

Constraints in popularising debit card



**ASSIGN
BUSTER**

A SUMMER PROJECT REPORT ON Constraints in Popularization of Bank of Baroda Debit Card By PRAVIN MANDORA [pic] STEVENS BUSINESS SCHOOL A report submitted in partial fulfillment of the requirements of MBA Program Submitted to Bank of Baroda Acknowledgement The completion of any task depends upon the co-operation, coordination and consolidated efforts of several resources of knowledge, energy, and time and above all the proper guidance of the experienced bankers. Therefore I approached this matter of Acknowledgement through these lines trying my best to give full credit where it deserves.

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2. Preface The project is prepared during the vocational training under taken on partial fulfillment of the course of “ Master of Business Administration” Hence, this report is designed with the objective to gain practical knowledge. According to old saying there is a huge difference between “ To say and to do”. To take theoretical knowledge is important but it becomes more valuable when we apply it in the practice.

So, there is a huge difference between theory & practical. For filling this requirement training in Bank of Baroda is very practical exposure for me. This training provides golden opportunity for every student, for better understanding in a working environment in the organization. Hence, this report is designed with the objective to gain practical knowledge.

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[pic] Indian banking industry

Introduction to Indian Banking Industry The banking system remains, as always, the most dominant segment of the financial sector. Indian banks continue to build on their strengths under the regulator's watchful eye and hence, have emerged stronger.

In the annual international ranking conducted by UK-based BrandFinancePlc, 18 Indian banks have been included in the Brand Finance® Global Banking

500. In fact, State Bank of India (SBI), which is the first Indian bank to be ranked among the Top 50 banks in the world, has improved its position from 36th to 34th, as per the Brand Finance study released on February 1, 2011. The brand value of SBI has enhanced to US\$ 1.12 billion. ICICI Bank, the only other Indian bank in the top 100 club has improved its position with a brand value of US\$ 2.5 billion. Indian banks contributed 1.7 per cent to the total global brand value at US\$ 14.74 billion and grew by 19 per cent in 2011, according to the study. Nationalized banks, as a group, accounted for 51. per cent of the aggregate deposits, while State Bank of India (SBI) and its associates accounted for 22.5 per cent, according to Reserve Bank of India's (RBI) 'Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks: September 2010'. The share of New private sector banks, Old private sector banks, Foreign banks and Regional Rural banks in aggregate deposits was 13.5 per cent, 4.5 per cent, 5.2 per cent and 3.1 per cent respectively. With respect to gross bank credit also, nationalized banks hold the highest share of 50.9 per cent in the total bank credit, with SBI and its associates at 23.1 per cent and New Private sector banks at 13.7 per cent.

Foreign banks, Old private sector banks and Regional Rural banks held relatively lower shares in the total bank credit with 5.2 per cent, 4.5 per cent and 2.5 per cent respectively. The report also found that scheduled commercial bank offices (with deposits of US\$ 2.25 or more) accounted for 66.2 per cent of the bank offices, 96.6 per cent in terms of aggregate deposits and 93.8 per cent in total bank credit. Bank loans registered a growth of 21.38 per cent in 2010-11, while deposit growth stood at 15.84 per cent, according to data released by RBI. Analysts and bankers said a

growth rate of 18 per cent in deposits and 20 per cent in credit should be sustainable for banks in 2011-12. India's foreign exchange reserves stood at US\$ 308. billion as on April 8, 2011, according to the data in the weekly statistical supplement released by RBI. Indians who live and work abroad have remitted US\$ 55 billion in 2010 as compared to US\$ 49. 6 billion in 2009 and have topped the world list in sending money back home, according to World Bank's Migration and Remittances Fact book 2011. With online money transfer services provided by many banks becoming popular, remitting money from any corner of the world is no more a problem. History of Indian Banking Industry Banking in India originated in the first decade of 18th century with The General Bank of India coming into existence in 1786. This was followed by Bank of Hindustan. Both these banks are now defunct.

The oldest bank in existence in India is the State Bank of India being established as " The Bank of Bengal" in Calcutta in June 1806. A couple of decades later, foreign banks like Credit Lyonnais started their Calcutta operations in the 1850s. At that point of time, Calcutta was the most active trading port, mainly due to the trade of the British Empire, and due to which banking activity took roots there and prospered. The first fully Indian owned bank was the Allahabad Bank, which was established in 1865. By the 1900s, the market expanded with the establishment of banks such as Punjab National Bank, in 1895 in Lahore and Bank of India, in 1906, in Mumbai - both of which were founded under private ownership.

The Reserve Bank of India formally took on the responsibility of regulating the Indian banking sector from 1935. After India's independence in 1947, the Reserve Bank was nationalized and given broader powers. Nationalization By

the 1960s, the Indian banking industry has become an important tool to facilitate the development of the Indian economy. At the same time, it has emerged as a large employer, and a debate has ensued about the possibility to nationalize the banking industry. Indira Gandhi, the-then Prime Minister of India expressed the intention of the GOI in the annual conference of the All India Congress Meeting in a paper entitled " Stray thoughts on Bank Nationalisation. " The paper was received with positive enthusiasm.

Thereafter, her move was swift and sudden, and the GOI issued an ordinance and nationalised the 14 largest commercial banks with effect from the midnight of July 19, 1969. Jayaprakash Narayan, a national leader of India, described the step as a " masterstroke of political sagacity. " Within two weeks of the issue of the ordinance, the Parliament passed the Banking Companies (Acquisition and Transfer of Undertaking) Bill, and it received the presidential approval on 9th August, 1969. A second dose of nationalization of 6 more commercial banks followed in 1980. The stated reason for the nationalization was to give the government more control of credit delivery. With the second dose of nationalization, the GOI controlled around 91% of the banking business of India.

After this, until the 1990s, the nationalized banks grew at a pace of around 4%, closer to the average growth rate of the Indian economy. Liberalization In the early 1990s the then Narasimha Rao government embarked on a policy of liberalization and gave licenses to a small number of private banks, which came to be known as New Generation tech-savvy banks, which included banks such as UTI Bank (now re-named as Axis Bank) (the first of such new generation banks to be set up), ICICI Bank and HDFC Bank. This

move, along with the rapid growth in the economy of India, kick started the banking sector in India, which has seen rapid growth with strong contribution from all the three sectors of banks, namely, government banks, private banks and foreign banks.

The next stage for the Indian banking has been setup with the proposed relaxation in the norms for Foreign Direct Investment, where all Foreign Investors in banks may be given voting rights which could exceed the present cap of 10%, at present it has gone up to 49% with some restrictions. The new policy shook the Banking sector in India completely. Bankers, till this time, were used to the 4-6-4 method (Borrow at 4%; Lend at 6%; Go home at 4%) of functioning. The new wave ushered in a modern outlook and tech-savvy methods of working for traditional banks. All this led to the retail boom in India. People not just demanded more from their banks but also received more. Current Situation Currently (2007), banking in India is generally fairly mature in terms of supply, product range and reach-even though reach in rural India still remains a challenge for the private sector and foreign banks.

In terms of quality of assets and capital adequacy, Indian banks are considered to have clean, strong and transparent balance sheets relative to other banks in comparable economies in its region. The Reserve Bank of India is an autonomous body, with minimal pressure from the government. The stated policy of the Bank on the Indian Rupee is to manage volatility but without any fixed exchange rate-and this has mostly been true. With the growth in the Indian economy expected to be strong for quite some time-especially in its services sector-the demand for banking services, especially

retail banking, mortgages and investment services are expected to be strong. One may also expect M, takeovers, and asset sales.

In March 2006, the Reserve Bank of India allowed Warburg Pincus to increase its stake in Kotak Mahindra Bank (a private sector bank) to 10%. This is the first time an investor has been allowed to hold more than 5% in a private sector bank since the RBI announced norms in 2005 that any stake exceeding 5% in the private sector banks would need to be vetted by them. Currently, India has 88 scheduled commercial banks (SCBs) - 28 public sector banks (that is with the Government of India holding a stake), 29 private banks (these do not have government stake; they may be publicly listed and traded on stock exchanges) and 31 foreign banks. They have a combined network of over 53, 000 branches and 17, 000 ATMs.

According to a report by ICRA Limited, a rating agency, the public sector banks hold over 75 percent of total assets of the banking industry, with the private and foreign banks holding 18. 2% and 6. 5% respectively. Growth of Indian banking industry The growth in the Indian Banking Industry has been more qualitative than quantitative and it is expected to remain the same in the coming years. Based on the projections made in the " India Vision 2020" prepared by the Planning Commission and the Draft 10th Plan, the report forecasts that the pace of expansion in the balance-sheets of banks is likely to decelerate. | | The total assets of all scheduled commercial banks by end-March 2010 are estimated at Rs. 40, 90, 000 crores. That will comprise about 65 per cent of GDP at current market prices as compared to 67 per cent in 2002-03.

Bank assets are expected to grow at an annual composite rate of 13.4 per cent during the rest of the decade as against the growth rate of 16.7 per cent that existed between 1994-95 and 2002-03. It is expected that there will be large additions to the capital base and reserves on the liability side. The Indian Banking Industry can be categorized into non-scheduled banks and scheduled banks. Scheduled banks constitute of commercial banks and co-operative banks. There are about 67,000 branches of Scheduled banks spread across India. As far as the present scenario is concerned the Banking Industry in India is going through a transitional phase.

The Public Sector Banks (PSBs), which are the base of the Banking sector in India account for more than 78 per cent of the total banking industry assets. Unfortunately they are burdened with excessive Non Performing assets (NPAs), massive manpower and lack of modern technology. On the other hand the Private Sector Banks are making tremendous progress. They are leaders in Internet banking, mobile banking, phone banking, ATMs. As far as foreign banks are concerned they are likely to succeed in the Indian Banking Industry. Types of Banks The operations of all the banks in India are controlled by the Reserve Bank of India. All the Indian banks are governed by the RBI or Reserve Bank of India. This governing body took over the responsibility of formally regulating the Indian banks in 1935.

The Reserve Bank of India was announced as the official Central Banking Authority for the smooth supervision of the banking industry in India. Banks in India are classified into 2 broad categories namely, Public sector banks and Private sector banks. The banking scenario in India has already gained momentum, with the domestic and international banks gathering pace. All

the banks in India are following the 'cost', determined by revenue minus profit model. This means that all the resources should be used efficiently to improve the productivity and ensure a win-win situation. To survive in the long run, it is essential to focus on cost saving. Previously, banks focused on the 'revenue' model which is equal to cost plus profit.

Post the banking reforms, banks shifted their approach to the 'profit' model, which meant that banks aimed at higher profit maximization. The History of banking in India dates back to the early half of the 18th century. 3 Presidency Banks that were established in the country namely the Bank of Hindustan, Bank of Madras and Bank of Bombay can also be referred to as some of the oldest banking institutions in the country. The State Bank of India that was earlier known as the Bank of Bengal is also one of the oldest in the genre. To know about the types of banks in India, it is necessary that we first comprehend the banking system so as to be able to distinguish about its various types.

All types of Banks in India are regulated and the activities monitored by a standard bank called the Reserve Bank of India that stands at the apex of the banking structure. It is also called the Central Bank, as major banking decisions are taken at this level. The other types of banks in India are placed below this bank in the hierarchy. The major types of banks in India are as follows: [pic] Public sector banks in India All government owned banks fall in this variety. Besides the Reserve Bank of India, the State Bank of India and its associate banks and about 20 nationalized banks, all comprises of the public sector banks. Many of the regional rural banks that are funded by the government banks can also be clubbed in this genre.

Banks such as State Bank of India, Bank of Baroda, Syndicate Bank and Canara Bank are known as Public sector banks. Public sector banks are controlled and managed by the Government of India. Public sector banks have been serving the nation for over centuries and are well known for their affordable and quality services. The banking sector in India is mostly dominated by the Public sector banks. The Public sector banks in India alone account for about 75 percent of the total advances in the Indian banking industry. Public sector banks have shown remarkable growth over the last five four decades. Allahabad Bank was the first fully owned Indian bank. It was founded in the year 1865. Private sector banks in India

A new wave in the banking industry came about with the private sector banks in India. With policies on liberalization being generously taken up, these private banks were established in the country that also contributed heavily towards the growth of the economy and also offering numerous services to its customers. Some of the most popular banks in this genre are: Axis Bank, Bank of Rajasthan, Catholic Syrian Bank, Federal Bank, HDFC Bank, ICICI Bank, ING Vysya Bank, Kotak Mahindra Bank and SBI Commercial and International Bank. The Foreign Banks in India like HSBC, Citibank, and Standard Chartered bank etc can also be clubbed here. Private Banks are banks like HDFC bank, ICICI Bank, UTI bank and IDBI bank.

The concept of private banking was introduced about 15 years ago. These are the banks that do not have any government stakes. Private Banks have gained quite a strong foothold in the Indian banking industry over the last few years especially because of optimum use of technology. The Private Banks are accountable for a share of 18. 2 percent of the Indian banking

industry. IndusInd Bank was the first private bank in India. Currently the bank is among the fastest growing Bank Private Banks in the country. IDBI which is ranked as the tenth largest global development bank is counted as one of the finest financial institutions in the subcontinent. List of Public sector and Private sector banks in India Public Sector Banks | Private Sector Banks | | Bank of Baroda | Bank of Rajasthan | | Allahabad Bank | Catholic Syrian Bank | | Central Bank of India | Bank of Punjab | | State Bank of Patiala | Dhanlakshmi Bank | | Andhra Bank | HDFC Bank | | Canara Bank | Karur Vysya Bank | | State Bank of Hyderabad | ING Vysya Bank | | Oriental Bank of Commerce | Laxmi Vilas Bank | | Dena Bank | Karnataka Bank | | State Bank of Mysore | South Indian Bank | | State Bank of Indore | United Western Bank | | UCO Bank | UTI Bank | | Vijaya Bank | Centurion Bank | | Syndicate Bank | City Union Bank | | State Bank of India | Development Credit Bank | | Bank of India | Federal Bank | Corporation Bank | ICICI Bank | | Indian Bank | IndusInd Bank | | Union Bank of India | Jammu & Kashmir Bank | | Punjab National Bank- | | | State Bank of Bikaner and Jaipur | | | State Bank of Travancore | | | Bank of Baroda | | Comparison between Private and Public Sector Banks

The Private sector banks introduced the concept of online banking in India. This was mostly because the private banks were technologically well equipped. Online banking is extremely common today since you can sit anywhere and go ahead with your banking transactions. You do not have to personally visit your bank. The Private sector banks were using state of the art technology and fully computerized systems since the time they entered the Indian market whereas the Public sector banks were not. However despite the technological challenges the public sector banks in India are still

the preferred destinations for many as they are considered as safer options for money deposit.

Cooperative banks in India With the aim to specifically cater to the rural population, the cooperative banks in India were set up through the country. Issues like agricultural credit and the likes are taken care of by these banks.

Opportunities in the Indian Banking Sector In the five decades since independence, the Indian banking system has evolved through four distinct phases. The major reform took place in the fourth phase, with the recommendations of Narasimham Committee (1991). The important initiatives that were introduced were the provisioning and capital adequacy, deregulation of interest rates and easing of norms to enter the banking sector.

Further, the merger and acquisition in the sector will add a new growth dimension, as it would create 3 -4 global sized banks. The presence of these banks will help the country to attract foreign direct investments, which in turn will drive the future growth in the Indian Banking sector. The report titled ‘ Opportunities in the Indian Banking Sector’ provides a crisp and comprehensive analysis of the current status and overall growth prospects of the Indian banking industry. The report provides an insight into the use of Information Technology in the sector and the impact of the Union Budget 2010-11 on the growth of the sector. The research presents a detailed PEST analysis of the industry which is substantiated with key findings.

The report aims to investigate the opportunities that have been created in the industry in the areas of pension fund, rural banking and e banking. Moreover, the research also explains the impact of the Basel 3 norms on the

functioning of the Indian Banks. ' Opportunities in the Indian Banking Sector' is an outcome of comprehensive research and analysis of the Indian Banking sector. The team has also mapped the competitive landscape of the sector and tried to shed light on the operations/strategies of the key players. Thus, the information available in the report is expected to enable the target audience in understanding the contemporary industry scenario. Key findings in the report include: The Indian banking industry has been able to sustain the global economic crisis much better than other developing countries due to its robust capital structure. The implementation of Basel 3 norms will make it more immune to crisis and will guard the banking industry against market risk, interest rate risk and operational risk. Moreover, the creation of capital buffer will provide a cushion for periods of stress and will not lead to situations of insolvency. • In a major move, undertaken by RBI to elevate financial inclusion in the country, additional branch licenses will be granted to private sector banks and NBFCs. This will further assist to ease the entry norms in the industry and attract new players.

Additionally, the setting up of new branches will help in extending banking products and services to remote areas of the country. • A paradigm shift in the banking system has been witnessed with the use of information technology for implementation of total banking automation. Various software companies are launching software application packages for banks. For instance, Infosys has rolled out Finnacle which is a core banking software, designed to offer solutions for e banking, CRM for requirements of retail, corporate and universal banking and core banking. Moreover, with the

introduction of interbank mobile payment service by The National Payment Corporation of India, the retail customers can now avail 24*7 fund transfers.

History of Bank of Baroda[pic] [pic] About Bank of Baroda A saga of vision and enterprise It has been a long and eventful journey of almost a century across 25 countries. Starting in 1908 from a small building in Baroda to its new hi-rise and hi-tech Baroda Corporate Centre in Mumbai, is a saga of vision, enterprise, financial prudence and corporate governance. It is a story scripted in corporate wisdom and social pride. It is a story crafted in private capital, princely patronage and state ownership. It is a story of ordinary bankers and their extraordinary contribution in the ascent of Bank of Baroda to the formidable heights of corporate glory.

It is a story that needs to be shared with all those millions of people - customers, stakeholders, employees & the public at large - who in ample measure, have contributed to the making of an institution. Our mission statement To be a top ranking National Bank of International Standards committed to augmenting stake holders' value through concern, care and competence. Our Logo Our new logo is a unique representation of a universal symbol. It comprises dual ' B' letterforms that hold the rays of the rising sun. We call this the Baroda Sun. The sun is an excellent representation of what our bank stands for. It is the single most powerful source of light and energy - its far reaching rays dispel darkness to illuminate everything they touch.

At Bank of Baroda, we seek to be the source that will help all our stakeholders realise theirgoals. To our customers, we seek to be a one-stop, reliable partner who will help them address different financial needs. To our

employees, we offer rewarding careers and to our investors and business partners, maximum return on their investment. The single-colour, compelling vermilion palette has been carefully chosen, for its distinctiveness as it stands for hope and energy. We also recognize that our bank is characterized by diversity. Our network of branches spans geographical and cultural boundaries and rural-urban divides. Our customers come from a wide spectrum of industries and backgrounds.

The Baroda Sun is a fitting face for our brand because it is a universal symbol of dynamism and optimism – it is meaningful for our many audiences and easily decoded by all. Our new corporate brand identity is much more than a cosmetic change. It is a signal that we recognize and are prepared for new business paradigms in a globalised world. At the same time, we will always stay in touch with our heritage and enduring relationships on which our bank is founded. By adopting a symbol as simple and powerful as the Baroda Sun, we hope to communicate both. The Heritage It all started with a visionary Maharaja's uncanny foresight into the future of trade and enterprising in his country.

On 20th July 1908, under the Companies Act of 1897, and with a paid up capital of Rs 10 Lacs started the legend that has now translated into a strong, trustworthy financial body, THE BANK OF BARODA. It has been a wisely orchestrated growth, involving corporate wisdom, social pride and the vision of helping others grow, and growing itself in turn. The founder, Maharaja Sayajirao Gaekwad, with his insight into the future, saw " a bank of this nature will prove a beneficial agency for lending, transmission, and deposit of money and will be a powerful factor in the development of art,

industries and commerce of the State and adjoining territories. " The Ethics Between 1913 and 1917, as many as 87 banks failed in India. Bank of Baroda survived the crisis, mainly due to its honest and prudent leadership.

This financial integrity, business prudence, caution and an abiding care and concern for the hard earned savings of hard working people, were to become the central philosophy around which business decisions would be effected. This cardinal philosophy was over years of its existence, to become its biggest asset. It ensured that the Bank survived the Great War years. It ensured survival during the Great Depression. Even while big names were dragged into the Stock Market scam and the Capital Market scam, the Bank of Baroda continued its triumphant march along the best ethical practices. The Heroes No history is complete without mention of its heroes, mostly ordinary people, who turn in extra-ordinary performances and contribute to building an institution.

Over the years, there have been thousands of such people. The Bank salutes these " unknown soldiers" who passionately helped to create the legend of Bank of Baroda. There were also the leaders, both corporate and royal, who provided the vision and guided the Bank through trail blazing years, and departing, left behind footprints on the sands of time. This Roll of Honor will be incomplete without mention of men, of the stature of Maharaja Sayajirao Gaekwad, Sampatrao Gaekwad, Ralph Whitenack, Vithaldas Thakersey, Tulsidas Kilachand and NM Chokshi. Bank of Baroda salutes these leaders whose vision helped to create an institution. Offices and branches [pic] [pic]

Shower of Awards & Accolades On Bank Of Baroda ? Bank of Baroda receives Skoch Award ? Bank of Baroda bags Bank of the year 2010 (for India) ? Bank

of Baroda has bagged three awards from Association of Business Communicators of India in an award function held at Mumbai. ? Bank of Baroda has been conferred upon Best Bank 2010 award by the prestigious financial magazine, Business India in recognition of its consistent performance ? Bank of Baroda has been conferred upon Silver Award by Dainik Bhaskar group (DNA) ? Bank of Baroda has been awarded with prestigious Dalal Street- DSIJ PSU Award. ? CMD Shri M. D. Mallya is seen receiving the Skoch Challenger Award from Dr. C.

Rangarajan, Hon'ble Chairman, Economic Advisory Council to the Prime Minister. ? Association of Business Communicators of India gives awards every year in various categories of BusinessCommunication. Bank of Baroda got the Gold Trophy for the Indian Language Publication, Silver Trophy for the Corporate Website of the Bank, Bronze trophy for Bilingual Internal Magazine and CMD's message. The Awards were received by Smt. Vindhya Ramesh, Dy. General Manager along with team members in an award function held in Mumbai. ? Shri Nandan Srivastava, General Manager in-charge (Official Language) receiving the prestigious Millennium National Rajbhasha Shield constituted by National Hindi Academy Bank of Baroda has been conferred " Bank of the year" Award at India Leadership Conclave held in Delhi. ? Bank has won award for the leading Public Sector Bank in " Global Business Development" category at the Dun & Bradstreet Banking Awards 2009, held in Mumbai, on wednesday 18th February 2009. Journey from 1908 to 2009: 1908-1958 ? 1908: Maharaja Sayajirao Gaekwad III set up Bank of Baroda (BOB). ? 1910: BOB established its first branch in Ahmadabad. ? 1953: BOB established a branch in Mombasa and another in

Kampala. ? 1954: BOB opened a branch in Nairobi. ? 1956: BOB opened a branch in Dar-es-Salaam. ? 1957: BOB established a branch in London. ? 1959: BOB acquired Hind Bank. 1960s-1970 1961: Merger of New Citizen Bank of India with BOB helped it increase its branch network in Maharashtra. ? BOB also opened a branch in Fiji ? 1962: BOB opened a branch in Mauritius. ? 1963: BOB acquired Surat Banking Corporation in Surat, Gujarat. ? 1964: BOB acquired two banks, Umbergaon People's Bank in southern Gujarat and Tamil Nadu Central Bank in Tamil Nadu state. ? 1964: BOB lost its branch in Narayanjanj (East Pakistan) due to the Indo-Pakistan war. It is unclear when BOB had opened the branch. ? 1965: BOB opened a branch in Guyana. ? 1967: The Tanzanian government nationalized BOB's three branches there and transferred their operations to the Tanzanian government-owned National Banking Corporation. 1969: The Government of India nationalized 14 top banks, including BOB. BOB incorporated its operations in Uganda as a 51% subsidiary, with the government owning the rest. 2000s ? 2000: BOB established Bank of Baroda (Botswana). ? 2002: BOB acquired Benares State Bank in Benares at the Reserve Bank of India's request. ? 2002: Bank of Baroda (Uganda) was listed on the Uganda Securities Exchange (USE). ? 2003: BOB opened an OBU in Mumbai. ? 2004: BOB acquired the failed Gujarat Local Area Bank, and returned to Tanzania by establishing a subsidiary in Dar-es-Salaam. ? BOB also opened a representative office each in Kuala Lumpur, Malaysia, and Guangdong, PRC. 2005: The Reserve Bank of India (RBI), has approved a joint venture between BOB, Bank of Maharashtra (BOM), and Oriental Bank of Commerce (OBC) to set up a bank in Malaysia. The new bank will reside in Kuala Lumpur, which has a large population of Indians. The initial capital

required will be US\$78 million; BOB will invest 40%, and the other two banks will invest 30% each. The JV is awaiting approval from the Malaysian Central Bank. Bank has built and commissioned its own State-of-the-Art Global Data Centre (DC) in Mumbai for running its centralized banking solution(CBS) and other applications in 1900+ branches across India and 20 other countries where the Bank is operating. ? BOB also opened a representative office in Thailand. ? 2006: BOB established an Offshore Banking Unit (OBU) in Singapore. 2007: In its centenary year, BOB's total business crossed 2. 09 lakh crores, its branches crossed 1000, and its global customer base 29 million people. ? 2008: BOB opened a branch in Guangzhou, China (02/08/2008). ? 2009: Bank of Baroda registered with the Reserve Bank of New Zealand, enabling it to trade as a bank in New Zealand (2009/09/01) Personal Banking Services Bank of Baroda believes in the strength and integrity of relationships built with its customers like you. With over 102 years of experience in the banking industry and a wide network of over 3412 branches all over the country, we have always been active in extending financial support and adapting to your changing needs.

Bank's Deposit Products, Retail Loans, Credit Cards and Debit Cards help you with your growing financial needs. With facilities likeLockerswe ensure that your valuables are safe with us. BOB's countrywide branches offer convenience and ease in operating one's account wherever they are. BOB's 24-hour ATMs enable to withdraw cash, check account balance and request for a new cheque book even after banking hours. Faster technology for better service Baroda Internet Banking / Baroda Mobile Banking, our latest Internet and Mobile banking initiatives enable you to operate your account

just as you would in any of our branches. You can through the Internet check your balance, request for cheque books and print account details.

Choose from our various products and services, that we sincerely feel will put a smile on your face; an investment we would like to bank on forever. | | | | Deposits Bank of Baroda offers various deposit plans that you can choose from depending on the term period, nature of deposit and its unique saving and withdrawal features. Apart from competitive interest rates and convenient withdrawal options, BOB's deposit plans offer other features such as overdraft facility, outstation cheque collections, safe deposit lockers, ATM's etc. Choose from Fixed, Current and Savings Deposit plans. Fixed deposits are categorized into deposits with a term period of less than 12 months, more than 12 months and recurring deposits.

These deposit plans offer convenient solutions to both working individuals as well as senior citizens. Current and saving deposits are ideal for individuals who wish to take advantage of multiple benefits within the same plan and even be eligible to opt for overdrafts. Deposit Products & Services Fixed Current Saving Gen Next Services Gen- Next Junior Gen- Next Life style Gen- Next Power Gen- Next Suvidha Retail Loans A wide range of solutions for your financial needs Bank of Baroda offers a wide range of retail loans to meet your diverse needs. Whether the need is for a new house, child's education, purchase of a new car or home appliances, BOB's unique and need specific loans will enable his/her to convert dreamsto realities. Products Home Loan | | Home Improvement Loan | | Loan Against Future Rent Receivables | | Advance Against Securities | | Baroda Career Development Loan | | Two Wheeler Loan | | Traders Loan | |

to make a call. || Making a Travel Budget With a Debit Card || Naturally, you can't rely on your debit card for all your international transactions - imagine haggling with a street vendor, || getting the price right and then trying to give him/her plastic! Remote hostels and many restaurants in third world countries || don't accept credit cards (which is how debit cards are viewed in the business world).

Thus, you'll need to make budget plans || before you leave home so that you have traveler's checks and cash and some money in your checking account for use on your debit || card. || Let's assume you have a budget of \$2000 for your trip. Decide how you're comfortable splitting that into the way you'll use it; || \$100 in traveler's checks (although travelers' checks are dead as disco, because carrying them is a pain on several levels -- || we've had banks in other countries refuse to cash them, we've lost them, etc. and so on), \$400 in cash and \$1500 left in your || checking account, for example -- that's \$1500 on your debit card. || If that \$2000 represents your entire cash portfolio, consider setting up emergency precautions before you leave home.

If someone, || like Dad, is willing to loan you money, leave deposit slips with him so that if you spend all your money abroad, you can dial for || dollars (using your debit card) and he can get some money into your account. If your debit card (your checking account) is almost || empty, ask him to tell the bank to " memo post" the deposit so that the cash is immediately available and your debit card is || quickly back in business. || How to Get a Debit Card || Chances are you were automatically offered a debit card when you opened your checking account. If you don't have a checking || account, go open one now.

Look for a bank that doesn't charge checking account fees, and ask for a debit card. | | It takes a few days to two weeks to get a debit card after you order it. When the card arrives, sign the back; have a photo of your signature handy when you use the card - merchants may want to compare your face and your signatures to protect themselves | | from fraud. | | How to Choose a Debit Card PIN Number | | Your debit card comes with a PIN (personal identification number) which can be changed to a number you can easily remember. | | Memorize it; if you have to write it down, keep that separate from your card.

Don't choose an obvious number, like your birthday, | | in order to lessen the chances of someone else being able to guess your PIN number if they come into possession of your card. | | | | | | If You Lose Your Debit Card... | | If your card is lost or stolen, call your bank as soon as you can (Skype's a good, cheap choice for international calls from anywhere you can | | find a computer) before someone else spends your money. Write down your bank's number before you leave home and keep it in a | | couple of places - your journal, your guidebook. Set up an international snail mail address before you leave home so your bank can | | send you a different card if yours does get lost or stolen. | | | | | | When to Use Your Debit Card | | Debit cards are handy when making a long distance room reservation or any internet reservation, including plane tickets. You can't | | use a debit card just like a credit card when renting a car - the companies require a major credit card, which offer a certain | | amount of insurance in case you have a fender bender. | | About Debit Card Fees and Overseas Transaction Fees | | International ATM machines will charge a fee when you use your debit card; the amount is

determined by the ATM owner. Most fees are under \$5 -- a notice on the ATM machine will tell you what the fee is. More than \$2 is too much -- look for another ATM machine. The real fee problem with a debit card comes from your own bank -- the card issuer may charge you up to 3 percent for a foreign transaction, including an ATM withdrawal. Call your bank long before you go -- if you don't like the fee, call around and ask what other banks are charging for foreign transactions made with a debit card; be sure to ask what, if any, fees the bank will charge for an ATM withdrawal made on foreign soil, even at an "international bank." Bank Of Baroda Debit Card

What is a debit card? Debit Card is an electronic purse, which allows the holder to withdraw cash from ATMs and also enables him to purchase goods or services from the member establishments. Debit Cards are mostly issued in collaboration either with VISA or MASTER Card.

What is Bank of Baroda's Debit Card? Bank is issuing globally accepted Debit Card in association with VISA, which will be the easiest way to access customer's account. A debit card will allow the customer to purchase goods at VISA Electron merchant establishments and withdraw Cash from any VISA ATM in India and abroad. It is a 24 hours banking facility.

What is the difference between a Debit Card and a Credit Card? The basic difference between a Debit Card and a Credit Card is that the Debit Card gives the customer access to his own money whereas the credit card is a form of loan and allows line of credit offered by the Bank. As in case of Debit Card, there will be on line debit to the customer's account, there are no hassle of receiving bills, making payments on due dates, making payment of interest on the amount not paid etc.

What is the advantage of a debit card? The debit card provides tremendous convenience in payments and

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helps the customers reduce the amount of cash they need to carry. | | Besides that customer always stays in control of his finances as he can spend only what he has in his account. It also gives an | | unparalleled access to his account, whenever he wants, wherever he goes. | | No Interest / service Charges | | Suits to the Indian psyche of limited expenditure. | | Debit card is not included in the list of Compulsory Income Tax Return Filing. | Usable at POS and hence no carry cash | | Same Card usable at ATMs | | Will customers be entitled to get an additional card in case of joint accounts? | | All the joint account holders, if the operating instructions in the account are ‘ either or survivor’, are eligible to get an | | additional card in his/her own name. | | What are the charges for issuing of a Debit Card? | | There are no charges for issuing a debit card. | | What should customer do on receipt of DEBIT CARD? | | Customers are advised to immediately sign on the panel on the back of the Card. However, to prevent any possible misuse, even | | before delivery of Card to customer, it has been made mandatory that Customer should first use the Card at ATM, which requires PIN| | to be entered..

Debit Card will be activated for use at POS only after it is used at ATM. | | What is PIN? | | PIN is a FOUR Digits Personal Identification Number, which is issued to the customer in a CLOSED Jacket and is delivered to him | | separately. Customers are requested to ensure that PIN jacket is received by them INTACT and they are also requested to change his| | PIN immediately. Under no circumstance, PIN should be divulged to anyone including to any official from the Bank. | | | | Where will Bank Of Baroda Debit Card be

accepted? | | The Bank of Baroda International Debit Card is accepted at over 32000 Visa Electron ATMs in India and 1000000 ATMs worldwide.

The | | card is also accepted at any 350000 merchant outlets in India and around 29 millions globally. The card enables you to enjoy the | | convenience of cash-less purchasing power without the fear of overdrawing your account. | | What are the facilities available at ATMs? | | At BANK OF BARODA's ATM network, Customer will be able to withdraw Cash, make a balance enquiry, change his PIN and print a mini | | statement of his account. However, at all other banks ATMs he will be able to withdraw cash and enquire the balance only. | | Whether there are any charges for using CARD at ATMs? | | There will not be any charges for using the Card at Bank of Baroda's own ATM network.

However, if the Card is used at other banks | | ATM, whether in India or abroad, customer is required to pay the charges as per tariff of charges, which will be declared by the | | Bank from time to time. | | And what about charges for using the Card at POS? | | There will not be any charge for using the Card at the POS, either in India or abroad except a nominal service charge is levied if | | the card is used at Petrol Pumps and Indian railways. | | How the amounts withdrawn abroad or purchases made outside India are debited into the account? | | Normally the Cash can be withdrawn and payments for purchases can be made upto the amount of balance available in the account of | | the customer.

However, for safety reasons Bank has fixed PER DAY limit of Rs 15000/- for withdrawing the Cash at ATMs and Rs | | 25000/- for making purchases at the POS, subject to maximum of balance available in SB account. These limits

are also subject to | | using the card MAXIMUM of FOUR times in a day. | | Are any formalities required to be completed by the Bank for international transactions? | | NO, the customer is required to use the Card as per his foreign exchange entitlements only and necessary formalities as required | | under FEMA 1999 are to be complied with by the customer. | | | | What will be the mode of payment in case of a Debit Card? | | The account of the customer will be debited instantly to the extent of purchases made and amount withdrawn from the ATMs. | | Therefore, there will not be any monthly outstanding as in case of Credit Cards. | | If customer returns the goods to POS or cancel the transactions, will his account be credited online? | | In case he cancels the transaction immediately, customer's account will be credited immediately. However if any customer returns | | the goods later, merchant will make the payment to our Base branch through acquirer. Switch will pass on the credit to customer's | | account thereafter. | | What is the procedure to be followed in case of loss of Debit Card? | | In case of loss of card, customer will be required to report the loss IMMEDIATELY over phone to our 24 hours Customer Care Toll | | free number 1800 220 400. He will also be required to report the loss to nearest police station and inform the Bank in writing | | along with a copy of information duly acknowledged by the Police. | | When will the customer get replacement card in lieu of lost one? | | Replacement card will be issued to customer after receipt of above information and a request for issuing of replacement card from | | the base branch of the customer. | | How can Customer prevent misuse of card in event of getting it misplaced? | | Customers are protected from the misuse/losses on the Debit Card after they report the loss to the Bank. They

will be covered | | automatically under an insurance cover. Please note that this cover will be available to customers only for misuse of card at

POS,| | because at ATM misuse without PIN is not possible. Customer is neither supposed to divulge his PIN to anyone nor record the PIN | | anywhere. | [pic] SWOT Analysis SWOT ANALYSIS STRENGTH: ? Financially strong bank ? Very old bank ? Aggressive marketing ? Good repo ? Technological advanced WEAKNESS: ? Guidelines are not flexible ? Power is not decentralized OPPORTUNITIES: ? New area is developing. So, there is vast chance for housing loan. ? Guidelines to be designed in such a way that needs of the all type of prospective borrowers should be fulfilled. THREATS: ? This is the nationalized bank so, competition may be with private banks ?

Aggressive marketing strategies by private banks ? Entry of foreign banks in near future. [pic] Findings and Research Methodology Findings Q. 1. Are you a customer of BOB? [pic] Interpretation:- Around 91. 60% are Bank of Baroda customer, because these surveys are conducted in various branches of BOB only. So majority are customer of BOB. Q. 2. Which type of A/C do you maintain? [pic] Interpretation:- According to survey there are majority of respondent are maintaining saving account. It's very easy to maintain and also only 1000Rs. are required for opening these type of account. Q. 3. How long are you banking with BOB? [pic] Interpretation:-

According to total respondent 29 respondent are banking with Bank of Baroda lies between 1-5 years and 26 respondent are banking with BOB more than 5 years. Q. 4. Which of the following facilities of BOB you use? [pic] Interpretation:- According to respondent 40 customer are using ATM/Debit Card and 18 customer are using Net banking. These show those

customers are using ATM/Debit card facilities more than other facilities. Q. 5. How frequently do you use AMT/Debit card? [pic] Q. 6. What purpose you are using AMT/Debit card? [pic] Q. 7. Select the type of Baroda Connect a/c you use? Q. 8. How did you come to know about Baroda Connect? [pic] Q. 9.

Which of the following do you use in Baroda Connect facility? [pic] Q. 10. How frequently do you use Baroda Connect (net banking facility)? [pic] Q. 11. Select some of the benefits of using Baroda Connect? [pic] Q. 12. Do you have demate A/C? [pic] Q. 13. Satisfaction level of using ATM/Debit card: [pic] Q. 14. Satisfaction level of using Baroda Connect (Net Banking): [pic] Q. 15. How frequently do you visit the branch? [pic] Q. 16. What are purpose of visiting the brand? [pic] Personal Detail:- ? Gender:- [pic] ? Education:- [pic] ? Monthly Income (Rs.):- [pic] Research & Development ACTUAL COLLECTION

OF DATA Data sources: The sources of data include either secondary data or primary data and even ome times the combination of both. The present study is more concentration on bothprimary and secondarydata. Primary data: Primary data is collected through face-to face interaction with customers of the telecom companies, by meeting them in personal.

Secondary data: The secondary data used for their study are inclusive of the data collected from the internet, catalogues and brochure. SAMPLING PLAN 1

Define Population ? Elements: Customers ? Sampling Units: Businessmen, Professional, House wives, Students. ? Extent: West, North, South, East 2

Sampling Frame ? Various Branches of Bank of Baroda, Ahmedabad city. 3

Sampling Method ? Random Sampling METHODOLOGY

The study will conduct on the bases of survey through questionnaires given to respondents. Sampling Design Population: Ahmadabad Sample Size:

Population of 60 LEARNINGS The most important part is that they make me feel employee of the organization rather than a trainee and allow me to flourish in each and every department. They were so generous to me that at any mistake, rather scolding they taught me how to correct it & allow me to learn from that mistake. Learning include, 1. Overview of the banking industry & their operation 2. Deep Knowledge of ATM/Debit Cards 3. Familiar with third party Products and Alternative delivery Channels 4. Gain knowledge of loan 5.

Proposals that the bank has approved for the disbursement of loan 6. Working on CRISIL and learning some of its function 7. The most important learning of CIBIL& how to learn this CIBIL 8. Knowledge & functioning of LAPS software 9. Also Updated with SME Loans, City back offices, Service branch, MICR centre. 10. How to come out from the different problems & how to interact with customer. 11. Awareness of FINACLE software. Experience at Bank of Baroda I would like to conclude my project with a feeling of having gained enormous knowledge in the field of advances. My project has taught me a lot and has helped me sharpen my management skills for application aspect.

I had wonderful experience for which I am greatly thankful to the entire staff of BOB who have continuously taught me by guiding in each and every step. It was a memorable experience of working in such a lively & dedicated atmosphere. Not to forget to mention that my two months training has removed my misconceptions regarding the working of public sector bank. Lastly, I would conclude it was such a memorable experience for me to be a part of BOB. Thanks a lot to all staff members of BOB for such a good co-

operation. BIBLIOGRAPHY ? [www. bankofbaroda. com](http://www.bankofbaroda.com) ? [www. google. com](http://www.google.com) ?
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