great extent, customers who perceive service quality will be satisfied with the institution.

The results show that service quality is a precedent to customer satisfaction. The results suggest the significant relationship between human aspects and satisfaction and between operative aspects and satisfaction. The service quality variables are classified as operative, physical, technological and human.

The results proved that service quality is a precedent to customer satisfaction and satisfaction leads to customer loyalty.
The above model was designed by Thamaraiselvan and Raja (Customer evaluations of automated teller machines’ service encounters – An empirical model) to study the relationship between customer satisfaction and loyalty in ATMs. The authors made an attempt to develop and test a structural equation model for customer evaluations of ATMs.

Through confirmatory factor analysis, the constructs reliability and validity were found out to prove the unidimensionality of these constructs to the identified factor for customer evaluations of ATMs namely perceived value, service quality, customer satisfaction and customer loyalty. The outcomes proved that the companies involved in offering services should have to focus more on service quality to improve the perceived value which leads to high level of customer satisfaction. The results encountered that service quality has a positive impact on the perceived value, perceived value has a positive effect on customer satisfaction and finally customer satisfaction also has a positive impact on the customer loyalty.
The authors Claes Fornell et.al (The American customer satisfaction index: Nature, purpose and findings) discussed the nature and purpose of ASCI and explained the theory underlying the ASCI model.

The American Customer Satisfaction Index (ACSI) is the only independent national benchmark of customer satisfaction available in the United States. The national ACSI score, representing aggregate customer satisfaction across a broad swath of the U.S. economy, is updated quarterly and serves as a key macroeconomic indicator of the health of the nation’s economy.

The ACSI also benchmarks customer satisfaction for 10 economic sectors, 43 industries (including e-commerce and e-business), more than 230 companies, and over 100 federal or local government services. Smaller companies are grouped together in an “all others” category for each industry. The ACSI reports scores on a scale of 0 to 100.
ACSI was started in 1994 and is used as a benchmark to measure changes in satisfaction over time, the underlying model has not been changed significantly despite subsequent research into its shortcomings. Most of the following criticisms are from "The evolution and future of national customer satisfaction index models" (Johnson, Gustafsson, Andreassen, Cha; 2001). The ACSI score is one of five multi-item scales that make up the expanded model of the American Customer Satisfaction Index. Each multi-item scale represents a different aspect of customer attitudes: Customer Expectations, Perceived Overall Quality, Perceived Value, Customer Satisfaction and Customer Loyalty.

![Diagram](image)

**Fig. 3.14**

Source: NPC Productivity Report, 2000

The Malaysian Customer Satisfaction Index (MCSI) is the only uniform, cross-industry and cross-sector measure of product/service quality about the Malaysian economy and is a national economic indicator of customer evaluations of the quality of services from companies and government agencies. The MCSI is based on a multi-equation econometric model that illustrates cause-and-effect relationships between variables: customers' expectation, perceived quality or performance, perceived value or worthiness, customer's satisfaction, reputation, perceived image and customers' loyalty.
The MCSI is quite similar to the American Customer Satisfaction Index in terms of the econometric model but it adopts a different approach in a number of ways. The ACSI uses Partial Least Squares (PLS) for estimating the model and computing the index whereas the MCSI incorporates a much more reliable technique called Generalised Maximum Entropy (GME). The results are presented in three levels of scores; a national customer satisfaction score, specific industry score and the scores from the selected organizations within those industries.

Fig. 3.15


This model was designed by Luiz Moutinho and Anne Smith in their paper titled "Modelling bank customer satisfaction through mediation of attitudes towards human and automated banking" which posits a crucial role for the evaluation of bank customers’ attitudes towards both human tellers and automated banking in mediating the ease of banking factor/perceived satisfaction linkage.

The above model shows that the factors “ease of banking” and “attitudes of bank customer towards human tellers and automated banking”
leads to the perceived satisfaction of the customers. This perceived satisfaction furthers to switching behaviour or customer loyalty. It is understood from the above model that only if perceived satisfaction is positive, it leads to customer loyalty otherwise the customer may switch over to other banks.

**Fig. 3.16**

![Diagram](image)

Tech info secure – Technology security and information quality
Tech conven – Technology convenience
Tech Ease Rel – Technology usage easiness and reliability
Cust service – Customer service

The above model was framed by Shirshendu Ganguli and Sanjit Kumar Roy (Generic technology-based service quality dimensions in banking: Impact on customer satisfaction and loyalty) to study the relationship between technology-based service quality and its impact on customer satisfaction and loyalty. This study provides insights into the consumption process of the retail banking customers in today’s changed scenario of banking services which is leveraging upon technology for service delivery and using it as a weapon for competitive differentiation.
The dimensions identified in this study are “technology security and information quality”, “technology convenience”, “technology usage easiness and reliability” and “customer service”. They found that “technology usage easiness and reliability” and “customer service” affect customer satisfaction positively and significantly.

The authors reported that owing to high usage of technology by bank customers in today’s world the role of customer service has become more important as customers are interacting through some technology and not any human being and the results also confirmed this fact as “customer service” dimension has relatively higher impact on customer satisfaction than “technology usage easiness and reliability” and only if customers perceive the technology channel to be easy to use and reliable their consumption experience will be positive and they will be satisfied with the use of technology based-banking, giving a boost to the customers’ confidence.

They also found that customer satisfaction has a positive and significant impact on customer loyalty. Another important finding of the study is the impact of service quality dimensions on customer loyalty and “customer service” has a higher impact on customer loyalty (which impacts their future consumption patterns). They concluded that, “technology usage easiness and reliability” and “technology convenience” also affect customer loyalty significantly and positively.

This shows that customers become loyal to the banks (an indication of changing consumer behavior pattern) only if the technology provided is easy to use, reliable and convenient. In today’s competitive technology based market environment, service quality based on technology has a positive and direct impact on customer satisfaction.
3.9 Profile of Select Banks in India

3.9.1 Public Sector Banks in India

The State Bank of India, the country’s oldest bank and a premier in terms of balance sheet size, number of branches, market capitalization and profits, is today going through a momentous phase of Change and Transformation – the two hundred year old public sector behemoth is today stirring out of its Public Sector legacy and moving with an ability to give the Private and Foreign Banks a run for their money. The bank is entering into many new businesses with strategic tie ups – Pension Funds, General Insurance, Custodial Services, Private Equity, Mobile Banking, Point of Sale Merchant Acquisition, Advisory Services, structured products etc. – each one of these initiatives having a huge potential for growth.

It is also focusing at the top end of the market, on whole sale banking capabilities to provide India’s growing mid/large corporate with a complete array of products and services. It is consolidating its global treasury operations and entering into structured products and derivative instruments. Today, the bank is the largest provider of infrastructure debt and the largest arranger of external commercial borrowings in the country. It is the only Indian bank to feature in the Fortune 500 list.

The bank is changing outdated front and back end processes to modern customer friendly processes to help improve the total customer experience. With about 8500 of its own 10000 branches and another 5100 branches of its Associate Banks already networked, today it offers the largest banking network to the Indian customer.

The bank is also looking at opportunities to grow in size in India as well as internationally. It presently has 173 foreign offices in 33 countries across the globe. It has also 7 Subsidiaries in India – SBI Capital Markets,
SBICAP Securities, SBI DFHI, SBI Factors, SBI Life and SBI Cards - forming a formidable group in the Indian Banking scenario.

IDBI Bank Ltd. is today one of India's largest commercial banks. For over 40 years, IDBI Bank has essayed a key nation-building role, first as the apex Development Financial Institution (DFI) (July 1, 1964 to September 30, 2004) in the realm of industry and thereafter as a full-service commercial bank (October 1, 2004 onwards). On October 1, 2004, the erstwhile IDBI converted into a banking company (as Industrial Development Bank of India Limited) to undertake the entire gamut of banking activities while continuing to play its secular DFI role. Post the mergers of the erstwhile IDBI Bank with its parent company (IDBI Ltd.) on April 2, 2005 (appointed date: October 1, 2004) and the subsequent merger of the erstwhile United Western Bank Ltd. with IDBI Bank on October 3, 2006, the tech-savvy, new generation bank with majority Government shareholding today touches the lives of millions of Indians through an array of corporate, retail, SME and Agri products and services.

As an Universal Bank, IDBI Bank, besides its core banking and project finance domain, has an established presence in associated financial sector businesses like Capital Market, Investment Banking and Mutual Fund Business. As on March 31, 2012, the bank had a network of 973 branches and 1542 ATMs. The Bank's total business, during financial year 2011-12, reached Rs. 3,91,651 Crore, Balance sheet reached Rs. 2,90,837 Crore while it earned a net profit of Rs. 2032 Crore (up by 23.15 %).

Syndicate Bank was established in 1925 in Udupi, the abode of Lord Krishna in coastal Karnataka by three visionaries - Sri Upendra Ananth Pai, a businessman, Sri Vaman Kudva, an engineer and Dr.T M A Pai, a physician - who shared a strong commitment to social welfare. Their objective was primarily to extend financial assistance to the local weavers who were crippled by a crisis in the handloom industry through mobilising small
savings from the community. The bank collected as low as 2 annas daily at the doorsteps of the depositors through its agents under its Pigmy Deposit Scheme started in 1928. This scheme is the bank's brand equity today and the bank collects around Rs. 2 crore per day under the scheme.

Being firmly rooted in rural India and understanding the grassroot realities, the bank's perception had vision of future India. It has been propagating innovations in banking and also has been receptive to new ideas, without however getting uprooted from its distinctive socio-economic and cultural ethos. The bank is well equipped to meet the challenges of the 21st century in the areas of information technology, knowledge and competition.

**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 nationalised 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 has 4038 branches in India spread over all states/union territories including specialized branches. These branches are controlled through 50 Zonal Offices. There are 29 branches/offices (including five representative offices) and 3 subsidiaries and 1 joint venture abroad.

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, Newyork, Paris, Tokyo, Hong-Kong and Singapore. The international business accounts for around 17.82% of bank's total business.
Canara bank widely known for customer centricity, was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The bank has gone through the various phases of its growth trajectory over hundred years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969. Today, Canara Bank occupies a premier position in the comity of Indian banks. With an unbroken record of profits since its inception, Canara Bank has several firsts to its credit. These include:

- Launching of Inter-City ATM Network
- Obtaining ISO Certification for a Branch
- Articulation of ‘Good Banking’ – Bank’s Citizen Charter
- Commissioning of Exclusive Mahila Banking Branch
- Launching of Exclusive Subsidiary for IT Consultancy
- Issuing credit card for farmers and
- Providing Agricultural Consultancy Services

Union Bank of India was established on 11th November 1919 with its headquarters in the city of Mumbai. Union bank is 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. At the end of September 2011 the Bank achieved total business level of Rs.3,42,856 crore (Rupees Three Lakh Forty two thousand Eight hundred fifty six crore).

Corporation bank, nationalised in 1980, was the forerunner when it came to evolving and adapting to the financial sector reforms. In 1997, it became the Second Public Sector Bank in the country to enter capital market. The bank has many "firsts" to its credit - Cash Management Services, Gold
Banking, m-Commerce, "Online" approvals for Educational loans, 100% CBS Compliance and more recently, its pioneeering efforts to take the technology to the rural masses in remotest villages through low-cost branchless banking - Business Correspondent model. All of which symbolise bank's unswerved commitment to its customers to provide convenience banking. Provides the highest standards of service to their customers backed by innovative products and services which made them one of the leading Public Sector Banks in the country, catering to a wide range of customers - from individuals to corporate clients.

PNB with over 72 million satisfied customers and 5697 domestic branches, has continued to retain its leadership position amongst the nationalized banks. The bank enjoys strong fundamentals, large franchise value and good brand image. Over the years PNB has remained fully committed to its guiding principles of sound and prudent banking irrespective of conditions. Bank has been earning many laurels and accolades in recognition to its service towards doing good to society, technology usage and on its overall performance.

Since its humble beginning in 1895 with the distinction of being the first Swadeshi Bank to have been started with Indian capital, Punjab National Bank has continuously strived for growth in business which at the end of June 2012 amounted to Rs.6,79,823 crore. PNB is the largest nationalised bank in the country in terms of Branch Network, Total Business, Advances, Operating Profit and Low Cost CASA Deposits.

Bank has been a frontrunner in the industry so far as the initiatives for Financial Inclusion is concerned. With its policy of inclusive growth and the mission “Banking for Unbanked”, it is a matter of pride for the bank that it has been able to cover all its 4588 villages allotted under the Swabhiman Campaign of Government of India through Business Correspondents. Further, the bank has also adopted 118 villages across country. Under FI plan, the
bank has engaged Technical Service Providers (TSPs) and the corporate Business Correspondents (BCs) for providing banking services in villages using ICT based BC model. The village level BC agents are using Hand Held Terminals/ POS machines & smartcards. Bank has extensively used technology to reach out to those which have remained away from formal banking set up.

**UCO Bank,** founded in 1943, is a commercial bank and a Government of India Undertaking. The vision of the bank is to emerge as the most trusted, admired and sought-after world class financial institution and to be the most preferred destination for every customer and investor and a place of pride for its employees.

The mission statement is to be a Top-class Bank to achieve sustained growth of business and profitability, fulfilling socio-economic obligations and excellence in customer service, through upgradation of skills of staff and their effective participation in making use of state-of-the-art technology.

**United Bank of India (UBI)** is one of the 14 major banks which were nationalized on July 19, 1969. Its predecessor the United Bank of India Ltd., was formed in 1950 with the amalgamation of four banks viz. Comilla Banking Corporation Ltd. (1914), Bengal Central Bank Ltd. (1918), Comilla Union Bank Ltd. (1922) and Hooghly Bank Ltd. (1932) (which were established in the years indicated in brackets after the names). The origin of the bank thus goes as far back as to 1914. As against 174 branches, Rs. 147 crores of deposits and Rs. 112 crores of advances at the time of nationalisation in July, 1969, today the bank is 100% CBS enabled with more than 1600 branches and offices and is having a total business of more than Rs 1.5 lakh crore. Presently the bank is having a Three-tier organisational set-up consisting of the Head Office, 33 Regional Offices and the Branches.
The bank has three full fledged Overseas Branches one each at Kolkata, New Delhi and Mumbai with fully equipped dealing room and SWIFT terminal. Operations of all the branches have since been computerized and Electronic Fund Transfer System came to be implemented in the bank's branches across the country. The Bank has ATMs all over the country and customers can use United International Debit Card at all VISA ATMs across the globe.

**Bank of Baroda** is a pioneer in various customer centric initiatives in the Indian banking sector. Bank of Baroda is amongst first in the industry to complete an all-inclusive rebranding exercise wherein various novel customer centric initiatives were undertaken along with the change of logo. The initiatives include setting up of specialized NRI Branches, Gen-Next Branches and Retail Loan Factories/ SME Loan Factories with an assembly line approach of processing loans for speedy disbursal of loans.

BOB has made substantial progress in its end-to-end business and IT strategy project covering the bank’s domestic, overseas and subsidiary operations. All Branches, Extension Counters in India, overseas business and five sponsored Regional Rural Banks are on the Core Banking Solution (CBS) platform.

BOB has implemented the Global Treasury Solution in its key territories like UK, UAE, Bahamas, Bahrain, Hong Kong, Singapore and Belgium. The bank has taken various technological initiatives in overseas operations such as implementation of Centralized SWIFT activity through Data Centre in Mumbai, Payment Messaging System with Anti Money Laundering check, Anti Money laundering Compliance and Online List Matching solution. While bank implemented Transaction-based Internet Banking facility for its customers in Uganda, Botswana, UAE, New Zealand, Kenya, Mauritius and Seychelles, a Viewbased e-banking facility was made available in Fiji, Oman, Tanzania and UK.
Central Bank of India established in 1911, was the first Indian commercial bank which was wholly owned and managed by Indians. Among the Public Sector Banks, Central Bank of India can be truly described as an All India Bank, due to distribution of its large network in 27 out of 29 States as also in 3 out of 7 Union Territories in India. Central Bank of India holds a very prominent place among the Public Sector Banks on account of its network of 3967 branches and 27 extension counters at various centres throughout the length and breadth of the country.

Customers' confidence in Central Bank of India's wide ranging services can very well be judged from the list of major corporate clients such as ICICI, IDBI, UTI(Axis), LIC, HDFC as also almost all major corporate houses in the country.

Indian Bank, a premier bank owned by the Government of India was established on 15th August 1907 as part of the Swadeshi movement, serving the nation with a team of over 18782 dedicated staff. The total business crossed Rs.2,11,988 crores as on 31.03.2012. Its operating profit increased to Rs. 3,463.17 crores as on 31.03.2012 and Net Profit increased to Rs.1746.97 crores as on 31.03.2012. The bank has

- Core Banking Solution (CBS) in all 1965 branches
- Overseas branches in Singapore, Colombo including a Foreign Currency Banking Unit at Colombo and Jaffna and 240 Overseas Correspondent banks in 70 countries
- 97 Forex Authorised branches inclusive of 1 Specialised Overseas Branch at Chennai exclusively for handling forex transactions arising out of Export, Import, Remittances and Non Resident Indian business
- 62 Special SME Branches extending finance exclusively to SSI units
The bank has 3 subsidiary companies for diversified business activities:

- Indbank Merchant Banking Services Ltd
- IndBank Housing Ltd.
- IndFund Management Ltd

It was in the year 1908, when a humble idea to uplift the poorest of poor of the land culminated in the birth of **Punjab & Sind Bank** with the far-sighted vision of luminaries like Bhai Vir Singh, Sir Sunder Singh Majitha and Sardar Tarlochan Singh.

The bank was founded on the principle of social commitment to help the weaker section of the society in their economic endeavours to raise their standard of life. Decades have gone by, even today Punjab & Sind Bank stands committed to honor the social commitments of the founding fathers.

### 3.9.2 Private Sector Banks in India

**ICICI Bank** is India's second-largest bank with total assets of Rs. 4,736.47 billion (US$ 93 billion) as on March 31, 2012 and profit after tax Rs. 64.65 billion (US$ 1,271 million) for the year ended March 31, 2012. The bank has a network of 2,770 branches and 9,363 ATMs in India, and has a presence in 19 countries, including India.

ICICI Bank was originally promoted in 1994 by ICICI Limited, an Indian financial institution, and is its wholly-owned subsidiary. ICICI Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialised subsidiaries in the areas of investment banking, life and non-life insurance, venture capital and asset management.
The bank currently has subsidiaries in the United Kingdom, Russia and Canada, branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre and representative offices in United Arab Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia. The UK subsidiary has established branches in Belgium and Germany.

The Housing Development Finance Corporation Limited (HDFC) is the first bank 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 with a simple mission to be a “World-class Indian bank”.

The genesis of Indian Banking is associated to a large extent with Swadeshi Movement, which inspired many Indians to promote Swadeshi Banks in the beginning of the 20th Century. The enterprising founders of Catholic Syrian Bank Ltd also found this period to be a moment of opportunity to promote the establishment of a bank. Thus was born The Catholic Syrian Bank Ltd, nine decades ago, on 26th November 1920 at Thrissur, which in later years acquired the unique distinction of being a centre with the highest concentration of banks in the South.

The bank commenced business on January 1st, 1921 with an authorised capital of Rs.5 lakhs and a paid up capital of Rs. 45270/-. In 1964-65, The Catholic Syrian Bank Ltd took part in taking over the liabilities and assets of five small/medium sized banks in Kerala. The expansion programme initiated during these years gathered momentum in the subsequent years. At present, the bank has a network of 382 branches and 190 ATMs across India. The bank has planned to open more number of branches in a phased manner.
The Karur Vysya Bank Ltd., was started in the year 1916 in Karur, then a small textile town with a vast agricultural background, by two illustrious sons of the soil – Sri M.A. Venkatarama Chettiar and Sri Athi Krishna Chettiar. It was started as a venture with a seed capital of Rs. 1 lakh has grown into a leading financial institution that offers the wide gamut of financial services to millions of its customers under one roof. The bank had a branch network of 451 and an ATM network of 825 as on 31.03.2012.

KVB is one of the earliest banks in the country to achieve full networking of its branches under Core Banking Solutions, offering services through alternate delivery channels. Some of the services offered by KVB are:

- Any Branch Banking
- Multicity Account facilities for both current and savings bank customers
- Internet Banking
- On line utility bill payments and shopping facilities
- On line payment of electricity bill in Tamilnadu through Net Banking
- e-commerce facilities
- Mobile Banking with Interbank Mobile Payment Services enabled by NPCI
- Point of sale machines
- Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) facilities at all branches
- VISA and MasterCard Debit card facility with a card base of over 2 million
• Anmol Rewards for use of KVB Debit card for POS and e-POS transactions

• On-line rail and air ticket booking using KVB VISA Debit card

• VISA enabled Gift and Travel Cards

• Access to over 850 KVB ATMs and over 13000 domestic ATMs and over 1 million VISA ATMs worldwide

• Card to Card and Card to account transfer of funds through KVB ATMs

• Payment of institutional fees through ATMs

• 24 X 7 toll free professional help desk services for all ATM, Internet Banking, Mobile Banking and e-commerce transactions

**Dhanlaxmi Bank Ltd.** was incorporated in 1927 at Thrissur, Kerala by a group of ambitious and enterprising entrepreneurs. Over the 85 years that followed, Dhanlaxmi Bank with its rich heritage has earned the trust and goodwill of clients. It is due to the strong belief in the need to seek innovation, deliver best service and demonstrate responsibility, that the bank have grown from strength to strength; be it in the number of customers, the scale of business, the breadth of their product offerings, the banking experience they offer or the trust that people invest in them. With more than 670 touch points across India at customers’ service, their focus has always been on customizing services and personalizing relations.

The vision and mission of the bank is to become a strong and innovative bank with integrity and social responsibility and to maximize customer satisfaction and the satisfaction of its employees, shareholders and the community.
ING Vysya Bank Ltd., is an entity formed with the coming together of erstwhile, Vysya Bank Ltd, a premier bank in the Indian Private Sector and a global financial powerhouse, ING of Dutch origin, during Oct 2002. The origin of the erstwhile Vysya Bank was pretty humble. It was in the year 1930 that a team of visionaries came together to form a bank that would extend a helping hand to those who weren't privileged enough to enjoy banking services.

ING has gained recognition for its integrated approach of banking, insurance and asset management. Furthermore, the company differentiates itself from other financial service providers by successfully establishing life insurance companies in countries with emerging economies, such as Korea, Taiwan, Hungary, Poland, Mexico and Chile. Another specialisation is ING Direct, an Internet and direct marketing concept with which ING is rapidly winning retail market share in mature markets. ING distinguishes itself internationally as a provider of ‘employee benefits’, i.e. arrangements of nonwage benefits, such as pension plans for companies and their employees.

ING’s mission is to be a leading, global, client-focused, innovative and low-cost provider of financial services through the distribution channels of the client’s preference in markets where ING can create value.

J&K Bank functions as a universal bank in Jammu & Kashmir and as a specialised bank in the rest of the country. It is also the only private sector bank designated as RBI’s agent for banking business, and carries out the banking business of the Central Government, besides collecting central taxes for CBDT.

J&K Bank follows a two-legged business model whereby it seeks to increase lending in its home state which results in higher margins despite modest volumes, and at the same time, seeks to capture niche lending opportunities on a pan-India basis to build volumes and improve margins.
J&K Bank operates on the principle of 'socially empowering banking' and seeks to deliver innovative financial solutions for household, small and medium enterprises.

The bank, incorporated in 1938, is listed on the NSE and the BSE. It has a track record of uninterrupted profits and dividends for four decades. The J&K Bank is rated P1+, indicating the highest degree of safety by Standard & Poor and CRISIL.

The Lakshmi Vilas Bank Limited (LVB) was founded eight decades ago (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. At present, with a network of 290 branches, 1 satellite branch and 8 extension counters, spread over 15 states and the union territory of Puducherry, the bank's focus is on customer delight, by maintaining high standards of customer service and amidst all these new challenges, the bank is progressing admirably. LVB has a strong and wide base in the state of Tamil Nadu, one of the progressive states in the country, has a vibrant industrial environment. LVB is focusing on retail banking, corporate banking and bancassurance and is rendering high-tech services which include:

- 100 % CBS Branches
- VISA Enabled International Debit Card
- RTGS & NEFT enabled electronic funds transfer services
- Internet Banking, Mobile Banking & SMS Alerts
- Electronic Clearing Services (ECS)
- National Electronic Clearing Services (NECS)
Payment through mobile phone via, Paymate
coupled with all the existing recently launched innovative & attractive deposit
schemes, and other loan schemes which suits large number of employees,
comparable only with best in the industry to-day.

Total business (as on 30.06.2012) volume grew with the deposit level
at around Rs.14136 crores and the credit portfolio expanding to Rs.10504
crores with a total business mix of Rs.24640 crores and registered growth at
22% Y-o-Y.

One of the earliest banks in South India, "**South Indian Bank**" came
into being during the Swadeshi movement. The establishment of the bank was
the fulfillment of the dreams of a group of enterprising men who joined
together at Thrissur, a major town (now known as the Cultural Capital of
Kerala), in the erstwhile State of Cochin to provide for the people a safe,
efficient and service oriented repository of savings of the community on one
hand and to free the business community from the clutches of greedy money
lenders on the other by providing need based credit at reasonable rates of
interest.

Translating the vision of the founding fathers as its corporate mission,
the bank has during its long sojourn been able to project itself as a vibrant,
fast growing, service oriented and trend setting financial intermediary.

**Milestones**

- The FIRST among the private sector banks in Kerala to become a
  scheduled bank in 1946 under the RBI Act
- The FIRST bank in the private sector in India to open a Currency
  Chest on behalf of the RBI in April 1992
• The FIRST private sector bank to open a NRI branch in November 1992

• The FIRST bank in the private sector to start an Industrial Finance Branch in March 1993

• The FIRST among the private sector banks in Kerala to open an "Overseas Branch" to cater exclusively to the export and import business in June 1993

• The FIRST bank in Kerala to develop an in-house, a fully integrated branch automation software in addition to the in-house partial automation solution operational since 1992

• The FIRST Kerala based bank to implement Core Banking System

• The THIRD largest branch network among Private Sector banks, in India, with all its branches under Core banking System

The history of Tamilnad Mercantile Bank Ltd., the then Nadar Bank Ltd., dates back to 1921. The bank was having only 4 branches until the year 1947 at Tuticorin, Madurai, Sivakasi and Virudhunagar. The bank had also a branch at Colombo in the year 1937 and the same was closed in the year 1939. The bank has now 293 full fledged branches all over India, 9 Regional Offices, 11 Extension Counters, 2 Mobile Banking Branch, 6 Central Processing Centres, 1 Service Branch, 2 Currency Chests and 369 Automated Teller Machines. All the 293 branches are computerised and interconnected. The first branch outside the State of Tamilnadu was opened in the year 1976 at Bangalore.

The customers can now purchase Demand Drafts on 667 additional locations through our country in addition to 293 TMB Branches. The bank’s tie-up arrangements with HDFC Bank (531 locations) and IDBI Bank (136 locations) gives an effective branch network of 960. In all these
locations the customers can send their cheques for collection too, all at no extra cost.

The bank has had a vision of extending banking service to common people of rural areas, hitherto neglected, with all humility. The bank dotted more and more non-metro centers with its branches thereby extending its service area in range, variety and magnitude. Out of 293 branches, 249 branches are located at rural, semi urban & urban (non-metro) centers.

**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.

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 the 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. IndusInd Bank has 365 branches, and 674 ATMs spread across 254 geographic locations of the country as on December 31, 2011. The bank also 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 centres.

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 into a bank as Kotak Mahindra Bank Ltd. Today, this is one of the fastest growing bank and among the most admired financial institutions in India.

Kotak Mahindra Bank has over 357 branches and 866 ATMs, which are spread all over India, not just in the metros but in Tier II cities and rural India as well.

The bank cater to the myriad needs of Resident Individuals, NRIs and Businesses. Kotak Mahindra Bank Ltd is a one stop shop for all banking needs. The bank offers personal finance solutions of every kind from savings accounts to credit cards, distribution of mutual funds to life insurance products. Kotak Mahindra Bank offers transaction banking, operates lending verticals, manages IPOs and provides working capital loans. Kotak is one of the largest and most respected Wealth Management teams in India, providing the widest range of solutions to high net worth individuals, entrepreneurs, business families and employed professionals.

**YES BANK**, India’s new age private sector bank, is a state-of-the-art high quality, customer-centric, service-driven bank catering to the “**Future Businesses of India**”. An outcome of the professional & entrepreneurial commitment of its Promoter & Founder, Dr. Rana Kapoor and his top management team, **YES BANK is India’s fourth largest private sector bank** (by balance sheet dated March 31, 2012). Since its inception in 2004,
YES BANK has fructified into a “Full Service Commercial Bank” that has steadily built Corporate and Institutional Banking, Financial Markets, Investment Banking, Corporate Finance, Branch Banking, Business and Transaction Banking, and Wealth Management business lines across the country, and is well equipped to offer a range of products and services to corporate and retail customers. YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers.

Today, YES BANK has a widespread branch network of over 380 branches across 275 cities, with 650+ ATMs and 2 National Operating Centres in Mumbai and Gurgaon.

YES BANK has been recognized amongst the top and fastest growing banks in various Indian Banking League Tables by prestigious media houses and Global Advisory Firms, and has received several national and international honours for their various businesses including Corporate Finance, Investment Banking, Treasury, Transaction Banking, and Sustainable practices through Responsible Banking. The bank has received numerous recognitions for its world-class IT infrastructure, and payments solutions, as well as excellence in Human Capital.

The sustained growth of YES BANK is based on the key pillars of Growth, Trust, Technology, Human Capital, Transparency & Responsible Banking. YES BANK has a knowledge driven approach to banking, and a superior customer experience for its retail, corporate and emerging corporate banking clients. As the Professionals’ Bank of India, YES BANK has exemplified ‘creating and sharing value’ for all its stakeholders, and has created a differentiated banking paradigm with the vision of ‘Building the Best Quality Bank of the World in India’ by 2015.
Axis Bank Limited is an Indian financial services firm headquartered in Mumbai, Maharashtra. It had begun operations in 1994, after the Government of India allowed new private banks to be established. The bank was promoted jointly by the Administrator of the Specified Undertaking of the Unit Trust of India (UTI-I), Life Insurance Corporation of India (LIC), General Insurance Corporation Ltd., National Insurance Company Ltd., The New India Assurance Company, The Oriental Insurance Corporation and United India Insurance Company. As on the year ended 31 March, 2012, Axis Bank had an operating revenue of ₹134.37 billion and a net profit of ₹42.42 billion. Axis Bank (erstwhile UTI Bank) opened its registered office in Ahmedabad and corporate office in Mumbai in December 1993. The first branch was inaugurated on April 1994 in Ahmedabad by Dr. Manmohan Singh, then the Honorable Finance Minister.