

RETAIL BANKING SERVICES IN GP PARSIK SAHAKARI BANK LTD

First Author:1-MISS. NAMRATA SHESHRAO PUNDKAR

Co-Author-PROF.RAMESHWARI AKOLKAR



ARM IET
Alamuri Ratnamala
Institute of Engineering and Technology
(Run by Koti Vidya Charitable Trust)

ABSTRACT

Retail banking services in a GP Parsik Sahakari Bank Ltd executed transactions directly with consumers, rather than corporations or other banks. Services offered include saving and transactional accounts, mortgages, personal loan, debit cards and credit cards. The term is generally used to distinguish these banking services from investment banking, commercial banking or wholesale banking. It may be used to refer to a division of a bank dealing with retail customers and can also be termed as personal banking services. The bank has worked to acquire advanced banking technology and a highly qualified and motivated work force. The purpose is to include business with significant market shared in sectors of the economy that have good prospects for growth. Management intends to continue diversifying the GP Parsik Sahakari Bank Ltd revenue base and enhancing its position among its peer group in the banking sector.

Keywords: Banking Services, Banking Technology, Market share, Investment

I. INTRODUCTION

Banking is the financial function which plays an important role not only for the particular individual but also for the overall economy. With changing face of overall economy the face of banking service is also changing now it has become more & more attractive various newer functions has been added in the banking services to attract more & more customers.

Earlier banking service is offered as “facility provider” to customers to protect their saving in the most effective mode. They were never concentrated on profit as a business but with the changing time & with the highly growing economic condition the

role of banking is also been changed instead of only “Facility Provider” it has also become a “Profit Maker” with new attractive face Retail Banking in GP Parsik Sahakari Bank Ltd is not a new phenomenon.

Retail banking is the Cluster of products and services that are proving to their customers. Since there are various pointers towards Retail banking system which have been witnessed for enormous growth of Indian economy. Retail banking has occupied a key area of banking industry extending its strategies in rising loans, deposits and continuing increase in the number of bank branches. Not only in India, but across the globe this retail banking has become a spectacular innovation in recent years.

OBECTIVES

- To Study the Concept of Retail Banking in GP Parsik Sahakari Bank Ltd, to Study the models and Strategies adopted by the GP Parsik Sahakari bank Ltd
- To Evaluate the performance of Retail banking services of GP Parsik banks in India.

RESEARCH METHODOLOGY

- This paper is the outcome of a secondary data on Retail Banking Sector with special reference to GP Parsik Sahakari Bank Ltd.
- To complete this, annual reports, various books, journals and periodicals have been consulted, several reports on this particular area have been considered, and internet searching has also been done

HISTORY OF GP PARSIK SAHAKARI BANK LTD

GP Parsik Sahakari Bank Ltd. a leading Multi State Scheduled Co-operative Bank, with business turnover of above Rs.6300 Crores, having network of 91 Branches spread across 3 states (Maharashtra, Goa & Karnataka)

The bank started on 21st May 1972 in a remote village in Kalwa (Thane District, Maharashtra), by a visionary leader Shri Gopinath Shivram Patil M.com, LL.B and his young and energetic team. The bank has achieved scheduled status in the year 1998 and achieved multi state status in March 2015. The bank has 91 fully computerized branches in Thane, Mumbai, Navi Mumbai, Raigad, Pune, Nashik, Sangli, Kolhapur districts in the state of Maharashtra, Mapusa, Margaon, in Goa and Nipani, Belgavi in Karnataka. The bank has crossed its Business mix of Rs.6228/-Crore consisting of

Deposits over Rs.4349/- Crore and advances over Rs.1879/-Crore.

In the year 1972 the Government of Maharashtra acquired all agricultural land of 68 villages of Thane-Belapur belt in Thane district of Maharashtra, for the purposes of setting up a new city i.e. "New Bombay". To equip the project affected persons and their family members with strength and ability, to survive with new urban means of livelihood, it was necessary to provide them financial assistance. With a view to provide financial assistance, generate employment and means of livelihood, Late Shri. Gopinath Dada Shivram Patil (M.Com, LL.B) a great visionary leader along with a group of youngsters of Kalwa village took the initiative of formation of urban Co-operative bank. The bank was named as "Parsik" because active jurisdiction of bank was the west side area of Parsik Hill, which has range from Kalwa to Belapur (the famous Parsik Railway Tunnel) is situated in the same range). "Parsik" also means Parshwanath (Lord Shiva), Whose temple exists on the hill.

The bank depicts transparency, trust, customer service, excellence and team work as its core values. With the consistent and concerted efforts of all the devoted Directors, employees and well wishers, the bank achieved "scheduled status" on 30th January 1998. Consequent upon achieving scheduled status the area of operation of the bank was extended to the entire State of Maharashtra. The Bank had succeeded in opening 14 branches and 2 extension counters with business mix of Rs.180.83 crores which includes deposits of Rs.119.18 crore and Advances of Rs.61.65 Crore. The bank showed commendable CASA of 46% and also "zero" percent of Net NPA. This Percentage was outcome of persistent and dedicated efforts taken by selfless directors and employees.

Since then, the bank started showing remarkable presence in the Co-operative Banking Sector. The bank was growing by opening its branches in the districts of Thane, Navi Mumbai, Raigad, Nashik, Pune and Kolhapur. In 2010, the bank acquired Ichalkaranji Mahila Sahakari Bank Ltd, Ichalkaranji having 6 branches and saved thousands of deposit holders of their hard earned money.

II OBJECTIVES OF GP PARSIK SAHAKARI BANK LTD

1. Easy Access Saving Account
2. Saving Account for Women
3. Prime Saving Account
4. Senior Citizens Saving Account
5. Priority Banking
6. Corporate Salary Account
7. Trust/NGOs Saving Account
8. Resident Foreign Currency Account
9. Current Account
10. Term Deposits
11. Locker Facilities
12. NRI Services
13. Depository Services
14. Wealth Management Services
15. Insurance Solutions-Life and General
16. Retail Loans
17. Credit Loans

III REVIEW OF LITARATURE

- International literatures and also literature on the retail banking in GP Parsik Sahakari Bank Ltd space available from various sources as per details below were reviewed to have an understanding of the international practices and strategies.
- Research Reports on different facets of Retail Banking across the globe by renowned consulting agencies, Universities and domain players in the technology space. ii)Reports in Journals carrying special reports of banking in general and retail banking in particular.
- Articles in different Journals, Business / Financial Papers covering the different facets of retail banking across the globe and India and also Annual Reports of public and private sector banks in India.

RETAIL BANKING SERVICES HAS ENTERED A NEW ERA

Customers are now driving the industry, meaning that you face a variety of unpredictable business pressures. Technology is changing consumer behavior, with flexibility and time to market key to keeping pace with the competition. From multi-channel customer service, org retention and acquisition in the face of powerful new market entrants, to familiar issues of regulation, risk optimization, cost and legacy system evolution, the need to be fully prepared has never been greater. As a retail bank we are looking for exceptional functional coverage, allowing optimal customer service, across all channels simultaneously. We need a single, rich source of customer data, along with sophisticated business intelligence tools to provide insight into customer behavior. We are looking for scalable, high-performing solutions to meet growth plans without changing your banking system, which can be deployed quickly and reliably, delivering a rapid return on investment.

THE SERVICE MARKETING MIX OF GP PARSIK SAHAKARI BANK PRODUCT

The main products of GP Parsik Sahakari Bank are Saving Account, Current Account and Demat Accounts. The other products are home loan, personal loan, Insurance, Credit Card etc. For better marketing of products, the products are categorized under GP Parsik Sahakari Bank Ltd.

1.PRODUCT

Product under GP Parsik Bank are

- Saving Accounts
- Current Account
- Forex Department
- Salary Accounts

Product under GP Parsik Bank sales are

- Home Loan
- Personal Loan
- Demat Account

2.PRICE

The price of the product depends upon the services provided by the Bank on the respective product to the customers. Detailed pricing changes from time to time and the same can be found on the website of GP Parsik Sahakari Bank Ltd.

3 . PLACE

Place Plays an important role in tangibilizing service offerings. Quality of service is perceived by many cutomers in the form of place of delivery- Locational appeal, interiors, ambience etc. If a bank is located in a crowded market the place or location will be a negative tangibilized. Providing excellent tangibles in the form of place or location and interiors is particularly important for appealing to the customers segment. More recently, some of the Co-operative banks in India like GP Parsik Sahakari Bank are providing very attractive tangibles in the form of their loacations, exteriors and interiors.

4.PROMOTION

Promotion can tangibilize services in different forms:

- Visualization
- Associations
- Physical Representation
- Documentations

Visualization tangibilizes services through hoarding, TV and print campaigns or advertisements. Physical representation in services has a good promotional appeal to cutosmers like use of colors to symbolize wealth and status. Service providers use documentation in their promotion in support of their claims for dependability, Popularity and responsiveness.

5.PROCESS

Customer defined business process-process innovation and continuous improvement through people involvement.Result oriented approach- Each process has been designed by first planning the desired results. Gp Parsik Bank is constantly taking initiatives to offer the best in class service that seek to enhance customer experience.

6.PHYSICAL EVIDENCE

Reduce paper usage- Due to technological innovations such as use of Finacle software for core banking solutions. It satisfies the diverse need of individual and corporate clients. It is customer centric, and service oriented.

SWOT ANALYSIS OF GP PARSIK SAHAKARI BANK LTD IN RETAIL BANKING

1.STRENGTH

- High level of service quality
- Wide range of products
- Marketing Knowledge
- Sustained push in retail banking through a widespread distribution network and through the growth of the Bank's product and customer base
- Innovative Product Development

2.WEAKNESS

- Changes in Technology
- High Cost
- Co-ordination among various departments

3.OPPORTUNITIES

- Scope for innovation
- Growth in international Market
- Development in the Level of services

4.THREATS

- Large disbursement of loans
- Issue of customer privacy
- From MNC Banks, Foreign Banks
- From Other Competitive Banks
- Changing Trends of Market
- The Growth of IT has brought with it a number of Frauds

ADVANTAGE OF RETAIL BANKING SERVICES FOR BANKING INDUSTRY

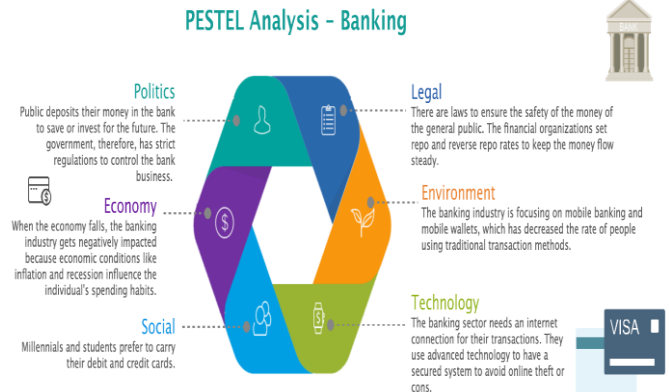
- Retail deposits are stable and constitute core deposits.

- They are interest insensitive and less bargaining for additional interest.
- They constitute low cost funds for the banks.
- Effective customer relationship management with the retail customers built a strong customer base.
- Retail banking increases the subsidiary business of the banks.
- Improves lifestyle and fulfils aspirations of the people through affordable credit.
- Innovative product development credit.
- Retail banking involves minimum marketing efforts in a demand –driven economy.
- Diversified portfolio due to huge customer base enables bank to reduce their dependence on few or single borrower.

DISVANTAGE OF RETAIL BANKING SERVICE FOR BANKING INDUSTRY

- Designing own and new financial products is very costly and time consuming for the bank.
- Customers now-a-days prefer net banking to branch banking. The banks that are slow in introducing technology-based products, are finding it difficult to retain the customers who wish to opt for net banking.
- Customers are attracted towards other financial products like mutual funds etc.
- Though banks are investing heavily in technology, they are not able to exploit the same to the full extent.
- A major disadvantage is monitoring and follows up of huge volume of loan accounts inducing banks to spend heavily in human resource department.
- Long term loans like housing loan due to its long repayment term in the absence of proper follow-up, can become NPAs.

ANALYSIS OF RETAIL BANKING SERVICES OF GP PARSIK SAHAKARI BANK LTD



RECOMMENDATION

GP Parsik Shakari Bank Ltd should extend their operations to rural & semi urban areas & should have a responsible banking approach. This can be done by educating & training people to avail the benefits of banking services which will not only help the banks in increasing their reputation but will also help them in long term perspective to increase the profits by tapping the untapped areas.

CONCLUSION

Constant innovation should be there in retail banking in GP Parsik Sahakari Bank Ltd product development & differentiation, marketing, microplanning, prudent pricing, technological up gradation, customization, home / electronic / mobile banking, asset liability management & effective risk management and techniques. But in the GP Parsik Sahakari Bank Ltd, there is very more little or high interest in innovative products. Innovation should not only in terms of technology or through internet or computers but it should be such that it benefits even the rural areas. Banks should face the challenges optimistically & make use of opportunities to make profit. The success in retail banking business depends on the kind of technology used & the effectiveness of operations. This

provides the banks an edge over their competitors. Furthermore, customer interest should be most important for becoming a responsible bank. Remote channels will rule the transaction banking process and branch format will be mainly used for relationship and advisory banking.

II. REFERENCES

www.gpparsikbank.net

www.bankingindustry.net