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**THE COMPARISON OF THE PRIVATE AND PUBLIC SECTOR OF  
BANKS PRESENT IN INDIA**

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**PROFILE OF BANKS****A) Public Sector Banks:-**

The public sector banks (PSBs) are a major type of bank in India, where a majority stake (i.e more than 50%) is held by the government. The share of these banks are listed on stock exchanges. The two banks which are taken as sample research study discussed below:

**State Bank of India**

The State Bank of India (SBI) is an Indian multinational, public sector banking and financial services statutory body. It is a government corporation statutory body headquartered in Mumbai, Maharashtra. SBI is ranked as 236th in the Fortune Global 500 list of the world's biggest corporations of 2019. It is the largest bank in India with a 23% market share in assets, besides a share of one-fourth of the total loan and deposits market. The bank descends from the Bank of Calcutta, founded in 1806, via the Imperial Bank of India, making it the oldest commercial bank in the Indian subcontinent. The Bank of Madras merged into the other two "presidency banks" in British India, the Bank of Calcutta and the Bank of Bombay, to form the Imperial Bank of India, which in turn became the state Bank of India in 1955. The Government of India took control of the Imperial Bank of India in 1955, with Reserve Bank of India taking a 60% stake, renaming it the State Bank of India. The roots of the State Bank of India lie in the first decade of the 19th century when the Bank of Calcutta later renamed the Bank of Bengal, was established on 2 June 1806. All three Presidency banks were incorporated as joint stock companies and were the result of royal charters. The Presidency banks amalgamated on 27 January 1921, and the re-organized banking entity took as its name Imperial Bank of India. The Imperial Bank of India remained a joint stock company but without Government participation.

Pursuant to the provisions of the State Bank of India Act of 1955, the Reserve Bank of India, which is India's central bank, acquired a controlling interest in the Imperial Bank of India. On 1 July 1955, the Imperial Bank of India became the State Bank of India. In 2008, the Government of India acquired the Reserve Bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking regulatory authority. In 1959, the government passed the State Bank of India (Subsidiary Banks) Act. SBI undoubtedly is the leading bank in India when it comes to number of branches, ATM's, net profits, total assets managed, etc. The Corporate Centre is in Mumbai and 14 Local

Head Offices and 57 Zonal Offices are located at important cities spread throughout the country. The bank manages assets worth more than 390 billion USD. SBI is ranked as 236th in the Fortune Global 500 list of the world's biggest corporations of 2019. —Best Transaction Bank & Best Payment Bank in India|| Award for 2019. YONO (You Only Need One) is an integrated digital banking platform offered by State Bank of India (SBI) to enable users to access a variety of financial and other services such as flight, train, bus and taxi bookings, online shopping, or medical bill payments. YONO is offered as a smartphone app for both Android and iOS. YONO was launched on Friday 24 November 2017 by Arun Jaitley, the Finance Minister of India

### **Bank of Baroda**

The bank was founded by Maharaja Sayajirao Gaekwad III (also known as Shrimant Gopalrao Gaekwad), the then Maharaja of Baroda on 20th of July 1908 with a paid capital of Rs. 10 Lacs. On 19th of July 1969, Bank of Baroda was nationalized by the Government of India along with 13 other commercial banks. They also offer rural banking services, which include deposits, priority sector advances, remittance, collection services, pension and lockers. Bank of Baroda also has a joint venture for life insurance business with India First Life Insurance. The amalgamation of Vijaya Bank and Dena Bank into Bank of Baroda (BoB) has taken effect from today (1 April)2020, turning BOB into India's second largest public sector bank and third largest lender overall after state-owned State Bank of India and HDFC Bank.

### **[B] Private Sector Banks :-**

The two Private sector banks which are taken as sample research study discussed below:

#### **HDFC**

HDFC Bank Ltd. is an Indian banking and financial services company. It is the largest bank in India by market capitalization as of March 2020. HDFC Bank was incorporated in 1994, with its registered office in Mumbai, Maharashtra, India. Its first corporate office and a full service branch at Sandoz House, Worli. HDFC Bank provides a number of products and services including wholesale banking, retail banking, treasury, auto loans, two wheeler loans, personal loans, loans against property, consumer durable loan, lifestyle loan and credit cards. Along with this various digital products are Payzapp and SmartBUY .HDFC Bank merged with Times Bank in February 2000. This was the first merger of two private banks in the New Generation private sector banks category. In March 2020, HDFC bank made investment of 1,000 crores in Yes bank. As per the scheme of reconstruction of Yes Bank, 75% of the total investment by the Corporation would be locked in for 3 years.

#### **ICICI Bank**

ICICI Bank Limited is an Indian multinational banking and financial services company headquartered in Mumbai, Maharashtra with its registered office in Vadodara, Gujarat. ICICI Bank was established by the Industrial Credit and Investment Corporation of India (ICICI), an Indian financial institution, as a wholly- owned subsidiary in 1994. The bank was founded as the Industrial Credit and Investment Corporation of India Bank, before it changed its name to the abbreviated ICICI Bank. In March 2020.

### Choice of Geographical Area

The five cities Prayagraj (Allahabad), Varanasi, Kanpur, Ghaziabad, Lucknow the state of Uttar Pradesh in India have been selected for the present research. Uttar Pradesh is one of the most highly populated states in Northern India. The state is divided into 18 divisions and 75 districts with the capital being Lucknow. The cities selected for the study in Uttar Pradesh is based on convenience sampling.

### Prayagraj

Allahabad officially known as Prayagraj situated in the Indian state of Uttar Pradesh. It is the administrative headquarters of Allahabad district—the most populous district in the state and 13th most populous district in India. As of 2011, Allahabad is the seventh most populous city in the state, thirteenth in Northern India and thirty- sixth in India, with an estimated population of 1.11 million in the city and 1.21 million in its metropolitan region. The city is the judicial capital of Uttar Pradesh with Allahabad High Court being the highest judicial body in the state as of 2011.

The city lies close to Triveni Sangam "three-river confluence", original name – Prayag, "place of sacrifice or offering" – which lies at the sangam (confluence) of the Ganges, Yamuna and Saraswati rivers, a propitious place to conduct sacrifices. It plays a central role in Hindu scriptures. Allahabad was originally called Kaushambi (now a separate district) by the Kuru rulers of Hastinapur, who developed it as their capital. Since then, the city has been a political, cultural and administrative centre of the Doab region. In the early 17th century, Allahabad was a provincial capital in the Mughal Empire under the reign of Jahangir.

### Kanpur

Kanpur formerly known as Cawnpore, is a large city in the state of Uttar Pradesh, India. According to 2011 Indian census, it is the eleventh most populous urban city while the population of city and its suburb were around 5 million making it the eighth-most populous metropolitan area in India. The city is famous for its leather and textile industries. It is the 12th most populous city in India and 11th most populous urban agglomeration. It is also the second largest city proper and the largest urban agglomeration in Uttar Pradesh. Kanpur was an important British garrison town until 1947 when India gained independence. Kanpur is the administrative headquarters of Kanpur Nagar district and Kanpur division. The city is widely regarded as "The Leather City of the World" and is also nicknamed as "Manchester of India".

### Varanasi

Varanasi also known as Benares, Banaras or Kashi is a city on the banks of the river Ganges in Uttar Pradesh, India, 320 kilometres (200 mi) south-east of the state capital, Lucknow, and 121 kilometres (75 mi) east of Allahabad. According to provisional data from the 2011 census, the Varanasi urban agglomeration had a population of 1,435,113, with 761,060 men and 674,053 women. A major religious hub in India, it is the holiest of the seven sacred cities in Hinduism and Jainism, and played an important role in the development of Buddhism and Ravidassia.

### Ghaziabad

Ghaziabad is a city in the Indian state of Uttar Pradesh and a part of the National Capital Region of Delhi. It is sometimes referred to as the "Gateway of Uttar Pradesh" because it is close to New Delhi,

on the main route into Uttar Pradesh. The provisional data derived from the 2011 census shows that Ghaziabad urban agglomeration had a population of 2,358,525, of which males were 1,256,783 and females were 1,101,742. The literacy rate was 93.81%. Hinduism is the most popular religion in Ghaziabad with 72.93% followers. As it is connected to the national capital, its temperature and rainfall are similar to Delhi. At the time of the 2011 Census of India, 90.96% of the population in the district spoke Hindi, 7.56% Urdu and 0.49% Punjabi as their first language.

### Lucknow

Lucknow is the capital city of the Indian state of Uttar Pradesh and is also the administrative headquarters of the eponymous district and division. Lucknow has always been a multicultural city of artistic hub, and the seat of power of Nawabs in the 18th and 19th centuries. Continues to be an important centre of governance, administration, education, commerce, aerospace, finance, pharmaceuticals, technology, design, culture, tourism, music and poetry.

According to the provisional report of 2011 Census of India, Lucknow city had a population of 2,815,601, of which 1,470,133 were men and 1,345,468 women. In common with other metropolitan cities across India, Lucknow is multicultural and multilingual. Many of the cultural traits and customs peculiar to Lucknow have become living legends today. The city's contemporary culture is the result of the amalgamation of the Hindu and Muslim rulers who ruled the city simultaneously. Lucknow district covers an area of 2,528 square kilometers (976 sq mi). Bounded on the east by Barabanki, on the west by Unnao, on the south by Raebareli and in the north by Sitapur and Hardoi, Lucknow sits on the northwestern shore of the Gomti River.

### Conclusion:

Like any other research, the present study has certain limitations too. The present study is based on the survey taken through a structured questionnaire. Any study survey on the pre determined questionnaire suffers from the basic limitation the possibility of difference between what is recorded and what is true because of biasness found in the response. Hence some of the factors which are responsible for showing the limitations are as follows-

### Some of responses may be biased or inaccurate due to constraints of time and lack of knowledge of the respondents.

- The quality analysis and results of the study would depend upon the nature and co-operation of the respondents from the response survey.
- The opinion of customers towards their bank could be change in future course of time is also a limiting factor of the study.

The purpose of this chapter was to introduce the research methodology applied in the process of data collection. There are two source of data collection consists of relevant literature which researcher obtained through several different ways. The second set of data consisted of responses from customers through questionnaire to obtain information about CRM practices in the banks.

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