

**SUMMER INTERNSHIP PROJECT REPORT
ON
BRANCH LEVEL BANKING OPERATION
AT
CENTRAL BANK OF INDIA**



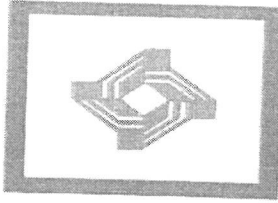
**By
AKSHAT ABHISHEK**

**Under the supervision of
Dr. Manoj Kumar Bhatia**

Submitted in fulfilment of the requirement for B.com(Hons.) degree

**Institute of Management
JK LAKSHMIPAT UNIVERSITY**

2018



सेन्ट्रल बैंक ऑफ़ इंडिया
Central Bank of India

Moti Tabela Branch, Indore

Date :01/07/2018

TO WHOM IT MAY CONCERN

This is to certify that Mr Akshat Abhishek student of B.Com 2nd (Hons) year ,JK Lakshmipat University,Jaipur has undertaken summer training in our organization from 14/05/2018 to 08/06/2018 on the project titled " Branch Level Banking Operation" under my guidance. To the best of my knowledge,the study undertaken by him is original and is not replicated in any research paper,report of literature.

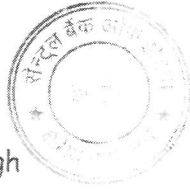
I wish him all success in life.

Signature of Project Guide

Name of Project Guide: M.K.Singh

Designation:Chief Manager

Address of the Company: Central Bank of India,B/O-Moti Tabela,1,Bargal Colony,Indore-452004



CERTIFICATE

This is to certify that Akshat Abhishek, student of B.com(hons.), Institute of Management, JK Lakshmipat University has undertaken his Summer Internship at Central Bank of India. The topic "BRANCH LEVEL BANKING OPERATION" his summer internship report is original piece of work out by the candidate under my guidance.



Dr. Manoj Kumar Bhatia
(Faculty Guide)

ACKNOWLEDGEMENT

I wish to express my sincere gratitude to Mr. Manoj Kumar Singh, Chief Manager for providing me an opportunity to do my internship in "Central Bank of India".

I would also like to thank my faculty guide Dr. Manoj Kumar Bhatia for his guidance, support and giving his valuable inputs time to time. His ideas really helped me in doing my project.

At last but not the least all those staff members of organisation who really helped me during my internship.

Declaration

I hereby certify that summer internship report on the topic "**BRANCH LEVEL BANKING OPERATION**" from Central Bank of India Submitted in partial fulfilment for the award of B.com(h) is an authentic record of the work carried out by me.


AKSHAT ABHISHEK

(2016BCH010)

Executive Summary

This report is a brief about the work that I have done during my summer internship in "Central Bank of India" on the project entitled as "Branch Level Banking Operation". My project is about things that normally happen on daily basis in a bank. There are loopholes and I managed to identify some of them. Also finding the possible solutions for the problems. These solutions will be symbiotic in nature helping everyone i.e. staff, customers, manager and bank itself. During the internship I got to enhance my skills, got to know the working environment. I consider myself fortunate for this opportunity.

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Introduction

A bank is a financial institution that primarily accepts deposits and creates credit. Apart from this bank also provides financial services such as safe deposit lockers. Banks are of two types: a) Private Banks; b) Government Banks.

As the name suggests government banks are owned and controlled by the central governments (finance ministry). Reserve Bank of India (RBI) frames the law for the government banks. As of date there are 19 nationalised banks in India.

The Indian Banking Industry has its foundation in the 18th century. It has a varied evolutionary experience. The first phase of this sector saw a majority of private ownership. The transition phase of banking industry started in the period 1969 to 1980. It transformed the face of Indian banking forever as the banks were nationalised so that it becomes more available and usable for common man.

Currently there are following 19 nationalised banks in India as per the RBI website:

- Allahabad Bank
- Andhra Bank
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Canara Bank
- Central Bank of India
- Corporation Bank
- Dena Bank
- Indian Bank
- Indian Overseas Bank

- Oriental Bank of Commerce
- Punjab & Sind Bank
- Punjab National Bank
- Syndicate Bank
- UCO Bank
- Union Bank of India
- United Bank of India
- Vijaya Bank

Central Bank of India

Established in 1911, Central Bank of India was the first Indian commercial bank which was wholly owned and managed by Indians. The establishment of the Bank was the ultimate realisation of the dream of Sir Sorabji Pochkhanawala, founder of the Bank. Sir Pherozesha Mehta was the first Chairman of a truly 'Swadeshi Bank'. In fact, such was the extent of pride felt by Sir Sorabji Pochkhanawala that he proclaimed Central Bank of India as the 'property of the nation and the country's asset'. He also added that 'Central Bank of India lives on people's faith and regards itself as the people's own bank'.

During the past 106 years of history the Bank has weathered many storms and faced many challenges. The Bank could successfully transform every threat into business opportunity and excelled over its peers in the Banking industry.

There are many innovative and unique banking activities that have been launched by Central Bank of India and a brief mention of some of its pioneering services are as under:

- | | |
|-------------|---|
| 1921 | Introduction to the Home Savings Safe Deposit Schemeto build saving/thrift habits in all sections of the society. |
| 1924 | An Exclusive Ladies Department to cater to the Bank's women clientele. |
| 1926 | Safe Deposit Locker facility and Rupee Travellers' Cheques. |
| 1929 | Setting up of the Executor and Trustee Department. |
| 1932 | Deposit Insurance Benefit Scheme. |
| 1962 | Recurring Deposit Scheme. |

Subsequently, even after the nationalisation of the Bank in the year 1969, Central Bank continued to introduce a number of innovative banking services as under:

- 1976 The Merchant Banking Cell was established.
- 1980 Centralcard, the credit card of the Bank was introduced.
- 1986 'Platinum Jubilee Money Back Deposit Scheme' was launched.
- 1989 The housing subsidiary Cent Bank Home Finance Ltd. was started with its headquarters at Bhopal in Madhya Pradesh.
- 1994 Quick Cheque Collection Service (QCC) & Express Service was set up to enable speedy collection of outstation cheques.

Further in line with the guidelines from Reserve Bank of India as also the Government of India, Central Bank has been playing an increasingly active role in promoting the key thrust areas of agriculture, small scale industries as also medium and large industries. The Bank also introduced a number of Self Employment Schemes to promote employment among the educated youth.

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 all 29 States as also in 6 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 **4715 Branches, 5319 ATMs, 1 Extension counters**, along with **10 Satellite Offices (as on January 2018)** 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, LIC, HDFC as also almost all major corporate houses in the country.

Corporate Vision

To emerge as a strong, vibrant and pro-active Bank/Financial Super Market and to positively contribute to the emerging needs of the economy through consistent harmonization of human, financial and technological resources and effective risk control systems.

Corporate Mission

- To transform the customer banking experience into a fruitful and enjoyable one.
- To leverage technology for efficient and effective delivery of all banking services.
- To have bouquet of product and services tailor-made to meet customers aspirations.
- The pan-India spread of branches across all the state of the country will be utilized to further the socio economic objective of the Government of India with emphasis on Financial Inclusion.

Subsidiaries

1. Centbank Financial Services Limited

Incorporation	In the Year 1929 (A wholly-owned subsidiary of Central Bank of India)
Vision	To be the leading Indian investment bank creating enduring values for customers
Mission	To provide investment banking services in the areas of corporate finance, advisory, capital markets & trusteeship and achieve overall business growth through superior customer satisfaction, innovation, quality and commitment.

Investment Banking Services (All India)

1. Debt Syndication
2. Financial Modelling and Valuation
3. M&A Advisory
4. Corporate Restructuring
 - Reverse Mergers
 - Equity Carve Outs
 - Spin Offs
 - Split offs
 - Asset Sale
5. Equity Products
 - IPOs / FPOs
 - Rights Issue
 - Warrants Issue

- Private Equity
- ADR / GDR / IDR
- Private Placements
- Venture Capital
- Investment Grade Debt
- Leverage First and second Lien Debt
- Structured Equity
- Growth Capital
- Mezzanine / Subordinate Debt

6. Equity Research

7. Wealth and Portfolio Management

Trusteeship Services (At present only in Mumbai)

- Debenture Trusteeship
- Securities Trusteeship
- Executor of Will
- Administrator of an Estate
- Trustee under a Will/Voluntary or Living Trust
- Trustee for Public, Charitable and Religious Trusts
- Trustee of Trust created by Policies issued under Married Women's Property Act
- Guardian of Minor's property

Bancassurance:

With a view to provide “one stop banking” to the valued customers, Central Bank of India has undertaken selling and distribution of Life Insurance Products and General Insurance products of most trusted insurers through its branches. The Bank has tied-up with Life Insurance Corporation of India to undertake life insurance business and Chola MS General Insurance Co.Ltd. to undertake non-life insurance as corporate agent of both the insurance companies on fee basis without any risk participation.

Bank has trained a good number of its officers who have been authorized by IRDA to act as specified persons for selling insurance products.

LIC has a policy for every age, a scheme for every family, a plan for every need. Be it risk cover, provision for child's education, marriage, health care or pension, LIC has 40 plans to suit every need.

Some of the most popular plans/products are as under:

- Unit linked plan
- Whole life plan
- Children's plan
- Money back plan
- Endowment
- Pension
- Health Insurance
- Group Insurance plan
- Jeevan Plus
- Bima bachat

Chola MS General Insurance Co.Ltd.(General Insurance) products.

Some of the products as under:

- Fire Insurance
- Burglary Insurance
- Engineering Insurance
- Motor Insurance
- Rural Insurance
- Overseas Mediclaim Insurance
- Package Insurance
- Travel Insurance plan
- Liability Insurance
- Group personal Insurance
- Group Insurance
- Individual Mediclaim

These products are sold through all our branches throughout the country besides other products of LIC of India and Chola MS General Insurance Co.Ltd

Awards and Achievements

- FIRST PRIZE for excellent implementation of official language policy of government of India in Mumbai metro area for three consecutive year 2016-17, 2015-16 & 2014-15.
- FINTEC India award 2016 under category Mobile Banking.
- Awarded with “Rajbhasa Kirti Puraskaar” second prize for it’s best implementation of official language policy under the category of nationalized banks in region “B” for the year 2015-16.
- Banking technology award in February, 2016.

Research Methodology

During summer training between 14/05/2018 to 08/06/2018, I visited the Moti Tabela Branch of Central Bank of India at Indore daily on working day. Moti Tabela Branch of Central Bank of India is a very large category branch situated at metro centre at Indore. Office hour of the branch was 10.50 AM to 5.30 PM and business hour was from 10.30 AM to 4.30 PM. Bank branch remained closed on all Sundays and 2nd and 4th Saturday of the month. During my training, I was allotted a table and chair in customer area. Passing officer and one clerk operating in operation department were helping me to understand the day to day banking operations of the branch. On daily basis average 150 walking customers were coming the branch. Most of the customers were coming to deposit/withdraw cash and submitting cheques for clearing. 8-10 customers were coming to open new SB/RD, FD accounts. I also get opportunity to help and assist many of the customers in opening of new accounts and responding to their queries. Many of the customers were coming to take ATM, internet banking and mobile banking facilities. Many of the information were also available on the notice board. I used to discuss the various issues related to various schemes, account opening procedure, digital banking, customer grievances etc with the Branch Manager in the evening. He used to reply my all the queries in simple manner.

Data Analysis findings & Discussion

Branch is Scale-4 branch in very large category. Its total business was Rs.253.50 Crore. Details of the business of the branch is as under :

Sr.	Business Item	Figure as on 08/06/2018 (₹ in crores)
1	Total Deposit	183.25
2	Out of 1,SB	40.33
3	Out of 1,CD	4.11
4	Out of 1,FD	138.81
5	Total Advances	70.25
6	Out of 5,NPA	2.45

Branch was opened 47 years ago, and its present customer base is 10860. Branch has 659 lockers, out of which only 12 are vacant. Branch has issued mobile banking facility to 633 customers, ATM card to 6886 customers and internet banking facility to 6401 customers. Branch has total staff strength of 11 (Officers-5, Clerks-5, & peon-1) and its per employee business is Rs. 23.04 Cr. NPA percentage of the branch is 3.48 %. It has been informed by the staff that branch is also doing enrolment of APY, PMJJBY, PMSBY and PMJDY which is run by central government.

Also, there were more than 2000 new accounts that were opened by the customers who didn't have single account in this bank.

The branch usually tries to target students for loan. Reason to support my opinion is that the procedures and formalities for student is very simple in compared to other people. The image of student's college and academic track record of student is enough to convince the branch manager whether to grant loan or not. For e.g. students of IIM Indore can easily get loans as their marksheet is very impressive and they bank knows that they are the safehands

as almost everyone gets a job and that too a good one. So, they are in better position to pay the loans.

Also, the bank is very fast in taking actions against defaulters(people who don't pay loans on time and keep delaying). In one case the bank has warned a customer that has taken the loan of 79 lakhs and hasn't paid the single penny. He was also not answering the phones when the bank tries to contact him so after second warning the bank ceased its property that was put as a collateral; his house. The bank sold his house for 1.05 crore out of which 26 lakhs were returned to him after settling the books of accounts.

Suggestions and Recommendations

During my training I observed that, when branch staff goes on leave or deputation, customer service of the branch suffered. There is no back up arrangement of the staff in this case. I suggested Branch Manager that some back up arrangement should be there to manage the customer. As there remains rush of customers during business hours. To reduce the rush in the branch, customers should be aggressively shifted to online banking like mobile banking, internet banking, ATM card, debit card etc. One or two staff should move in the field on daily basis for marketing of bank's products and recovery in NPA loan accounts. Cash Deposit Machine and pass book printing machine should also be installed at the branch. Customer service of the branch should be improved at the counter.

Apart from these I also observed that some staffs are not 100% committed to the work. I even talked to those staffs and somewhere I figured out that since this is a government job and they know their position is pretty secure so because of that the motivating factor is missing and they need the push. So according to me there should be punishment and penalty for people like these who don't do their task and customer and organisation both has to suffer.

Conclusion

To be very honest before this internship I had very little knowledge about banking sector. So, for me it was completely new environment. Everything around me was very different from what we were studying in books as in real world out there everything is happening at a rapid pace and everything is very dynamic in nature. Overall 100s of customers visit bank daily. Everyone has got their own queries and problems. Also, everyone has different style, attitude, temperament and level of knowledge and you can't talk to every person in the same style. You have to take care not to use too much technical words because there are more than 70% of customers who don't understand technical words; there you need to improvise and try to use simple words to explain the same thing. Therefore, it's not an easy job as it seems it's quite challenging in its own way. You need to have outstanding communication skills, adaptive nature, ability to hold your nerves in pressure situation, not losing your composure and should have 100% knowledge of your field. There is also ample room to grow as on every 2-3-4 years there is examination held for promotions. There are examples of people who started their banking career from 'clerk' and by the time of retirement they are holding higher posts.

Frankly, I always thought that banking is an easy and boring job. But by the time I finished my internship my perception had changed completely about being a banker. It was a very learning opportunity for me both professionally and personally.