

**“ A STUDY ON EVOLUTION OF SBI INTO LARGEST
PUBLIC SECTOR BANK”**

A Project Submitted to
University of Mumbai for Partial Completion of the Degree
of Bachelor in Commerce (Banking and Insurance)
Under the Faculty of Commerce

By

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Under the Guidance of
‘ASST. PROF. DR. KISHOR CHAUHAN’

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Dr. R.T. Doshi College of Computer Science
NAAC Re-Accredited Grade ‘A+’ (CGPA : 3.31) (3rd Cycle)
Sector-19, Airoli, Navi Mumbai, Maharashtra 400708



FEBRUARY, 2024.



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CERTIFICATE

This is to certify that **Ms. Shyamala Ganesh Reddy** has worked and duly completed his Project work for the degree of Bachelor in Commerce (Banking and Insurance) under the Faculty of Commerce in the subject of Banking and Insurance and his project is entitled, "**A Study on Evolution of SBI into Largest Public Sector Bank**". Under my supervision.

I further certify that the entire work has been done by the learner under my guidance and that no part of it has been submitted previously for any Degree or Diploma of any University.

It is his own work and fact reported by her personal finding and investigations.

Guiding Teacher,
ASST. PROF. DR. KISHOR CHAUHAN.

Date of submission:

DECLARATION

I the undersigned **Ms. SHYAMALA GANESH REDDY** here by, declare that the work embodied in this project work titled “ **A Study On Evolution Of SBI Into Largest Public Sector Bank** ”, forms my own contribution to the research work carried out by me under the guidance of **ASST.PROF.DR. KISHOR CHAUHAN** is a result of my own research work and has been previously submitted to any other University for any other Degree/ Diploma to this or any other University.

Wherever reference has been made to previous works of others, it has been clearly indicated as such and included in the bibliography.

I, here by further declare that all information of this document has been obtained and presented in accordance with academic rules and ethical conduct.

Name and Signature of Learner
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Certified by:
ASST. PROF. DR. KISHOR CHAUHAN.

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LIST OF ABBREVIATION

Sr.No	ABBREVIATION	FULL FORM
1.	SBI	State Bank of India
2.	PSB	Public Sector Bank
3.	RBI	Reserve Bank Of India
4.	IBI	Imperial Bank Of India
5.	NID	National Institute of Designed
6.	AIRCSC	All India Rural Credit Survey Committee
7.	ATM	Automated Teller Machine
8.	BHIM	Bharat Interface For Money
9.	UPI	Unified Payment Interface
10.	YONO	You Only Need One
11.	KYC	Know Your Customer
12.	E-KYC	Electronic Know Your Customer
13.	AEPS	Aadhar Enabled Payment System
14.	CRM	Customer Relationship Management System
15.	AI	Artificial Intelligence
16.	NEFT	National Electronic Fund Transfer
17.	RTGS	Real Time Gross Settlement
18.	IMPS	Immediate Payment System
19.	DTH	Direct To Home
20.	BSE	Bombay Stock Exchange
21.	BRs	Bank Receipts
22.	ACC	Associated Cement Company
23.	NPAs	Non - Performing Assets



State Bank of India

THE BANKER TO EVERY INDIAN



1.1 INTRODUCTION

The State Bank of India or the SBI is a public-sector bank in India. It is the largest commercial bank in India in terms of assets, profits, deposits, number of branches, and employees. The SBI came into existence on July 1, 1955. The headquarters of SBI is located at Mumbai, Maharashtra. SBI was established on July 1, 1955, through the nationalization of the Imperial Bank of India. It is the largest and oldest public sector bank in India.

SBI is a government-owned bank, and the majority of its shares are held by the Government of India

- SBI has played a crucial role in India's economic development, offering a wide range of banking and financial services across the country.
- SBI, the largest Indian Bank with 1/4th market share, serves over 48 crore customers through its vast network of banking service.
- State Bank Of India has of over 22,405 branches, 65,627 ATMs in India
- SBI has played a crucial role in promoting financial inclusion in India. It has undertaken various initiatives to provide banking services to remote and rural areas, contributing to the government's financial inclusion objectives.
- Presently The Slogan of SBI is **“Pure Banking Nothing Else”** and it is headed by chairman Mr. Dinesh Kumar Khara
- SBI is the 5th biggest company in India that possesses more than 2,50,000 employees across the globe.

Here Are Some Key Introductions About SBI :-

- 1. Government Ownership :-** SBI is a public sector bank, and the majority of its shares are owned by the Government of India. It operates under the jurisdiction of the Ministry of Finance.
- 2. Product and Service Range :** SBI offers a wide range of banking and financial products and services, including retail and corporate banking, investment banking, wealth management, credit cards, and insurance products. It caters to the diverse needs of individuals, businesses, and institutions.
- 3. International Presence :** SBI has a significant international presence. It operates in various countries through its overseas branches, joint ventures, and subsidiaries. This global presence helps in facilitating international trade and financial services.
- 4. Innovation and Technology:** SBI has been adopting technology and innovation in the banking sector. It has implemented various digital banking initiatives, such as online banking, mobile banking, and digital wallets, to enhance customer convenience and streamline banking operations.
- 5. Social Initiatives:** - SBI is involved in various social initiatives and corporate social responsibility activities. These initiatives focus on education, healthcare, and other community development projects to contribute to the welfare of society.
- 6. Financial Performance:-** As a major player in the Indian banking sector, SBI's financial performance is closely watched. Its performance indicators, including asset quality, capital adequacy, and profitability, have a significant impact on the overall health of the Indian banking system.

Overall, the State Bank of India plays a crucial role in the Indian economy, providing a wide of financial services to individuals, businesses, and the government.

1.2 EVOLUTION OF SBI BANK

EVOLUTION OF STATE BANK OF INDIA

Bank of Bengal: 2 June 1806 Bank of Bombay : 15 April 1840 Bank of Madras : 1 July 1843

In 1921, these three banks were amalgamated to form the Imperial Bank of India.

Imperial Bank of India converted into State Bank of India on 1 July 1955

PRASAR BHARATI
@prasarbharati

The State Bank of India, a public sector undertaking and financial services company It is a owned by government corporation headquartered in Mumbai, Maharashtra.

In the 19th century began the evolution of the State Bank of India which was originated with the setting up of Bank of Calcutta, Calcutta in 1806. It was renamed as Bank of Bengal in 1809 becoming the first ever Joint Stock Bank of British India to be sponsored under the Bengal Government. Over time, Bank of Bombay and Bank of Madras came into existence.

Together, these three banks established their dominance in the banking industry prevailing in the economy until they were amalgamated and renamed on 27th January, 1921 as Imperial Bank of India.

The Bank of Bombay (15 April 1840) and the Bank of Madras (1 July 1843) followed the Bank of Bengal. These three banks remained at the apex of modern banking in India till their amalgamation as the Imperial Bank of India on 27 January 1921.

The amalgamation of the presidency banks to form the Imperial Bank of India marked a significant step in the evolution of banking in British India.

It laid the foundation for the subsequent nationalization and restructuring that led to the establishment of the State Bank of India, which continues to be a major player in the Indian banking sectors

The main reasons why these three presidential anglo- Indian banks came into existence are :-

- Implication of issuing the finance under the separate presidencies
- Separate needs of the local European commerce.
- Before the onset of independence india faced several economic crises making it harder for the modernization of the Indian economy.

Presidency Banks:

- **Bank of Calcutta (1806);** Established in 1806, it was the first presidency bank. It was later renamed the Bank of Bengal in 1806.
- **Bank of Bombay (1840):** Founded in 1840, it served the western region of India.
- **Bank of Madras (1843):** Established in 1843, it operated in the southern regions of India,

The three presidency banks were merged on January 27, 1921, under the Imperial Bank of India Act, 1920. The merger was aimed at streamlining banking operations and providing a unified banking entity for the British colonial administration

The three Presidency Banks were at the helm of Indian banking till their amalgamation in 1921 into the Imperial Bank of India, which combined the role of a commercial bank and central bank. However, with the establishment of the Reserve Bank of India in 1935, the Imperial Bank ceased to have a central banking function.

BANK OF BENGAL



Introduction: The Bank of Bengal was founded on April 2, 1806, in Calcutta (now Kolkata), British India. It was one of the three presidency banks, along with the Bank of Bombay and the Bank of Madras, collectively known as the Presidency Banks. These banks were established to facilitate commercial transactions and provide financial services in the respective presidencies of British India.

- ❖ During the 19th century The Bank of Bengal was established by the British East India .It played a crucial role in the development of banking and finance in the region
- ❖ Over the years, the Bank of Bengal expanded its operations and opened branches in various parts of the Bengal presidency.
- ❖ Initially, the bank focused on providing banking services to British merchants, managing government funds, and facilitating trade
- ❖ It issued its own currency notes and played a significant role in the economic affairs of the region. The ability of private banks to issue their own currency notes was taken away by The Paper Currency Act, 1861.
- ❖ Today, the Bank of Bengal is remembered as one of the pioneering institutions that laid the foundation for the organized banking sector in India.In 1921, the three presidency banks, including the Bank of Bengal, were merged to form the Imperial Bank of India.
- ❖ The bank is notable for being the fifth oldest bank in India It is also notable for being one of the first institutions in India to issue its own paper banknotes or currency notes
- ❖ The bank is also notable for being the very first bank in India to issue cheques and chequebooks to its customers. This innovation was later adopted by all other banks in India.

BANK OF BOMBAY

Introduction: The Bank of Bombay was founded in 1840 by the British East India Company. The Bank of Bombay was one of the three presidency banks established in British India during the 19th century.



The Bank of Bombay was established on 15th April 1840, with Sir George Clark as its first Governor

- **Establishment (1840) ;-** The primary objective of the bank was to support the financial needs of the growing trade and commerce activities in the Bombay Presidency.
- **Initial Operations :-** The bank started its operations with a capital of one million pounds sterling, and it initially focused on providing banking services to merchants, traders, and the British government in Bombay.
- It helped in economic development and facilitating trade in the region.
- The evolution of Bank of Bombay into the Imperial Bank of India and later into the State Bank of India.
- It has left a lasting impact on India's financial landscape, contributing significantly to the development and modernization of banking in the country.

The bank's headquarters were in Bombay, now called Mumbai. The Bank of Bombay undertook all the normal activities which a commercial bank was expected to undertake. The Bank of Bombay, in the absence of any central banking authority at that time, also conducted certain functions which are ordinarily a preserve of a central bank.

The Bank of Bombay and two other Presidency banks - the Bank of Calcutta and the Bank of Madras - were amalgamated and the reorganized banking entity was named the Imperial Bank of India on 27 January 1921. The Reserve Bank of India, which is the central banking organization of India, in the year 1955, acquired a controlling interest in the Imperial Bank of India and the Imperial Bank of India was renamed on 30 April 1955 to the State Bank of India

BANK OF MADRAS



The Bank of Madras was founded in 1843 and established during British rule in India the amalgamation of two banks - the Bank of Calcutta and the Bank of Bombay. The history of the Bank of Madras is intertwined with the broader economic and banking history of colonial India.

- The Bank of Madras served the southern regions of India, particularly the Madras Presidency, which encompassed present-day Tamil Nadu, Andhra Pradesh, Karnataka, and parts of Kerala.
- Its primary objective was to facilitate trade and commerce in the region by providing banking and financial services.
- The Bank of Madras contributed significantly to the economic growth of the southern part of India. It played a pivotal role in financing infrastructure projects, supporting agricultural activities, and facilitating trade and industry.
- In 1921, the three Presidency Banks - Bank of Bengal, Bank of Bombay, and Bank of Madras were amalgamated to form the Imperial Bank of India, which later became the State Bank of India (SBI) in 1955. The State Bank of India is one of the largest and oldest commercial banks in India, and it continues to be a key player in the country's banking and financial sector.
- The Bank of Madras undertook all the normal activities that are common to a commercial bank. The Bank of Madras, in the absence of any central banking authority during that time, also conducted certain functions that are ordinarily a preserve of a central bank.
- The bank of Madras also issued banknotes in the Madras Presidency. It included managing the banking business of the Presidency of Madras and offices of the colonial government of India located in South India, and managing the Public Debt Office of the Government of Madras.

IMPERIAL BANK



The History of the Imperial Bank of India transforming into the State Bank of India:

- 1. Establishment of Imperial Bank of India (1921):** The Imperial Bank of India was established in 1921 through the amalgamation of three presidency banks – the Bank of Bengal, the Bank of Bombay, and the Bank of Madras. It served as the central bank for the British colonial government in India
- 2. Role during British Rule:** The Imperial Bank played a crucial role in financing India's economic development during the British colonial period. It acted as a banker to the central and state governments, as well as to private and commercial enterprises.
- 3. Post-Independence Nationalization (1955):** After India gained independence in 1947, the Indian government took steps to reorganize the banking sector. In 1955, the Imperial Bank of India was nationalized and transformed into the State Bank of India (SBI). This move was part of the broader initiative to consolidate and strengthen the banking system under state control.
- 4. Formation of State Bank of India (1955):** On July 1, 1955, the Imperial Bank of India officially became the State Bank of India. The SBI became the principal agent of the Reserve Bank of India and took on the role of a central bank for commercial banks in the country.
- 5. Expansion and Growth:** After its formation, the State Bank of India underwent significant expansion. It opened branches across the country, catering to the banking needs of various segments of society. The SBI played a crucial role in the economic development of post-independence India.

6.Global Presence: In subsequent decades, SBI expanded its presence internationally, establishing branches and subsidiaries in various countries. It became a global player in the banking and financial services industry

- The Imperial Bank of India (IBI) was one of the oldest and the largest commercial bank in India, and was subsequently renamed and nationalised as the State Bank of India in 1955. Initially, as per its royal charter, it acted as the central bank for India prior to the formation of the Reserve Bank of India (RBI) in 1935.
- Initially, the State Bank of India was a private bank known as the Imperial Bank. In 1955, it was renamed as the State Bank of India and converted to a public sector bank. The prime motive behind this conversion was to stop its monopolistic power of controlling finances in India.
- The Reserve Bank of India, which is the central bank of India, acquired a controlling interest in the Imperial Bank of India in 1955, which was renamed on 30 April 1955 to the State Bank of India.
- Imperial Bank serves various crucial functions in the financial landscape. Firstly, it helps people save and manage their money through savings and checking accounts. The bank also provides loans, allowing individuals to borrow money for homes, education, or businesses.
- The Imperial Bank acts as a mediator for transactions, facilitating the smooth transfer of money between individuals and businesses. Through investment services, the bank assists customers in growing their wealth. Moreover, Imperial Bank plays a role in currency exchange, making international transactions feasible. Lastly, the bank ensures the security of funds, implementing measures to protect customers' money from theft or fraud. In essence, Imperial Bank is a multifaceted institution that supports individuals and businesses in managing, growing, and securing their financial assets.
- Today, the State Bank of India is one of the largest and most prominent banks in India, offering a wide range of banking and financial services to millions of customers.

1.3 Impact Of Socio-Economic factors On SBI evolution Into PSB:-

The evolution of State Bank of India (SBI) into a Public Sector Bank (PSB) had significant social and economic impacts:-

Social Impact:

1. Financial Inclusion: SBI, as a PSB, played a crucial role in bringing banking services to a larger population, contributing to increased financial inclusion.

2. Job Creation: The expansion and growth of SBI as a PSB created job opportunities, positively affecting employment rates in the banking sector.

Economic Impact:

1. Stability and Confidence: SBI's transformation into a PSB provided stability to the financial system, instilling confidence among depositors and investors.

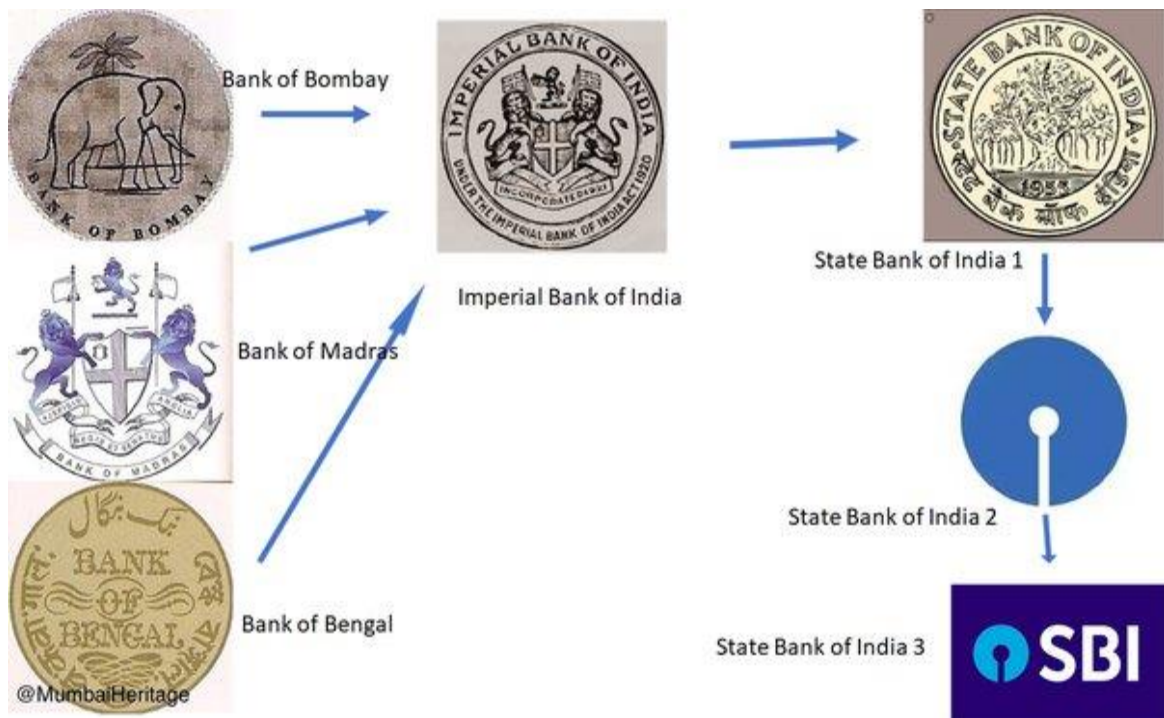
2. Government Support: Being a PSB, SBI received support from the government, enabling it to navigate economic challenges and contribute to the country's economic development.

3. Credit Availability: As a major lender, SBI's evolution into a PSB ensured the availability of credit to diverse sectors, supporting economic activities and business growth.

In short, the evolution of SBI into a PSB positively impacted society by expanding financial access and creating jobs. On the economic front, it contributed to stability, government support, and increased credit availability for businesses and individuals.

The State Bank of India's (SBI) evolution into a Public Sector Bank (PSB) is influenced by various socio-economic factors. Government policies, economic stability, and financial inclusion initiatives play crucial roles. Socio-economic indicators like poverty rates and income distribution also impact the bank's strategies and outreach, shaping its transformation within the broader context of societal development.

1.4 Conversion Of Various Logos Into SBI Bank



The three presidency banks were merged on **January 27, 1921**, under the **Imperial Bank of India Act, 1920**.

The merger was aimed at streamlining banking operations and providing a unified banking entity for the British colonial administration

- In 1921, the three presidency banks logos including the Bank of Bengal, Bank of Bombay Bank Of Madras were merged to form the Logo of Imperial Bank of India.

The Imperial Bank Logo was formed under The Imperial Bank Of India Act 1920. the British had established Imperial Bank Of India (IBI) in 1921.

- In **1955**, following a Parliament Act, SBI succeeded IBI with a new logo, a banyan tree in a round coin form. Subsequently, seven central banks of former princely states became associate banks of SBI, two of which (Indore and Saurashtra) were merged with the behemoth in the last decade

This was the first logo of **State Bank of India** when it was founded on **July 1st, 1955**. The Banyan Tree in the logo says that the bank has strong roots and is capable of propagating and growing in all directions. Later In 1971 this logo was abandoned as it invited criticism that a Banyan tree does not let any other plant grow within its space.



This is the current logo of the State Bank of India. This was designed by **Mrs. Shekhar Kamat**, at National Institute Of Design (NID) , Ahmedabad. This logo was released on October 1st, 1971, on the day of inauguration of the SBI Central Office building at Bombay.

This logo is open to several interpretations are :-

- The big circular form of the emblem suggests unity and completeness. The small circle in the center connotes that despite the bank’s size, it is the small man who holds the center of the bank.
- The small circle and the vertical line with the blue background suggests a keyhole — the symbol of safety, security and strength.
- The small white circle in the center is like a stone thrown in a pond, and symbolizes that once a deposit is made with the State Bank, it has a ripple effect and the deposit grows and grows on its own leading to prosperity and happiness in life.
- The white circle in the center denotes a State Bank of India Branch, the narrow line denotes narrow lanes of towns and the cities. In other words, a State Bank branch will be there to serve you, wherever you go.

The State Bank of India (SBI) logo incorporates key elements symbolizing the bank's identity. The central blue circle represents a keyhole, signifying security and trust. The white portion within the circle signifies transparency, while the four small circles represent SBI's commitment to service in all four corners of the nation. The navy blue color reflects strength and stability, encapsulating the bank's role as a pillar in the financial sector. Overall, the logo communicates trust, security, and a nationwide presence.

In summary, the SBI logo is a thoughtfully crafted symbol that communicates the values of security, trust, transparency, national presence, and financial strength. It serves as a visual representation of the bank's mission and commitment to serving the diverse needs of its customers across India.

1.5 Mergers And Amalgamation Of SBI :-



Meaning:- A Bank merger is a situation where two banks combine their liabilities and assets to become one bank. In other words, a merger happens when two companies combine due to mutual agreement.

The **Imperial Bank of India (IBI)** was one of the oldest and the largest commercial banks in India. The Imperial Bank of India, which became the State Bank of India after independence, came into existence on January 27, 1921.

The history of modern banking in India can be traced back to 1806 when the Bank of Calcutta was established. In 1809 it was re-named Bank of Bengal. Then in the 1840s the Bank of Bombay and Bank of Madras came up.

Merger into the Imperial Bank of India (1921):-

The presidency banks faced challenges in the aftermath of World War I, and there was a need for a unified and stronger banking institution.

In 1921, the three presidency banks were merged under the Imperial Bank of India Act, 1920, to form the Imperial Bank of India.

The merger aimed to consolidate resources, improve efficiency, and create a centralized banking entity to better serve the financial needs of British India.

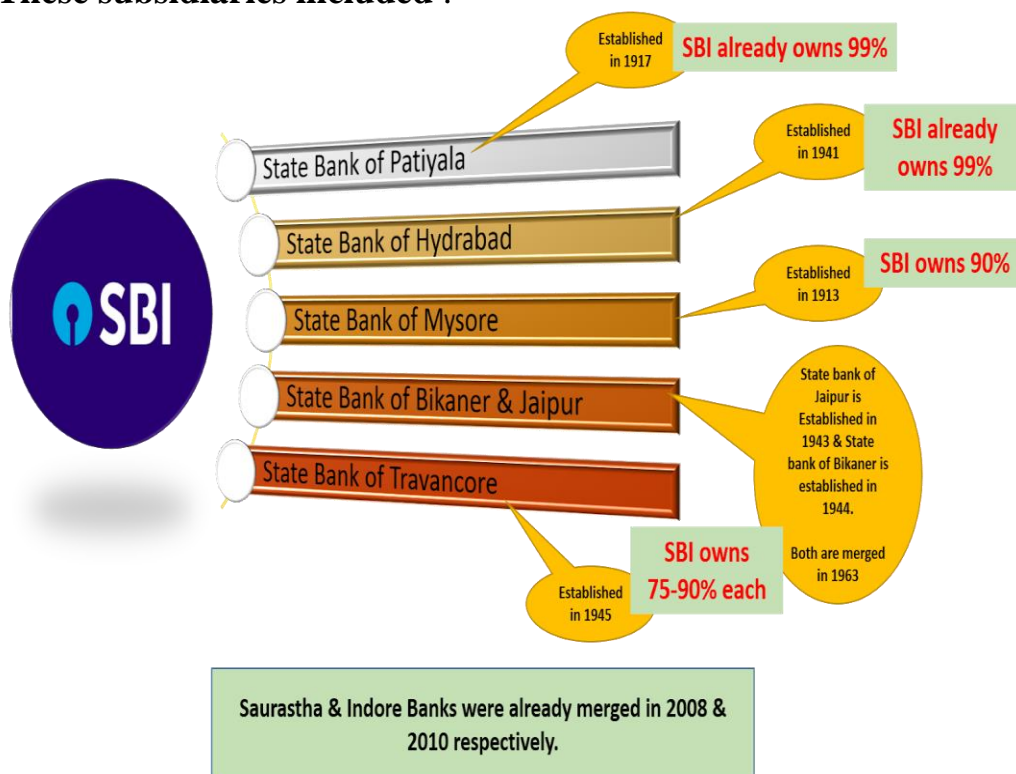
The Imperial Bank of India, the predecessor to the State Bank of India (SBI), was formed through the merger of three presidency banks: the Bank of Calcutta, the Bank of Bombay, and the Bank of Madras.

The three Presidency Banks were at the helm of Indian banking till their amalgamation in 1921 into the Imperial Bank of India, which combined the role of a commercial bank and a central bank. However, with the establishment of the Reserve Bank of India in 1935, the Imperial Bank ceased to have a central banking function. It now became a purely commercial bank and certain business restrictions on it were removed.

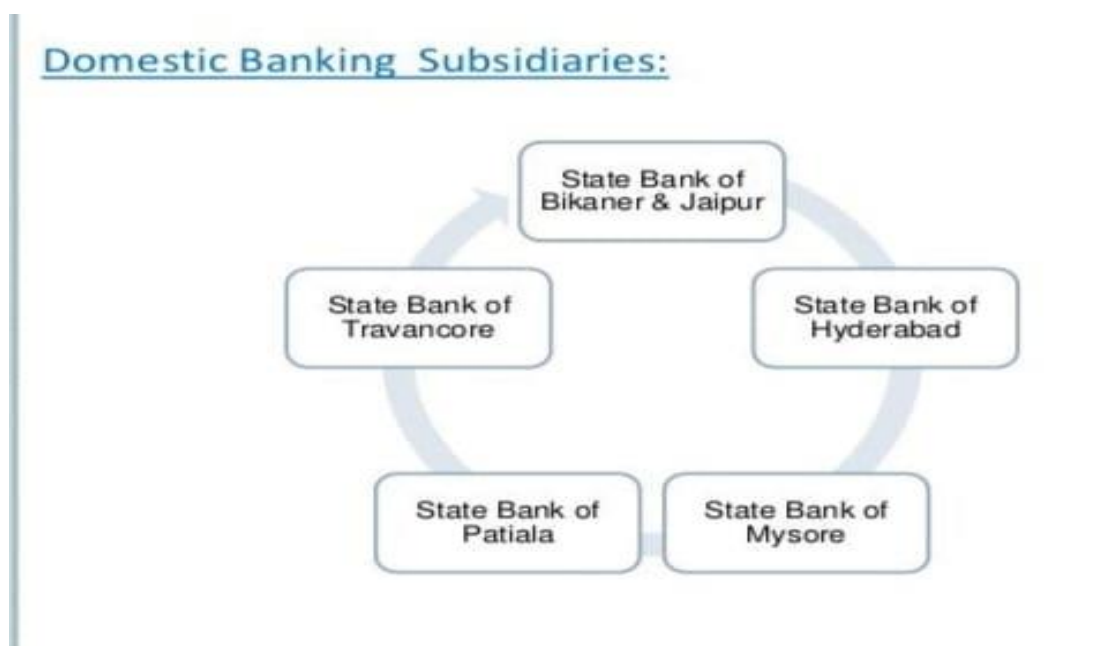
After independence the economic model of five-year plans necessitated a re-organisation of banking. On July 1, 1955, as per the State Bank of India Act 1955, the State Bank of India (SBI) was constituted and it took over the business and undertaking of the Imperial Bank. In the same year the State Bank of India (Subsidiary Bank) Act was passed, with the State Bank of Hyderabad becoming the first subsidiary of the SBI

- In the next five years, the State Bank of Bikaner, State Bank of Jaipur, State Bank of Travancore, State Bank of Mysore, State Bank of Indore, State Bank of Saurashtra and State Bank of Patiala became subsidiaries of the SBI.
- An Act was passed in the Parliament of India in May 1955 after taking heed of the proposal of All India Rural Credit Survey Committee (AIRCSC), suggesting the takeover of the Imperial Bank of India.
- This led to the inception of the State Bank of India (SBI) on 1 July 1955. This expanded the scope and control of State Bank of India making it increasingly powerful. Subsequently, the State Bank of India (Subsidiary Banks) Act was passed in 1959 and facilitated the bank to make the eight former State-associated banks as its subsidiaries

These subsidiaries included :



Amalgamation Of SBI :-



The first merger under State Bank of India took place in 2008, when State Bank of Indore and State Bank of Saurashtra merged with SBI. However, this merger was incorporated only in the year 2010.

Since there wasn't as much technological advancement, as are present today, the merge faced several problems. Contrastingly with the advancements in technology and faster integration systems, the State Bank of India merged with 5 associate banks that included

the State Bank of India (SBI) underwent a significant amalgamation on April 1st, 2017. This amalgamation involved the merger of SBI with its associate banks and Bharatiya Mahila Bank, making SBI one of the largest banks in India.

The associate banks that were merged with SBI include:

- 1. State Bank of Bikaner & Jaipur**
- 2. State Bank of Hyderabad**
- 3. State Bank of Mysore**
- 4. State Bank of Patiala**
- 5. State Bank of Travancore**

- ❖ The government has claimed that this merger will lead to an increase in the capital base and capital structure and will also higher the availability of loans All these associate banks now function under the name of the State Bank of India
- ❖ The merger is bound to bring close a quarter of all the outstanding loans into the books of SBI and to deal with them more efficiently.

- ❖ The finance minister, Arun Jaitley has claimed that the merger of SBI will result in greater operational efficiency, and recurred savings and these are estimated to account to a whopping Rs.1,000 crores, due to the reduced cost of funds
- ❖ After the amalgamation, the monitoring of the operations is deemed to be more effective and efficient, by overseeing the cash flows which will be done by one single organization rather than six individual banks. However this transition may possibly have its own downfall.
- ❖ There will be certain hiccups and profitability issues in the initial period. The ineffective loans provided will hence result in a requirement of more asset quality reviews. This gives rise to the need for proper diligence in combining the workings and affairs of the associate banks with the State Bank of India.
- ❖ It improves efficiency, and create a stronger and more robust banking entity. The amalgamation allowed SBI to enhance its reach, resources, and customer base services.

The significance of the State Bank of India's (SBI) amalgamation with five banks is monumental in reshaping the financial landscape. This strategic consolidation marks a synergistic union that transcends mere numerical growth. By incorporating five banks into its fold, SBI not only amplifies its market presence but also harnesses a diverse set of resources and expertise.

This amalgamation enables economies of scale, streamlining operations, and enhancing overall efficiency. The strategic move aligns with the broader vision of creating a formidable and versatile financial institution capable of navigating the complexities of a dynamic economy. The amalgamation is a testament to SBI's commitment to innovation, financial inclusion, and robust risk management, thereby contributing significantly to the resilience and development of the banking sector in India

The amalgamation of the State Bank of India (SBI) holds paramount importance in the financial landscape of the country.

1.6 The Functions Of The State Bank Of India



The functions of the State Bank of India is largely divided into two main categories. These are ordinary banking functions and central banking functions.

Central Banking Functions :-

SBI acts as an agent to the RBI, where there are no branches RBI available. Accordingly, there are many functions which are rendered by the SBI.

- Maintaining the currency
- Government's bank
- Bank's banker
- Acts as a clearinghouse
- Maintaining the currency.
- Other promotional Functions

Maintaining the currency :-

RBI is reporting for maintaining its own currency. But the offices of RBI are only available in big cities. But the branches of SBI are available everywhere in the country. The network of SBI works in rural as well as urban areas. In such places, RBI maintains its currency with SBI. The currency is withdrawn from these branches whenever required by RBI.

Government's Bank:-

SBI caters to the needs of both the government, central as well as the state. On behalf of the government, it receives the money and deposits it. It collects the charges on behalf of government like tax collection and other payments. It also grants advances and loans to the government.

Bank's Bankers

Many commercial banks have their accounts with SBI. These banks resort to help SBI whenever they face the financial shortage. It also discounts the bills for these commercial banks. Due to this function, SBI is also considered as the banker's bank but only in a limited sense.

Acts as a Clearinghouse

In places where RBI has no branches, SBI acts as a clearinghouse for them. There, it facilitates the services of interbank settlements and many other services. All the banks have accounts with SBI, so the process of clearing becomes easier for SBI.

Other Promotional Functions :-

The State Bank of India (SBI) engages in various promotional functions as part of its overall marketing strategy. These promotional activities are aimed at creating awareness, attracting customers, innovative technologies, customer loyalty program, and enhancing the bank's brand image.

State Bank of India (SBI) engages in various promotional functions to enhance its services and attract customers. This includes advertising campaigns, special offers on loans and deposits, partnerships with merchants for discounts, and promotional events to showcase new products or features. Additionally, SBI may use social media and other channels to communicate promotions and engage with its customer base.

General Banking Functions:-



❖ There are many functions that SBI beyond the above-mentioned services. These services are rendered by SBI under section 33A are:

❖ It accepts the deposits from the people in the form of savings, fixed, current, and recurring deposit accounts. For the general public, it helps in the opening of public provident fund accounts.

❖ Based on the security of stocks, securities, SBI gives advances and loans to the public. It underwrites any issue related to the securities or the debentures that are authorized.

❖ SBI gives the facility of drawings, accepting, and buying and selling the bills of exchange. It provides the facility of shipping finance as well as various factoring services.

❖ It also issues and circulates the letters of credit.

❖ SBI also invests in funds or any special kind of security.

❖ The bank also acts as a trustee, executor, or otherwise, based on the circumstances. It is also entrusted with selling and purchasing of either movable or immovable properties that come in the bank.

❖ SBI also functions for selling and buying of gold and silver.

1.7 Technological Advancement and Digital Formation of SBI



The State Bank of India (SBI) has undergone significant technological advancements and embraced digital transformation to keep pace with the evolving financial landscape. Here are some key aspects of SBI's technological journey and digital formation:

1. Core Banking System (CBS): SBI implemented a Core Banking System, a centralized banking solution that enables real-time processing of transactions and seamless integration across all branches. This move enhanced operational efficiency and customer service.

2. Online and Mobile Banking: SBI introduced online banking services that allow customers to perform various banking transactions, including fund transfers, bill payments, and account management, through internet banking. Additionally, the bank developed mobile apps to provide convenient banking services on smartphones.

3. ATM Network: SBI has a widespread network of ATMs, enabling customers to access cash and perform basic transactions round the clock. The bank has continually upgraded its ATMs to offer advanced functionalities and improved security features.

4. Digital Payments and Wallets: SBI has actively participated in the promotion of digital payments in India. It supports various digital payment methods, including UPI (Unified Payments Interface), BHIM app, and SBI Pay. The bank also introduced its own digital wallet, SBI Buddy, for facilitating digital transactions.

5. Internet and Mobile Banking Security: Recognizing the importance of cybersecurity, SBI has implemented robust security measures for its online and mobile banking platforms. These measures include secure login methods, encryption technologies, and multi-factor authentication to ensure the safety of customer transactions.

6. E-KYC (Electronic Know Your Customer): SBI has adopted e-KYC processes, allowing customers to complete their KYC requirements electronically. This streamlines account opening procedures and enhances the overall customer experience.

7. Aadhaar Enabled Payment System (AEPS): SBI has integrated Aadhaar authentication into its banking services, enabling customers to carry out transactions and access banking services using their Aadhaar credentials.

8. Blockchain Technology: SBI has explored and implemented blockchain technology in certain aspects of its operations. Blockchain helps enhance the security and transparency of transactions, especially in areas like trade finance and remittances.

9. Customer Relationship Management (CRM) Systems: SBI utilizes CRM systems to better understand and serve its customers. These systems help in analyzing customer data, preferences, and behavior to offer personalized services and targeted products.

10. Digital Onboarding: SBI has facilitated digital onboarding processes, allowing customers to open accounts and apply for various banking products online without the need for physical documentation.

Artificial Intelligence (AI) and Chatbots: SBI has leveraged AI and chatbot technologies to improve customer interactions. Chatbots assist customers in inquiries, problem resolution, and basic banking transactions, providing a 24/7 support mechanism.

State Bank of India (SBI) has undergone a significant digital transformation to modernize its banking services. This includes the adoption of digital technologies for online banking, mobile banking apps, and internet-based services. SBI has implemented advanced digital payment solutions, introduced e-wallets, and enhanced its cybersecurity measures to ensure the safety of digital transactions.

The bank has also embraced artificial intelligence and data analytics to improve customer experiences, streamline processes, and offer personalized services. This digital evolution aims to make banking more efficient, accessible, and user-friendly for SBI customers

1.8 SBI NET BANKING



The first Indian bank to launch internet banking in India as the **STATE BANK OF INDIA (SBI)**. The State Bank of India launched its internet banking services called “**SBI ONLINE**” in the year 2000.

MEANING:-

State Bank of India (SBI) Net Banking is an online banking service provided by the State Bank of India, allowing customers to perform various banking activities conveniently over the internet. It is also known as net banking, internet banking, e-banking, or virtual banking.

State Bank of India (SBI) Net Banking and the YONO (You Only Need One) application are two distinct digital banking platforms offered by SBI. Here's an introduction to both:

SBI Net Banking :-

Registration

- To use SBI Net Banking, customers need to register for the service.
- The registration process involves visiting the official SBI website and completing the registration by providing account details and verifying identity.

Login Credentials:

- After registration, customers receive login credentials, typically a username and password.
- SBI emphasizes the importance of strong, unique passwords and employs security features like Two-Factor Authentication (2FA) to enhance account security.

Secure Access and account information:-

- SBI Net Banking ensures secure access with features like OTPs sent to registered mobile numbers during login or transaction verification. Users can view detailed information about their accounts, including balances, transaction history, and statements in real-time.

Fund Transfers:

- SBI Net Banking enables fund transfers between own accounts, within SBI, and to other banks using NEFT, RTGS, and IMPS.

Bill Payment

- Users can pay utility bills, credit card bills, taxes, mobile recharge, DTH services and other payments. Options include scheduling recurring payments or making one-time payments directly from the account.

Investments:

- SBI Net Banking provides access to various investment options such as fixed deposits, recurring deposits, and online investment in mutual funds. Users can manage their Demat accounts

Online Shopping:

- Integration with online shopping portals allows users to make secure transactions for purchases and services.

e-Statement:

- Users can opt for electronic statements (e-statements) instead of paper statements, which can be accessed and downloaded through the net banking portal.

Customer Support:

- Customer support is provided through various channels, including online chat, email, and helpline numbers. The **YONO** (You Only Need One) app was introduced by the State Bank of India.



The YONO (You Only Need One) app was introduced by the State Bank of India (SBI) in **November 2017**. The app is an integrated digital banking and lifestyle platform that offers a wide range of financial and non-financial services to SBI customers.

YONO is a digital banking platform that aims to provide a wide range of financial and lifestyle services to users through a single app. The app's inception reflects SBI's commitment to embracing digital transformation and enhancing customer convenience by consolidating various banking and non-banking services into one platform.

Over the years, the YONO app has evolved, introducing new features and functionalities to cater to the diverse needs of users. It has become a key component of SBI's digital strategy, offering services such as account management, fund transfers, bill payments, investment options, and integrated shopping. The app continues to be a significant player in the digital banking landscape, contributing to SBI's efforts in promoting a seamless and user-friendly banking experience.

YONO provides users with the convenience of accessing banking services, making digital transactions, and exploring lifestyle features all within a single application

YONO (You Only Need One) Application:

1. All-in-One App:

- YONO is an integrated mobile banking and lifestyle app that offers a range of financial and non-financial services.

2. Account Management:

- Users can manage their SBI accounts, view balances, and track transactions.

3. Digital Services:

- YONO provides a digital platform for various banking services, including fund transfers, bill payments, and online shopping.

4. Integrated Lifestyle Services:

- YONO goes beyond banking, offering integrated lifestyle services such as booking tickets, shopping, and availing discounts on various products and services.

5. Personal Finance Management:

- The app helps users manage their personal finances, track expenses, and set financial goals.

6. Investment Options:

- YONO provides access to investment options, allowing users to invest in mutual funds and other financial instruments.

7. Insurance Products:

- Users can explore and purchase insurance products through the app.

8. Paperless Account Opening:

- YONO facilitates paperless account opening, allowing users to open new accounts through the app.

9. Biometric Authentication:

- The app supports biometric authentication for secure access.

Both SBI Net Banking and the YONO app aim to provide customers with convenient and comprehensive digital banking experiences, catering to a range of financial and lifestyle needs. Users can choose the platform that best suits their preferences and requirements.

State Bank of India's YONO (You Only Need One) app serves as a comprehensive digital platform that enables users to access various banking and financial services. It includes features such as account management, fund transfers, bill payments, investment options, and shopping. The primary purpose is to offer a one-stop solution for users' banking and lifestyle needs through a single app.

1.9 How SBI has become the largest PSB bank in India

MARKETING STRATEGY OF



The State Bank of India (SBI) employed various marketing strategies to become the largest Public Sector Bank (PSB) in India

1. Brand Building and Image:

- SBI has focused on building a strong brand image. The bank's long history, commitment to customers, and national presence have contributed to a positive perception.

2. Extensive Branch Network:

- SBI strategically expanded its branch network, ensuring a physical presence in urban and rural areas. This extensive reach helped the bank reach a diverse customer base.

3. Customer-Centric Approach:

- A customer-centric approach has been crucial. Understanding and addressing the diverse financial needs of customers through tailored products and services have strengthened customer relationships.

4. Digital Transformation:

- Embracing digital transformation has been a significant strategy. SBI introduced online and mobile banking services, adapting to changing consumer preferences and enhancing operational efficiency.

5. Financial Inclusion Initiatives:

- SBI actively participated in government-led financial inclusion initiatives. Reaching out to unbanked and underprivileged sections of society expanded the customer base and fulfilled social objectives.

6. Merger and Consolidation:

- Merging with associate banks in 2017 increased SBI's size and market presence. Consolidation allowed for operational synergies and enhanced the bank's overall strength.

7. Diversified Product Portfolio:

- Offering a diverse range of financial products and services has been crucial. SBI provides savings and current accounts, loans, credit cards, investment products, and more to cater to various customer needs.

8. Competitive Pricing:

- SBI has often adopted competitive pricing strategies, including attractive interest rates on deposits and loans. This has helped attract customers and maintain a competitive edge.

9. Innovation and Adaptability:

- SBI has shown a willingness to innovate and adapt. Introducing new technologies, services, or banking practices has kept the bank agile in response to evolving customer expectations.

10. Government Initiatives:

- Collaborating with and supporting government initiatives, especially those related to financial inclusion and economic development, has been part of SBI's strategy..

State Bank of India (SBI) Promotion & Advertising Strategy:

The promotional and advertising strategy in the State Bank of India (SBI) marketing strategy is as follows:

State Bank of India (SBI) promotes itself through various media such as Print media and audio visual media such as Radios, Hoardings, Newspaper advertisements, TV-commercials, movies, etc. Its tagline, 'The Banker to every Indian' turns out to be perfectly apt given its presence across India. SBI smartly conveys its policies through its advertisements. Recently, it has been adapting to the modern approach and devising its advertisements accordingly. Thereby, it has employed famous personality to reinforce the idea of trust and SBI in customers' minds. Being affordable and present at almost every town, village and city has been its indirect promotion due to its increased presence.

The SBI has service marketing brand, here are the other three Ps to make it the 7Ps marketing mix of State Bank of India (SBI).

Process:

All the activities of SBI are governed by the RBI. It has to follow its regulations and principles. SBI follows standard formats like any other bank because it has to abide by the rules of RBI. Even though the documentation and forms are standardised, the bank has customized approach for every customer based on the customer needs. Customer involvement is ensured through ATMs where the employees are not present and only customers are involved in the process. For simplicity, the functions of the bank are carefully segregated based on their inter-connections.

People:

Every Indian is one or other way connected to the State Bank of India. The primary reason being, every bank is directly related to SBI. Hence, customers, employees, management, workers, everyone contributes to the prosperity and growth of the bank. Every worker and employee adds to the profitability of SBI bank.

Physical Evidence:

SBI has its physical evidence through websites. The Business cards, paperwork, brochures, furnishings are a source of physical evidence. Banks provide tangibles such as diaries, pens to employees. The passbooks, checkbooks also are a medium of physical evidence. Furnishings, financial reports, signage also reduce intangibility of the services. This covers the marketing mix for State Bank of India (SBI).

It's important to note that the success of SBI in becoming the largest PSB is likely attributed to a combination of these strategies, effective execution, and responsiveness to the evolving needs of the market and customers. The specific details of SBI's marketing strategies may vary over time, and some information may be proprietary to the bank.

1.10 VISION AND MISSION OF SBI BANK



OUR VISION

- My SBI
- My Customer first.
- My SBI: First in customer satisfaction



OUR MISSION

- We will be prompt, polite and proactive with our customers.
 - We will speak the language of Young India.
- We will create products and services that help our customers achieve their goals.
- We will go beyond the call of duty to make our customers feel valued.
- We will be of service even in the remotest part of our country.

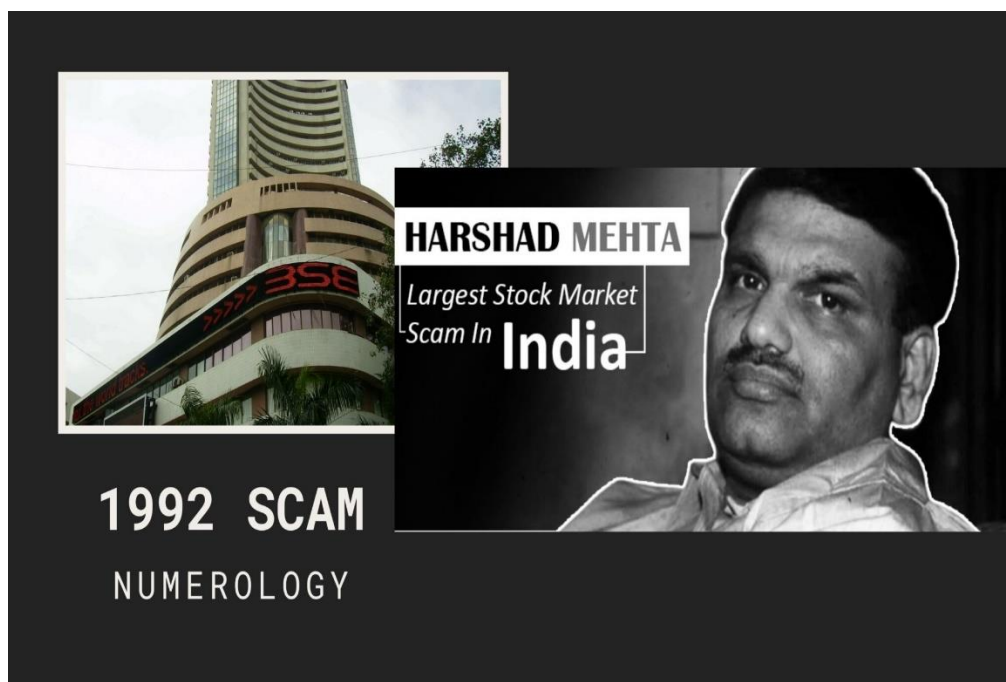


OUR VALUES

- We will always be honest, transparent and ethical.
- We will respect our customers and fellow associates
 - We will be knowledge driven.
 - We will learn and we will share our learning.
 - We will never take the easy way out.
- We will do everything we can to contribute to the community we work in.
 - We will nurture pride in India.

1.11 The 1992 Indian Stock Market Scam:-

The 1992 Indian stock market scam was orchestrated through a sophisticated web of deceit. It employed various strategies and tactics that caught investors off guard and led to substantial financial losses. The scammers, led by **Harshad Mehta**, devised a modus operandi that exploited loopholes in the banking and stock market systems.



One key strategy employed was the manipulation of the banking sector. Mehta, famously known as the “**Big Bull**,” took advantage of the banking system’s loose regulations and used forged bank receipts called “BRs” to secure massive loans. These funds were then channeled into the stock market, artificially inflating stock prices and creating false optimism among investors.

The Harshad Mehta scam primarily revolved around multiple banks, and Mehta exploited the banking system rather than being limited to a single institution. The scam involved the issuance and trading of fake bank receipts (BRs) and the manipulation of the ready forward (RF) market. Mehta used his influence to exploit loopholes in the banking system to carry out large-scale securities fraud.

However, it's important to note that a prominent aspect of the scam was Mehta's dealings with the State Bank of India (SBI), where he conducted several transactions. The

involvement of SBI became a significant part of the overall investigation and legal proceeding

While SBI was one of the banks affected by the scam, multiple other banks were also involved in various capacities. The scam had widespread implications across the banking and financial sector in India during the early 1990s. This table illustrates the extent of money certain banks lost.

Name of Bank	₹ in crores
<u>National Housing Bank (NHB)</u>	1,199.39
<u>State Bank Of Saurashtra</u>	175.04
<u>SBI Capital Markets Ltd (SBI Caps)</u>	121.23
<u>Standard Chartered Bank</u>	300.00
Total	1,795.66

Changes in the financial structure of India

The 1992 scam collapsed the Indian stock market; around 40% of the market value or ₹1,000 billion was wiped out. It led the authorities to reconsider existing financial systems and restructure it.

The first structural change was to record payments made for purchasing investments in reconciled bank receipts and subsidiary general ledgers to prevent fraudulent transactions. On the advice of the Janakiraman Committee, a committee was established to oversee the Securities and Exchange Board of India

The primary recommendation of the committee was to limit ready forward and double ready forward deals to government securities only. All banks were made custodians rather than principals in transactions.

Banks were to have a separate audit system for portfolios, and it were to be monitored by the Reserve Bank of India (RBI)

How Did Harshad Mehta Inflate the Stock Market:

Harshad Mehta employed a “**circular trading**” technique to manipulate stock prices. He used a loophole in the banking system called the Ready Forward (RF) deal. In RF deals, government securities are sold and repurchased simultaneously, generating ready cash flow for the parties involved.

Mehta ingeniously manipulated these RF deals to artificially inflate the prices of specific stocks. He conspired with banks and other brokers to create a network that allowed him to channel vast funds into selected stocks, driving their prices to astronomical levels. This practice is known as “pump and dump.”



Overview of the Scam

- Triggered a rise in the BSE between April 1991 to May 1992.
- Traded shares at premium
- Diverted funds of Rs 40 billion

The image is a slide titled "Overview of the Scam". It features a vertical sidebar on the left with four small images: a stock market chart with the text "SENSEX JOINS TO A NEW HIGH", a portrait of Harshad Mehta, a pair of handcuffs, and a red line graph. The main content area contains three bullet points. At the bottom, there is a decorative image of a hand holding a coin over several stacks of coins.

The magnitude of the scam was staggering. The amount of money scammed by Mehta in the 1992 Indian stock market scam was around **INR 5,000 crores** approx.. The manipulative activities orchestrated by Mehta led to a sharp rise in stock prices, causing the Bombay Stock Exchange (BSE) Sensex to skyrocket within a short period of time. This unprecedented bull run created a thrill in the market, with investors pouring in vast sums of money to capitalize on the seemingly endless upward trend.

Mehta’s modus operandi involved artificially inflating specific stocks, which, in turn, impacted the stock market.

Bank Receipts (BRs):- Banks in India are required to maintain liquid funds of a certain amount. Banks often lend and borrow from each other to maintain this balance. When a bank lends money, it gets a Bank Receipt (BR) from the borrowing bank; this acts as a short-term IOU backed by securities.

- **The Scam:** Harshad Mehta and his associates started to forge these BRs. They convinced banks to lend money based on these forged BRs. The money was supposed to be used to buy securities; instead, Mehta used it to buy stocks.
- **Stock Market Inflation:** Mehta started buying up large quantities of specific stocks with this borrowed money. It created a high demand for those stocks, thereby increasing their prices. For instance, the share price of ACC (Associated Cement Company) rose from around INR 200 to nearly INR 9,000 during this period.
- **Selling the Stocks:** Once the stock prices were inflated, Mehta sold the stocks and paid back the banks. The difference between the buying and selling prices was his profit.
- **The Bubble Bursts:** This system worked so long as the stock prices kept rising. However, when the stock market eventually crashed, Mehta could no longer repay the banks, which led to the discovery of the scam.

Investigation and Legal Proceedings:-

The 1992 Indian stock market scam was orchestrated through a sophisticated web of deceit. It employed various strategies and tactics that caught investors off guard and led to substantial financial losses. The scammers, led by Harshad Mehta, devised a modus operandi that exploited loopholes in the banking and stock market systems.

Following the revelation of the 1992 Indian stock market scam, a rigorous investigation was carried out to uncover the truth behind the fraudulent activities. This was done to bring the perpetrators to justice. The scale and complexity of the scam necessitated the involvement of multiple regulatory bodies and law enforcement agencies.

The investigation primarily focused on Harshad Mehta, the mastermind behind the scam, and his associates. The authorities meticulously examined bank records, stock market transactions, and financial documents to trace the flow of funds and unravel the intricate web of deceit. The investigation revealed the modus operandi employed by Mehta, shedding light on the various strategies and tactics used to manipulate the stock market.

Legal proceedings were initiated against the individuals involved in the scam. Harshad Mehta and several other key players were found guilty of multiple offenses, including fraud, forgery, and manipulation of stock prices. Given the magnitude of the scam and its impact on the financial landscape, the trials were closely watched by the public and the media.

During the legal proceedings, evidence was presented to substantiate the charges against the accused. Witness testimonies, financial records, and expert analysis were brought forth to establish the guilt of those involved.

The defense countered with their arguments, aiming to challenge the allegations and raise doubts about the evidence presented.

The legal process was lengthy, given its complexity, which required substantial time and resources.

However, the determination to ensure that justice was delivered prevailed. Ultimately, the court pronounced its verdict, holding the guilty parties accountable for their actions. The legal proceedings resulted in convictions and punishments for the individuals found guilty.

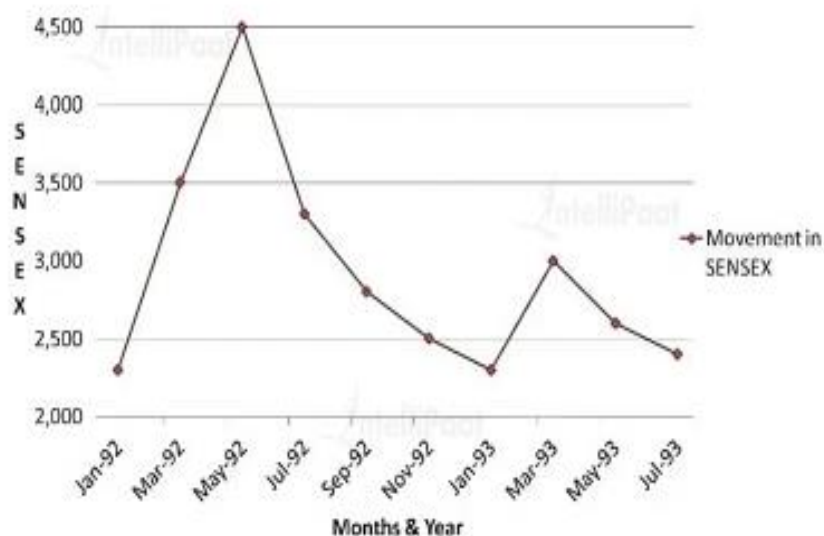
Harshad Mehta, considered the central figure in the scam, was sentenced to imprisonment and fines. Other people involved in the fraudulent activities also faced legal consequences, which varied based on their level of involvement and culpability.

The key instruments used in the great scam were stamp papers, bank receipts, ready forward deals, and higher interest rates. Sucheta Dalal exposed Mehta's crimes and involvement in the columns of Times of India in 1992 after taking keen interest into his overly luxurious lifestyle. As valued in 2019, the Harshad Mehta scam had swindled nearly Rs. 250 Billion from the banking system. The effects of the scam, while not persisting directly, still affect the conservative investors' mindsets. Ketan Parekh, an associate working under Mehta, would later go on to reanimate a similar crime in the stock market in 2008 and be convicted for his involvement in market manipulation in 1992.

Allegations of payment of bribe to India's prime minister:-

Mehta raised a furore on announcing that he had paid ₹10 million to the then congress President and Prime Minister P.V. Narasimha Rao ,as a donation to the party, for getting him off the scandal case

Impact of the 1992 Indian Stock Market Scam



The far-reaching impact of the 1992 Indian stock market scam changed the financial landscape of India. Below, we have listed some of the key aspects of the scam's impact:

- **Investor Losses:** Individual investors, institutional investors, and financial institutions were all subjected to substantial financial losses owing to the scam. Several unsuspecting investors suffered significant setbacks due to the plummeting stock prices, which diminished their wealth and undermined their confidence in the market. To this day, the scam serves as a stark reminder of the risks of unchecked speculation and market manipulation.
- **Regulatory Reforms:** The scam exposed glaring loopholes in the stock market and banking sector's regulatory framework. It prompted a comprehensive reassessment of the existing regulations and led to the implementation of stricter rules and oversight mechanisms. The Securities and Exchange Board of India (SEBI) was strengthened to prevent similar frauds and ensure investor protection.
- **Transparency and Accountability:** The scam highlighted the need for increased transparency and accountability in the financial system. It led to reforms that aim to improve corporate governance practices, enhance financial disclosures, and increase transparency in stock market transactions. The focus shifted toward fostering a culture of responsible and ethical behaviour among market participants.

- **Investor Awareness and Education:** The scam underscored the importance of investor education and awareness. It served as a wake-up call for investors to educate themselves about market dynamics, risk management, and due diligence while making investment decisions. This event spurred efforts to improve financial literacy among the public and empower investors with the knowledge to make informed choices.
- **Market Volatility and Confidence:** The scam severely impacted market confidence and increased stock market volatility. Investors became cautious, and trust in the market's integrity was impacted. It took time for confidence to be restored as market participants grappled with the aftermath of the scam and sought reassurance through regulatory reforms and stringent enforcement measures.

Conclusion :-

We conclude by noting that the 1992 Indian stock market scam serves as a testament to the dangers of fraud in the financial world. Some people manipulated the stock prices and employed dishonest tactics; this caused a significant investigation and legal action.

Stricter rules and regulations were introduced to prevent similar scams. The scam had a huge impact, causing many people to lose trust in investing and destabilizing the economy.

The 1992 Indian stock market scam taught us to be cautious about fraud in finance. This lesson became even more important after the [2003 scam](#), reminding us to keep strict rules to prevent fraudulent activities.

CHAPTER 2 :- RESEARCH METHODOLOGY



CHAPTER 2 :- RESEARCH METHODOLOGY

2.1 Introduction :-

Research methodology refers to the systematic and organized process of planning, conducting, and evaluating research. It involves the principles, procedures, and techniques used to collect, analyze, and interpret data in order to answer research questions or test hypotheses

Key components of research methodology include:

1. Research Design:

This outlines the overall plan or strategy for conducting the research, including the type of study (e.g., descriptive, exploratory, experimental), data collection methods, and sampling techniques.

2. Data Collection Methods:

Research methodology details the techniques and tools used to gather relevant information. This can include surveys, interviews, experiments, observations, and archival research.

3. Sampling: Describes how the researcher selects a representative subset of the population for study. This is crucial for generalizing findings from the sample to the larger population.

4. Data Analysis: Specifies the methods for processing and analyzing collected data. This may involve statistical techniques, qualitative coding, or other analytical approaches, depending on the nature of the research.

5. Instrumentation: Describes the tools or instruments used to collect data, such as surveys, questionnaires, or laboratory equipment.

6. Validity and Reliability: Addresses the trustworthiness and accuracy of the research. Validity ensures that the study measures what it intends to measure, while reliability ensures consistent and replicable results.

7. Ethical Considerations: Outlines the ethical guidelines and principles followed in the research, including issues such as informed consent, confidentiality, and the handling of sensitive information.

2.2 OBJECTIVES OF THE STUDY :

This study has been conducted from reliable sources published by experts.
The data collected is secondary data and primary data

Define Research Objectives: Clearly outline the objectives of my research.
Determine what specific aspects of SBI's evolution

- To understand the historical development and milestones of SBI, its evolution
- To analyze the key milestones of mergers and acquisition
- How SBI Has Become the Largest PSB Bank In India
- Technological Advancements And Digital Formation Of SBI Bank
- To analyze and examine closely, the amalgamation of subsidiaries under SBI
- To Analyze the governmental policies and regulatory frameworks that influenced the evolution of SBI into a PSB, considering how these policies shaped the banking landscape.
- Explore the broader socio-economic impact of SBI's evolution into a PSB, considering factors such as financial inclusion, economic development, and job creation.

2.3 SCOPE OF THE STUDY :-

SBI caters to the needs of both the government, central as well as the state. On behalf of the government, it receives the money and deposits it. It collects the charges on behalf of government like tax collection and other payments. It also grants advances and loans to the government.

1. Historical Evolution:

- Explore the founding and historical development of SBI.
- Investigate key milestones, mergers, and transformations that have shaped the bank.

2. Organizational Structure:

- Analyze the current organizational structure, including branches, subsidiaries, and divisions.

3. Financial Performance:

- Assess SBI's financial statements, focusing on key financial indicators like assets, liabilities, income, and profitability.

4. Technological Integration:-

- Study SBI's adoption of technology and digital banking solutions.
- Evaluate the impact of technological advancements on customer service, efficiency, and innovation.

5. Customer Relations and Services:-

- Assess SBI's customer relationship management strategies.
- Analyze customer service initiatives, feedback mechanisms, and customer satisfaction levels.

6. Social and Economic Contributions:-

- Investigate SBI's role in promoting financial inclusion and economic development prospect

2.4 SIGNIFICANCE OF THE STUDY:-

The study of the State Bank of India's (SBI) evolution into the largest Public Sector Bank (PSB) holds significant importance for various reasons:



1. Economic Impact: Understanding how SBI became the largest PSB provides insights into its role in the national economy, contributing to economic stability and growth.

2. Financial Sector Dynamics: Analyzing SBI's evolution sheds light on the dynamics of the financial sector, influencing policies and strategies in the banking industry.

3. Government Policies: SBI's growth reflects and is influenced by government policies, showcasing the interplay between the banking sector and regulatory frameworks.

4. Customer and Employee Perspective: Examining SBI's journey helps understand the impact on customers and employees, as the largest PSB plays a crucial role in serving the public and providing employment.

5. Competitive Landscape: Insights into SBI's evolution contribute to understanding the competitive landscape among PSBs, informing strategies for other banks in the sector.

6. Technological Transformation: Studying SBI's growth provides lessons on the integration of technology and innovation in the banking sector, influencing digital transformation trends.

In short, examining SBI's evolution into the largest PSB is essential for understanding its multifaceted impact on the economy, financial sector, policies, and the overall well-being of the nation.

2.5 LIMITATION OF THE STUDY :-

1. Data Availability:

Limited access to historical data may constrain the depth and accuracy of the study.

2. Incomplete Records:

Historical gaps or incomplete records may hinder a comprehensive understanding of SBI's evolution.

3. External Economic Factors:

Economic shifts and external factors impacting SBI may not be fully controllable in the study.

2.6 HYPOTHESIS :-

A Hypothesis is an tentative generalization the validity of which remains to be tested. Which can be accepted or rejected during the testing of tentative hypothesis.

Features Of Hypothesis :-

1. Testability:

A hypothesis must be formulated in a way that allows it to be tested through observation or experimentation. It should lead to empirical investigation to determine its validity.

2. Falsifiability:

A good hypothesis should be framed in a way that it can be proven false. This means there must be a possibility of obtaining evidence that contradicts or refutes the hypothesis.

3. Relevance:

A hypothesis should be relevant to the research question or problem being investigated. It needs to address the specific aspect or relationship the researcher aims to explore.

4. Connection to Existing Knowledge

A good hypothesis is often built on existing knowledge or theories, providing a basis for the research. It should fit into the broader context of scientific understanding.

5. Tentativeness:

Hypotheses are not certainties; they are educated guesses or propositions. Researchers should be open to modifying or rejecting a hypothesis based on the evidence obtained during the research process.

2.7 RESEACH DESIGN :-

Research design refers to the overall structure, plan, and strategy formulated to answer research questions or test hypotheses in a scientific study. It is the blueprint or framework that outlines how data will be collected, analyzed, and interpreted. Research design encompasses various elements, including the type of study, data collection methods, and the overall approach to conducting research.

The Researchers has used a descriptive research design to provide a detailed account of SBI's evolution.

2.7 SAMPLING :-

Sampling, , refers to the process of selecting a subset or a representative group from a larger whole. In the context of research, sampling specifically involves choosing a subset of individuals, elements, or data points from a larger population for the purpose of study and analysis.

The goal of sampling is to study the characteristics of the selected subset (sample) and use the findings to make valid conclusions about the entire population from which the sample was drawn.

2.8 DATA COLLECTION :-

Data collection refers to the process of gathering, measuring, and recording information systematically for the purpose of analysis, interpretation, and decision-making. It include various methods such as survey and Questionnaires, observation,Interviews, experiments, etc

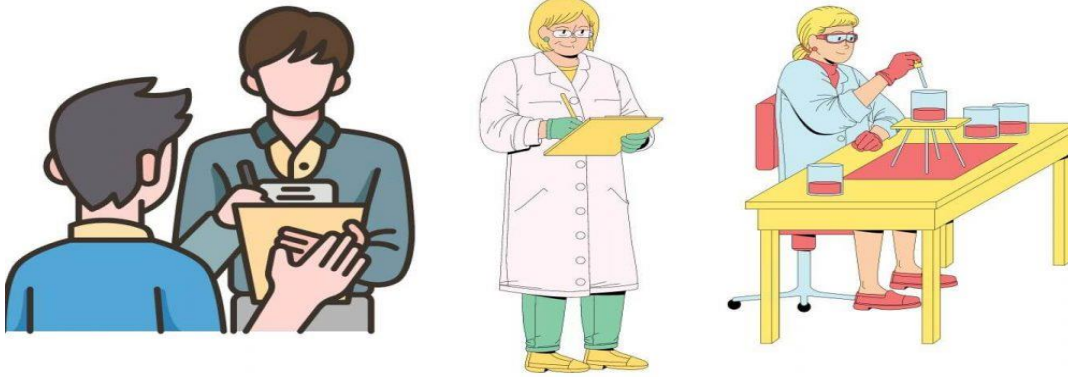


The purpose of collecting primary data is to gather firsthand information directly from original sources, tailored to specific research needs. On the other hand, secondary data collection involves using existing data sources for analysis, providing insights, and supporting or supplementing primary data. Both methods contribute to informed decision-making, research, and a deeper understanding of a given topic.

2.9 Sources of Primary Data:

Meaning: Primary data refers to original data that is collected firsthand by the researcher for a specific purpose or study. This data is directly obtained from the source, and it has not been previously gathered, processed, or interpreted by anyone else.

Primary Data



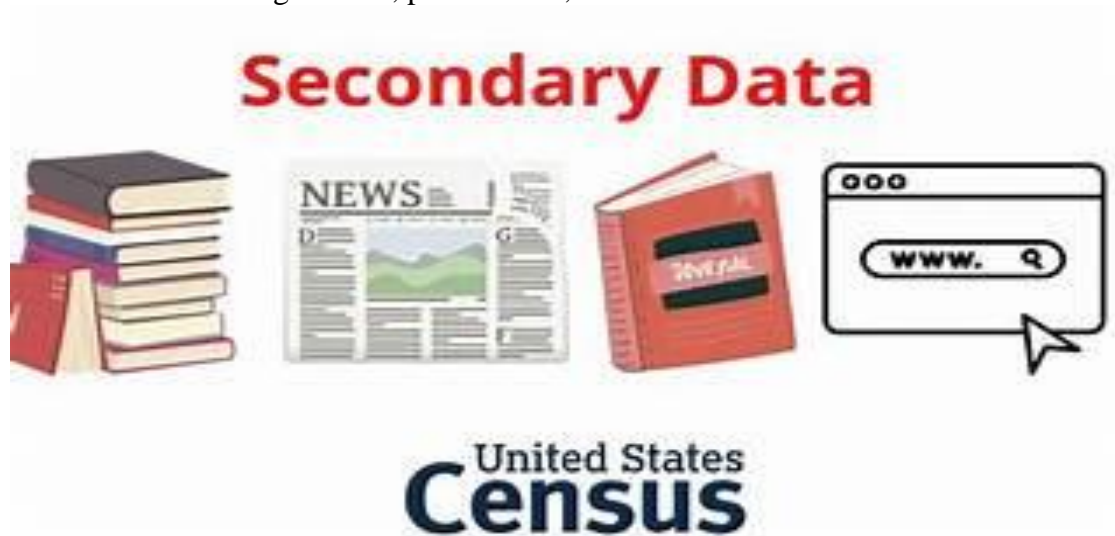
- 1. Surveys and Questionnaires:** Direct responses from participants.
- 2. Interviews:** One-on-one or group discussions with individuals.
- 3. Observation:** Directly watching and recording behaviors or events.
- 4. Experiments:** Data collected from participants in controlled settings.
- 5. Focus Groups:** Insights gathered from group discussions.
- 6. Field Trials:** Real-world testing with participants.
- 7. Sensor Data:** Real-time information collected by sensors or devices
- 8. Diaries and Journals:** Records of personal experiences maintained by individuals.
- 9. Personal Correspondence:** Analysis of letters, emails, or direct communication

This firsthand data is often more reliable as it comes directly from the source, minimizing the risk of misinterpretation or bias. Additionally, primary data allows researchers to control the data collection process, ensuring that the methods align with the study's goals. Furthermore, it enables customization, permitting the inclusion of specific variables or details important to the research.

Overall, primary data collection enhances the depth and authenticity of research findings, contributing to more robust analyses and informed decision-making.

2.9 Sources of Secondary Data:

Meaning: Secondary data refers to information that has been previously collected, processed, and interpreted by someone else for a purpose other than the current study. It is data not directly obtained by the researcher but rather sourced from existing records, publications, or databases.



- **Published Literature:** Information from books, articles, or academic papers.
- **Government Reports:** Data published by government agencies
- **Company Reports:** Information available in corporate documents.
- **Surveys and Studies:** Existing research studies and survey results.
- **Online Databases:** Data accessible through online repositories.
- **Historical Records:** Archives and historical documents.
- **Official Statistics:** Data collected by official statistical agencies.
- **Market Research Reports:** Information from market research studies
- **Educational Institutions:** Data from academic institutions and research projects

Secondary data offers several benefits in research and decision-making. Firstly, it provides a cost-effective and time-efficient way to access a wide range of information without conducting new surveys or experiments..

Secondary data also enables researchers to explore historical trends, compare data across different regions or time periods, and identify patterns or correlations secondary data contributes to a more comprehensive understanding of various phenomena, supporting evidence-based analyses and informed decision-making across diverse fields.

The researcher has collected the data from the primary and secondary sources are :-

Primary source :- Conducted a survey and questionnaire method to collect the direct responses from the participants which help the researcher to analyze the banking services of SBI towards consumer

Secondary source :- the researcher has collected the additional information from the historical records, government websites, and from Official SBI website. It helps the researcher to explore the evolution of the SBI, and also help to analyze the overall performance and growth

Data Analysis :-

Data Analysis is the process of inspecting, cleaning, transforming, and modeling data to discover useful information, draw conclusions, and support decision-making. It involves examining and interpreting data to uncover patterns, trends, correlations, and insights that can inform decision-makers or help solve problems.

The main purpose of analyzing data in a paragraph is to extract meaningful insights, patterns, and trends, enabling informed decision-making. It helps uncover valuable information, identify correlations, and gain a deeper understanding of the underlying patterns within the dataset.

Theoretical Framework:-

- Establish a theoretical framework or models that can guide the analysis of SBI's evolution.
- Consider economic, financial, and organizational theories relevant to the banking Sector.

CHAPTER:- 3 LITERATURE REVIEW



CHAPTER :- 3 LITERATURE REVIEW

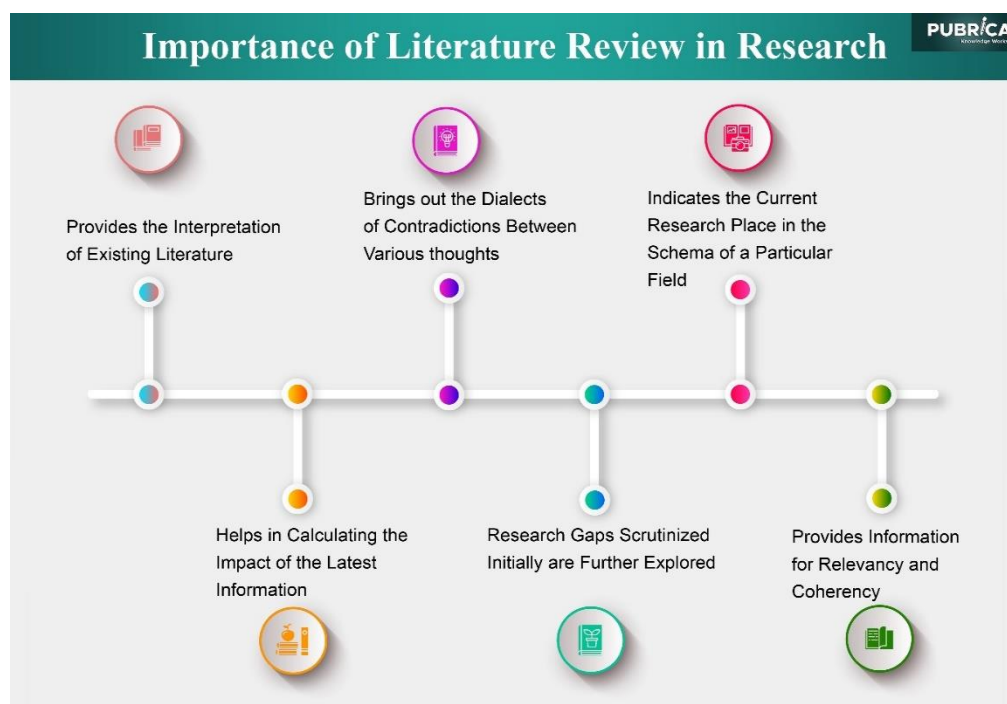
3.1 MEANING :-

A literature review is a critical and comprehensive analysis of existing literature on a particular topic. It involves reviewing, summarizing, and synthesizing the relevant published works, research studies, and scholarly articles that are available on the chosen subject. The purpose of a literature review is to provide an overview of the current state of knowledge, identify gaps or areas needing further research, and establish a context for the new research or inquiry.



3.2 SIGNIFICANCE OF LITERATURE REVIEW:-

A literature review in research is like creating a roadmap before going on a trip. It helps you explore what others have discovered about your topic, understand existing knowledge, and identify gaps. This "map" guides your research, ensuring you don't duplicate efforts and build upon what's already known, making your study more meaningful and valuable.



The literature review is a cornerstone of research, offering a comprehensive exploration of existing knowledge on a particular topic. By surveying prior studies, it establishes a critical context for the research, providing insights into the historical development and current state of the subject. Beyond this contextualization, the literature review serves a crucial role in identifying gaps or inconsistencies in the existing literature.

It guides researchers in formulating precise research questions, ensuring their study addresses these voids and contributes meaningfully to the field. Moreover, the literature review helps researchers avoid redundancy by highlighting what has already been explored, saving valuable time and resources.

It plays a pivotal role in constructing a theoretical framework, connecting the study to established theories or models. Additionally, the review offers methodological guidance by presenting insights into various research methodologies used in similar studies, assisting researchers in selecting appropriate methods based on the strengths and weaknesses identified in the literature. By encouraging critical evaluation, the literature review aids in distinguishing between reliable and less credible sources, ensuring the integrity of the research. Furthermore, it facilitates the synthesis of information from diverse sources, contributing to the development of a cohesive and holistic understanding of the topic.

The literature review also provides a rationale for the research, justifying its significance and relevance within the broader academic landscape. It demonstrates the researcher's scholarly engagement and awareness of the current discourse.

1.Establishes Context and Background:

- Provides an overview of existing knowledge and research on the chosen topic.
- Helps researchers understand the historical development and evolution of the subject.

2. Identifies Gaps in Knowledge:

- Reveals areas where there is limited or no research, highlighting gaps in the current understanding.
- Guides researchers to focus on unanswered questions and unexplored aspects.

4.Avoids Duplication of Effort:

- Prevents researchers from duplicating studies that have already been conducted.
- Saves time and resources by directing efforts toward unexplored areas.

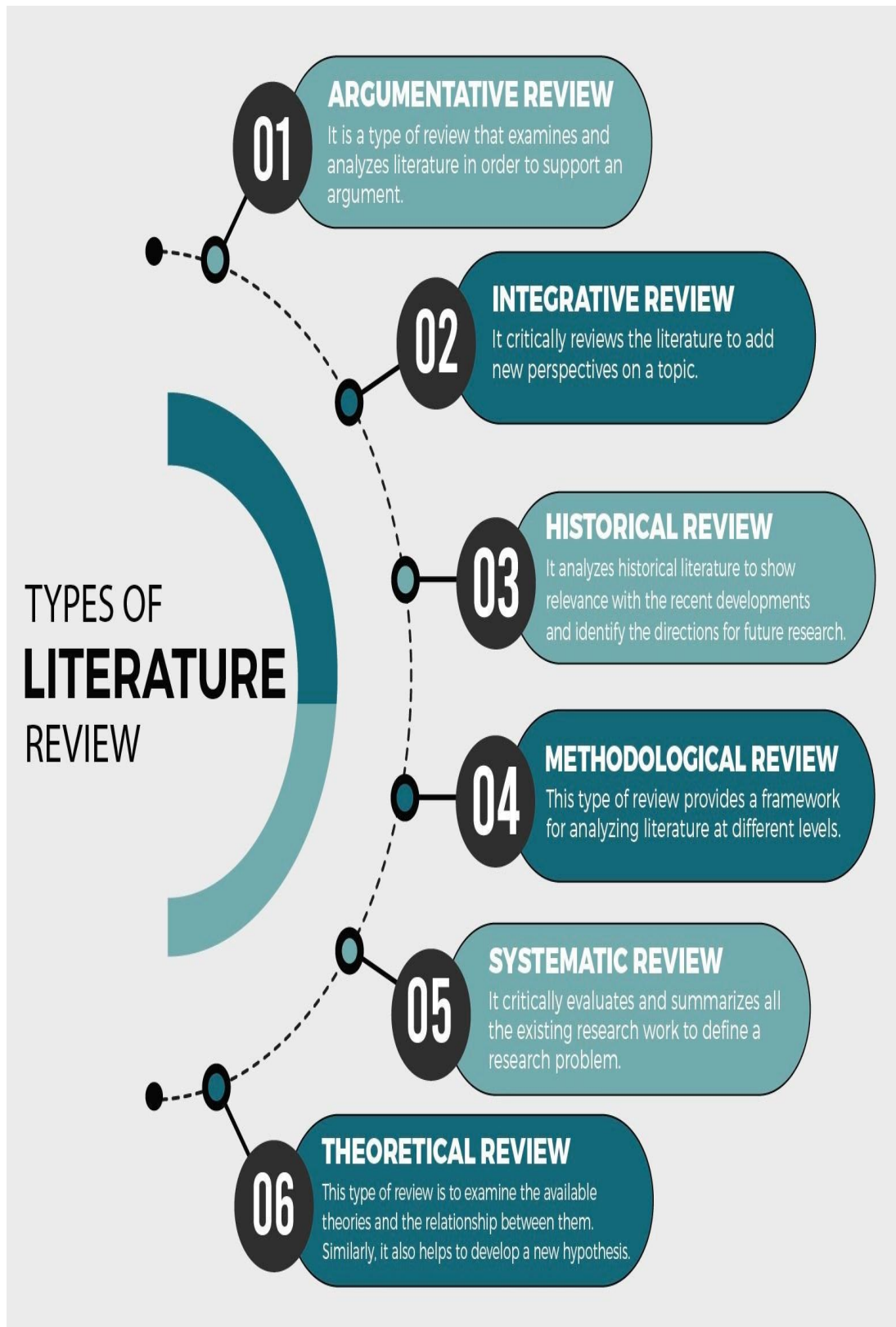
5.Builds a Theoretical Framework:

- Helps in developing a theoretical foundation for the research.
- Aids in conceptualizing the study within established theories and framework

Lastly, the literature review serves as a dynamic tool for continuous refinement, allowing researchers to adjust their focus and research design based on emerging insights throughout the study. In essence, it acts as the intellectual foundation for the research, ensuring that the study is well-informed, relevant, and positioned to make a valuable contribution to the academic conversation.

In summary, a literature review is a foundational component of research that not only acquaints researchers with existing knowledge but also guides the formulation of research questions, design, and methodology, contributing to the overall quality and credibility of the study.

3.3 TYPES OF LITERATURE REVIEW :-



❖ **Argumentative Review :-**

An argumentative review in literature, in short, involves critically evaluating and presenting a strong, evidence-based argument or stance on a specific topic within the context of existing literature...

❖ **Integrative Review :-**

An integrative review in literature, in simple terms, is a type of study that combines information from various sources to provide a comprehensive and cohesive understanding of a particular topic

❖ **Historical Review :-**

A historical review, in short, is an examination and analysis of past events, developments, or changes related to a particular subject or topic. It involves exploring the chronological evolution, key milestones, and significant factors that have shaped the historical context of the chosen subject.

❖ **Methodology Review :-**

A methodology review in literature, in simple terms, is an examination of the approaches and methods used in various research studies on a specific topic. It focuses on how researchers conducted their studies, the techniques they employed, and the procedures followed

❖ **Systematic Review :-**

A systematic review in literature, in simple language, is a thorough and organized analysis that looks at all the relevant studies on a specific topic. It follows a strict process to find, evaluate, and summarize existing research to draw more reliable and comprehensive conclusions.

❖ **Theoretical Review :-**

A theoretical review in literature, in simple language, is an exploration and analysis of the existing theories and conceptual frameworks related to a particular topic. It aims to provide a solid theoretical foundation for understanding the subject, discussing key ideas and perspectives proposed by scholars in the field

3.4 LITERATURE REVIEW OF SBI MERGERS'S

A literature review on the study of State Bank of India (SBI) bank mergers and amalgamations reveals several key themes:



1. Historical Evolution:

- Studies highlight the historical evolution of SBI through mergers, showcasing how the bank has integrated various entities, such as State Bank of Saurashtra, State Bank of Indore, and State Bank of Bikaner & Jaipur.

2. Financial Implications:

- Literature examines the financial impact of mergers on SBI, considering factors like asset quality, non-performing assets (NPAs), and overall financial performance. Studies assess whether mergers led to improved financial stability and efficiency.

3. Operational Integration:

- Researchers explore the operational aspects of mergers, focusing on how SBI has integrated systems, processes, and human resources. Attention is given to challenges faced during integration and strategies adopted for seamless operations.

4. Customer Experience:

- The literature addresses the impact of mergers on customer experience and satisfaction. Studies investigate how changes in services, technology, and branch networks affect the relationship between SBI and its customers.

5. Regulatory Landscape:

- Research delves into the regulatory environment surrounding bank mergers, emphasizing how regulatory changes and government policies influence SBI's merger decisions. The literature assesses the alignment of mergers with broader economic goals.

6. Employee Perspectives:

- Studies explore the perspectives of employees affected by mergers, assessing the impact on job roles, work culture, and overall job satisfaction within the merged entities.

7. Technological Integration:

- Literature reviews highlight SBI's approach to technological advancements during mergers. Researchers examine the adoption of digital platforms, IT infrastructure changes, and innovations to enhance customer service.

8. Stakeholder Analysis:

- The literature assesses the impact of mergers on various stakeholders, including shareholders, government, and the public. Researchers analyze how mergers contribute to the overall health of the banking sector.

9. Challenges and Opportunities:

- Scholars investigate the challenges encountered by SBI during mergers, such as regulatory hurdles, cultural differences, and resistance to change. The literature also explores opportunities arising from mergers, including enhanced market presence and diversified service offerings.

10. Post-Merger Performance:

- Studies examine the post-merger performance of SBI, analyzing whether the expected benefits materialized and if there were any unforeseen consequences. Research explores the long-term effects of mergers on SBI's competitive position.

This literature review underscores the multifaceted nature of SBI bank mergers, encompassing financial, operational, regulatory, and socio-economic dimensions. It provides valuable insights into the challenges faced and opportunities leveraged by SBI in the dynamic landscape of mergers and amalgamations

3.5 LITERATURE REVIEW OF SBI BANK



A literature review on the State Bank of India (SBI), it's crucial to focus on academic publications, peer-reviewed journals, and authoritative sources.

Introduction:

- Brief overview of the State Bank of India (SBI).
- Importance of SBI in the Indian banking sector.
- Mention of the specific aspects under study (e.g., historical evolution, financial performance, technological advancements, etc.).

Historical Evolution of SBI:

- Discuss the historical background of SBI, tracing its roots back to the Bank of Calcutta in 1806.
- Analyze the key milestones and transformations in the bank's structure leading up to its current form.
- Explore the impact of nationalization in 1955 on SBI's role in the Indian banking system.

Financial Performance and Operations:

- Examine studies on SBI's financial performance over the years.
- Assess the impact of economic factors, government policies, and global trends on SBI's financial stability.
- Discuss the bank's approach to risk management, non-performing assets (NPAs), and measures taken to address challenges.

Mergers and Acquisitions:

- Review literature on mergers and acquisitions involving SBI, such as the merger with State Bank of Saurashtra, State Bank of Indore, and State Bank of Bikaner & Jaipur.
- Evaluate the implications of these mergers on the bank's overall structure, efficiency, and customer service.

Technological Advancements and Innovation:

- Explore studies on SBI's adoption of technology in banking operations.
- Assess the impact of digitalization on customer service, online banking, and the overall customer experience.
- Discuss innovations and technological initiatives implemented by SBI to stay competitive in the digital age.

Regulatory Environment and Government Initiatives:

- Examine how government policies and regulatory changes have influenced SBI's operations.
- Discuss the bank's response to regulatory reforms and its alignment with national economic goals.
- Evaluate the role of SBI in government initiatives related to financial inclusion and social development.

Challenges and Opportunities:

- Analyze studies that highlight challenges faced by SBI, such as managing NPAs, competition, and regulatory compliance.
- Discuss opportunities and strategies adopted by SBI to overcome challenges and foster growth.

Conclusion:

- Summarize key findings from the literature review.
- Conclude with the overall significance of the studies in understanding the evolution and dynamics of the State Bank of India

3.6 Challenges Faced by the SBI in Financial Inclusion:-

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs ,transactions, payments, savings, credit and insurance delivered in a responsible and sustainable way

1. Geographic Challenges:

- SBI faces difficulties in reaching remote and rural areas due to geographical diversity. The bank must overcome logistical challenges to establish a presence in these underserved regions.

2. Technological Barriers:

- The digital divide remains a significant obstacle, with some populations lacking access to technology or digital literacy. SBI must navigate these challenges to deliver digital financial services effectively.

3. Financial Literacy:

- Limited financial literacy among certain segments of the population poses a challenge. SBI has the responsibility to educate individuals about the benefits of banking services and how to use them wisely.

4. Infrastructure Constraints:

- Inadequate physical and digital infrastructure in certain regions hampers the establishment of banking facilities. SBI needs to invest in infrastructure development to expand its reach.

5. Regulatory Compliance:

- Adhering to regulatory requirements while ensuring accessibility and affordability is a delicate balancing act for SBI. Regulatory complexities can affect the bank's ability to implement inclusive strategies effectively.

In conclusion, achieving financial inclusion is a multifaceted challenge that requires addressing geographic, technological, regulatory, and cultural dimensions. The State Bank of India must adopt a holistic approach, incorporating innovative solutions, leveraging technology, and collaborating with stakeholders to overcome these challenges and advance financial inclusion for all.

Ongoing research and strategic initiatives are essential to adapting to the evolving landscape of financial services and fostering inclusive economic development

CHAPTER :- 4 DATA ANALYSIS AND
INTERPRETATION



CHAPTER :- 4 DATA ANALYSIS AND INTERPRETATION

4.1 Data Analysis:

❖ **Meaning:**

It's the process of examining and inspecting data to identify patterns, trends, and insights.

❖ **Example:**

Imagine you have a list of sales figures for a business. Analyzing the data might involve calculating averages, finding the highest-selling products, or identifying sales trends over time.

Interpretation:

❖ **Meaning:** After analyzing the data, interpretation is about understanding and explaining what the patterns or trends might mean in a larger context.

❖ **Example:** Continuing with the sales data, if you notice a spike in sales during a specific month, interpretation could involve explaining that this increase may be due to a new marketing strategy implemented during that time.

In research, the analysis of data and interpretation play pivotal roles in uncovering meaningful information. Analysis involves carefully examining collected data using tools and techniques to identify trends, patterns, and relationships.

This process enables decision-makers to make informed choices, identify opportunities, and address challenges. The analysis involves statistical methods, visualization, and other techniques to uncover hidden information, while interpretation contextualizes the findings, providing a deeper understanding of their implications.

Once the data is analyzed, interpretation steps in to explain the significance of these findings. It's akin to telling the story behind the gems, providing context and understanding.

Together, these processes transform raw data into valuable insights, guiding researchers to draw reliable conclusions and contribute to the advancement of knowledge in their field.

4.2 Importance Of Data analysis And Interpretation Of Data In The Research :-

Data analysis and interpretation are crucial in research to uncover patterns, draw meaningful conclusions, and validate hypotheses, ensuring the reliability and validity of research findings. They guide evidence-based decision-making, contribute to the understanding of complex phenomena, and provide a foundation for drawing actionable insights and making informed recommendations.

- Validates hypotheses and research questions.
- Uncovers patterns, trends, and relationships.
- Ensures reliability and validity of findings.
- Guides evidence-based decision-making.
- Contributes to understanding complex phenomena.
- Provides actionable insights.
- Informs recommendations and interventions.

The importance of data analysis and interpretation cannot be overstated. Data analysis acts as the investigative powerhouse, allowing researchers to meticulously scrutinize raw information and extract meaningful patterns. This systematic examination not only validates the research hypothesis but also illuminates intricate relationships within the collected data.

It serves as the compass guiding researchers through the complexity of their findings.

On the other hand, interpretation transforms these analytical outcomes into a coherent narrative. It's the storyteller that articulates the real-world implications of the data, placing it in a broader context. This contextualization is crucial for understanding the practical significance of the findings and their potential impact. Without robust interpretation, data risks remaining a mere collection of numbers, devoid of actionable insights.

Together, data analysis and interpretation form a symbiotic relationship, unlocking the doors to informed decision-making and contributing valuable knowledge to the academic community and beyond. It empowers researchers to not only decipher the intricacies of their data but also communicate their discoveries effectively, fostering advancements and innovation in their respective fields.

4.3 TYPES OF ANALYSIS OF DATA IN RESEARCH :-

1. Descriptive Analysis:

- :Descriptive statistics summarize and describe the main features of a dataset. Measures such as mean, median, mode, range, and standard deviation provide insights into the central tendency and variability of the data.

2. Exploratory Data Analysis

- EDA is an approach to analyzing datasets to summarize their main characteristics, often with the help of visualizations. Techniques include scatter plots, histograms, and box plots to explore patterns, distributions, and relationships.

3. Predictive Analysis:

- Predictive analytics uses statistical algorithms and machine learning models to forecast future trends or outcomes based on historical data. Regression analysis, time series analysis, and machine learning techniques are common in predictive analysis.

4. Qualitative Data Analysis:

- Qualitative data analysis involves the examination of non-numerical data, such as text, images, or videos. Approaches include content analysis, thematic analysis, and grounded theory to derive themes, patterns, or meanings.

5. Quantitative Data Analysis:

- Quantitative data analysis involves the analysis of numerical data using statistical methods. This can include descriptive statistics, inferential statistics, and various modeling techniques to identify patterns and relationships.

6. Factor Analysis:

- Factor analysis reduces a large number of variables into a smaller set of factors, identifying underlying dimensions or structures within the data. It is commonly used in psychology and social sciences.

7. Regression Analysis:

- Regression analysis examines the relationship between a dependent variable and one or more independent variables. It helps understand the strength and nature of these relationships and can be used for prediction.

4.4 SWOT ANALYSIS



❖ Strengths:

1. **Size and Scale:** SBI is one of the largest banks in India, providing it with significant market presence and influence.
2. **Extensive Branch Network:** The bank has an extensive network of branches, facilitating widespread customer access and service delivery.
3. **Diverse Product Portfolio:** SBI offers a wide range of financial products and services, including retail and corporate banking, insurance, and investment options.
4. **Technology Adoption:** SBI has been proactive in adopting technology, enhancing its digital banking capabilities and improving customer experience.

❖ Weaknesses:

1. **Bureaucratic Structure:** Being a public sector entity, SBI may face bureaucratic challenges, leading to slower decision-making processes.
2. **Legacy Systems:** The bank may have legacy systems that could impede agility and responsiveness to rapidly changing market dynamics.
3. **Asset Quality Concerns:** Like many other banks, SBI faces challenges related to non-performing assets (NPAs), impacting its overall financial health.
4. **Intense Competition:** The banking sector in India is highly competitive, and SBI faces competition from both public and private sector banks.

❖ **Opportunities:**

1. **Digital Transformation:** Continued investment in digital technologies can further enhance SBI's reach and improve operational efficiency.
2. **Financial Inclusion:** SBI can play a crucial role in furthering financial inclusion by reaching out to unbanked and underbanked populations.
3. **Global Expansion:** Exploring opportunities for international expansion can diversify SBI's revenue streams and reduce dependence on the domestic market.
4. **Partnerships and Collaborations:** Collaborating with fintech companies or forming strategic alliances can bring innovative solutions and broaden service offerings.

❖ **Threats:**

1. **Economic Instability:** Economic downturns or financial crises can impact the banking industry, affecting SBI's profitability and asset quality.
2. **Regulatory Changes:** Frequent changes in banking regulations may pose challenges for compliance and adaptation.
3. **Cybersecurity Risks:** The increasing reliance on technology exposes SBI to cybersecurity threats, necessitating robust measures to safeguard customer information.
4. **Interest Rate Volatility:** Fluctuations in interest rates can affect SBI's net interest margin and overall financial performance.

This SWOT analysis provides analysis of the internal and external factors that may impact State Bank of India, guiding strategic planning and decision-making

A SWOT analysis of SBI (State Bank of India) in terms of strengths, SBI boasts an extensive network, both domestically and internationally, solidifying its position as one of the largest and most influential banks. SBI has its diverse range of financial products and services contributes to a resilient revenue stream. On the flip side, weaknesses include bureaucratic challenges and a relatively slower adoption of technological advancements compared to some private counterparts.

Opportunities for SBI lie in tapping into the burgeoning digital banking landscape and expanding its footprint in emerging markets. Leveraging its brand recognition and customer trust, the bank can diversify its offerings and enhance customer experience. However, threats arise from intense competition in the banking sector and regulatory changes that may impact SBI's operations. Adapting swiftly to industry dynamics and addressing operational inefficiencies will be crucial in navigating these challenges.

4.5 DATA INTERPRETATION :-

1] Age

Age	RESPONDENT
10~20	40%
20~30	52%
30~40	6%
Above	2%

Age

50 responses

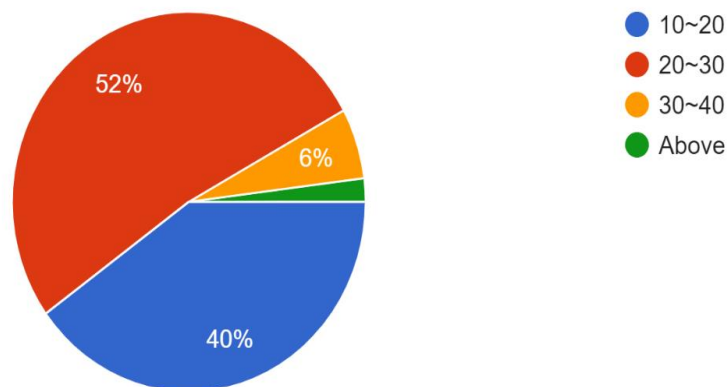


Figure :- 4.6

Interpretation :-

- The above diagram and table represents the different age group and overall 50 respondent are collected from the survey.
- It shows the maximum responses from the age group of 20~30 i.e 52%.thereafter 40% are from 10~20 age group
- Out of 50 responses, 6% respondents are under the age group of 30~40 and above the age of 40 where only 2% responses are collected from the survey.

2] Gender :-

GENDER	RESPONDENT
Male	32%
Female	68%

Gender
50 responses

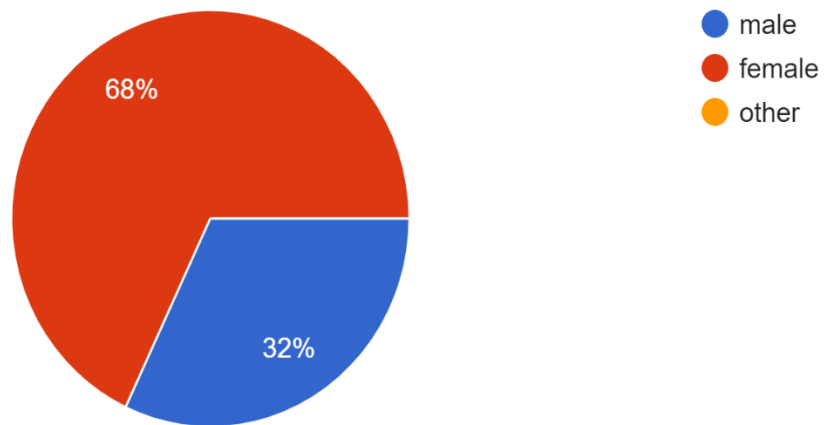


Figure :- 4.7

Interpretation :-

- The above diagram and table represents the gender wise classification of the respondent in two categories i.e male and female
- It represents the total female are 68% out of 50 respondents. Whereas the total male respondents are 32% out of 50 respondents.
- The maximum responses of female are more than the male responses i.e 68% and 32% respectively.

3] How long have you been an account holder with State Bank of India (SBI)?

Years	RESPONDENT
Less than 1	38%
1~5 years	36%
6~10years	22%
11~15 years	2%
More than 15 years	2%

How long have you been an account holder with State Bank of India (SBI)?

50 responses

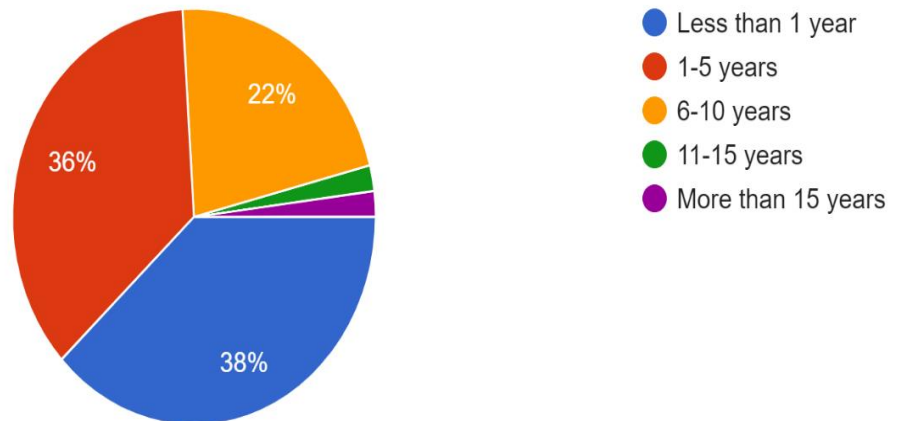


Figure :- 4.8

Interpretation :-

- The above diagram and table represent how long an individual have been opened the account in state bank of India in respect with different years.
- the maximum number of respondents holding an account in SBI are 38% from the group of less than 1 years. Out of 50 responses, 36% and 22% are under the group of 1~5 years and 6~10 years respectively
- At least 2% respondents belongs to having the account in SBI from 11 to15 years and so on.

4] Which SBI services do you frequently use?

Type of account	RESPONDENT
Saving A/c	84%
Current A/c	8%
Fixed deposit A/c	7%
Recurring A/c	1%

Which SBI services do you frequently use?

50 responses

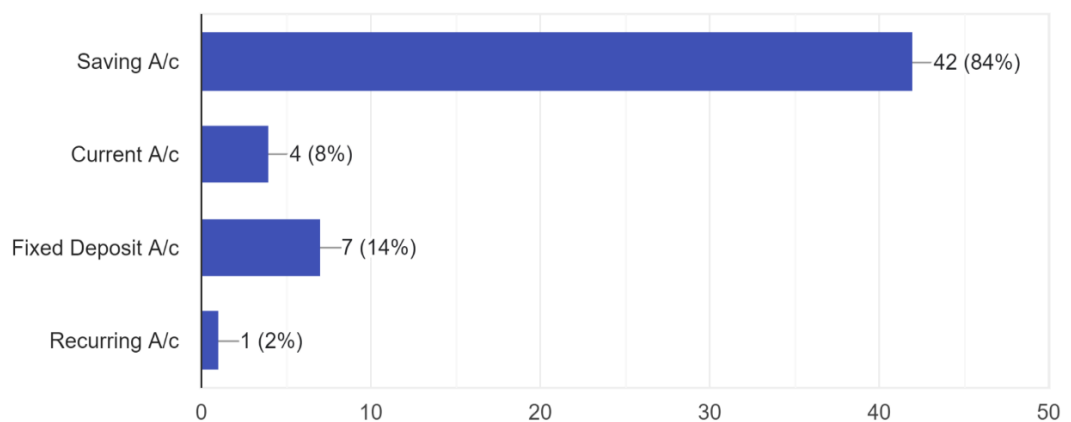


Figure :- 4.9

Interpretation :-

- The above diagram and table represents which types of account or services the customers are more familiar with SBI.
- Most of the respondent i.e 84% are using the saving A/c in SBI bank.
- The survey shows 14% are preferred to use the fixed deposit A/c . whereas the 4% of respondents are belongs to current A/c holders.Remaining 2% are from recurring A/c.

5] How satisfied were you with the account opening process ?

Feedback	RESPONDENT
Very satisfied	56%
Satisfied	38%
Dissatisfied	4%
Very dissatisfied	2%

How satisfied were you with the account opening process when you first became an SBI account holder?

50 responses

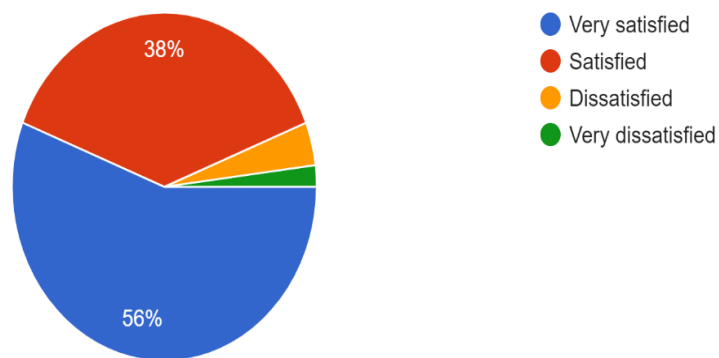


Figure :- 4.10

Interpretation :-

- The above diagram and table represents the individual responses how much the respondent were satisfied to open an initial account in SBI bank.
- The pie chart indicates around 56% of respondents are highly satisfied with the account opening process in SBI. However 38% respondents are satisfied.
- It also shows the level of dissatisfaction among the respondents are 4% and 2% with respect to account opening process.

6] How much the customer are satisfied with the services provided by SBI bank?

Feedback	RESPONDENT
Highly satisfied	44%
Satisfied	46%
Dissatisfied	10%
Very dissatisfied	0%

How satisfied are you with the customer service provided by SBI?

50 responses

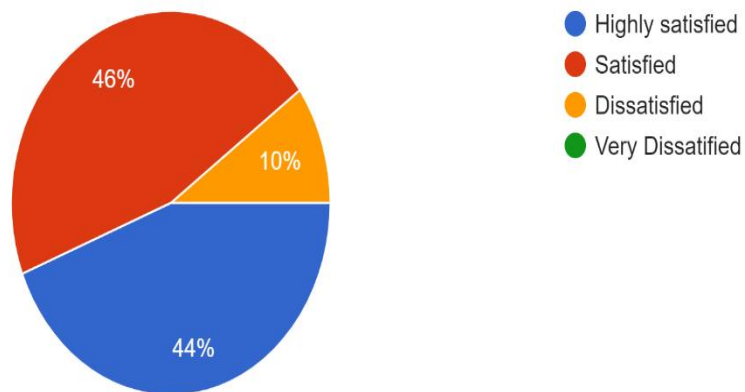


Figure :- 4.11

Interpretation :-

- The above diagram and table represents feedback from the customers with respect to different customer services provided by SBI bank.
- The maximum number of respondents i.e 46% and 44% are highly satisfied and satisfied customer from the services rendered by the SBI bank.
- The pie chart shows the remaining 10% of the respondents are disappointed or dissatisfied from the SBI services

The survey helps to identify the reason of dissatisfaction of respondents the reasons are given below:-

7] Have you faced any issues or challenges with SBI services? If yes, please describe

The diagram has shown in the above figure 4.11

Reasons of the Respondents (10% Dissatisfied Customers)		
1)There employees are very rude and lazy . Never do the work on time	2) Yes, They always delays the work and don't complete it on time	3) Yes SBI employees takes time to process any document

Figure :- 4.12

Interpretation :-

- The above diagram and table shows around 10% respondent are dissatisfied from the customer services rendered by SBI.
- The researcher has analysis the overall performances of SBI into the largest public sector bank in india. The SBI bank has its branches in all over the India around **22000** and nearly **250,000** employees are working in SBI bank.

The researchers helps to provide the solution for the dissatisfaction of respondents are :-

1. The SBI bank main motive is to be prompt, polite and proactive with our customers. The employees are always respect the customers, as per research report **The maximum number of respondents i.e 46% and 44% are highly satisfied and satisfied customer from the services rendered by the SBI bank as shown in fig.**
2. The SBI is the largest bank in india which serves **over 44 crore** customers of our nation Sometimes the SBI employees seems more difficult to handle the majority of customer and work efficiently.Currently the sbi bank was working on it to avail more vacancy or employees which help to complete the work on time.
3. The Sbi has to authenticate the each and every documents of the customers with repect to any services such as KYC , gold loan, opening an account , etc it is necessary to properly verify the documents as per the banking regulation act 1949.
4. **The main reasons was majority of customers of sbi don't use the digital platforms of SBI i.e internet banking and YONO app.**

8] How often do you use SBI's internet banking services?

Period	RESPONDENT
Daily	32%
weekly	12%
Monthly	36%
Rarely	14%
Never	6%

How often do you use SBI's internet banking services?

50 responses

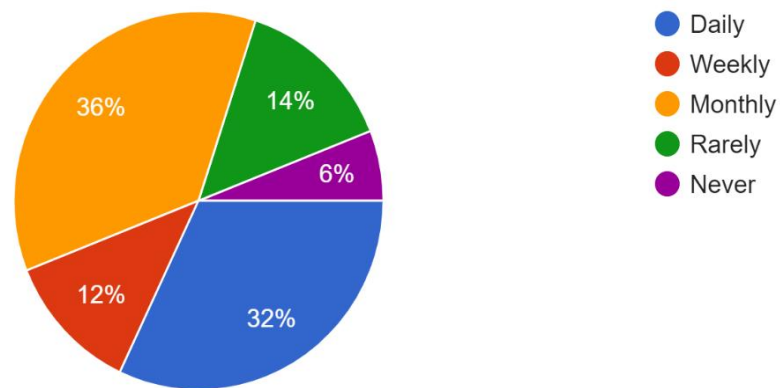


Figure :- 4.13

Interpretation :-

- The above diagram and table represents the respondents who used the internet banking services of SBI
- According to the survey the majority of respondent i.e 36% and 32% are using the internet banking services on monthly and regularly basis
- Around 6% and 14% of respondent are rarely or never used the internet banking services respectively in SBI bank.
- It is necessary to create the awareness or initiate program of internet banking among the customers of SBI.

9] How satisfied are you with the customer service provided during your gold loan application or repayment process?

Feedback	RESPONDENT
Highly satisfied	51%
Satisfied	40.8%
Dissatisfied	8.2%
Very dissatisfied	0%

How satisfied are you with the customer service provided during your gold loan application or repayment process?

49 responses

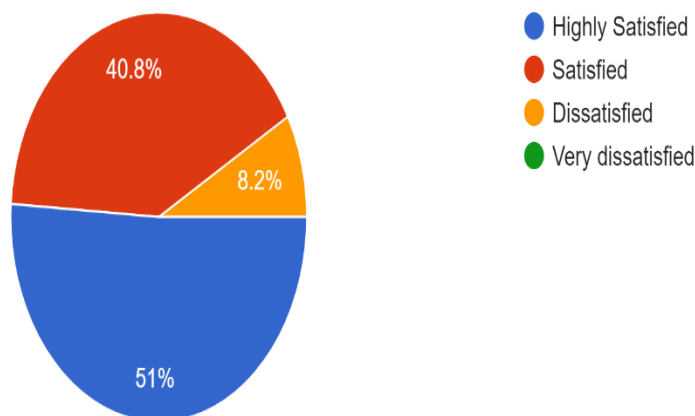


Figure :- 4.14

Interpretation :-

- The above diagram and table represents feedback from the customers during the application for gold loan or repayment services provided by SBI bank.
- The graph shows the highest level of satisfied respondents i.e 51% are more familiar with the application and repayment process of gold loan.
- Out of 40.8% respondent are satisfied with the gold loan process.
- However the remaining respondent of 8.2% are dissatisfied with the process

10] How satisfied are you with the interest rates offered on SBI's gold loan ?

Feedback	RESPONDENT
Very satisfied	44%
Satisfied	48%
Dissatisfied	6%
Very dissatisfied	2%

How satisfied are you with the interest rates offered on SBI's gold loan

50 responses

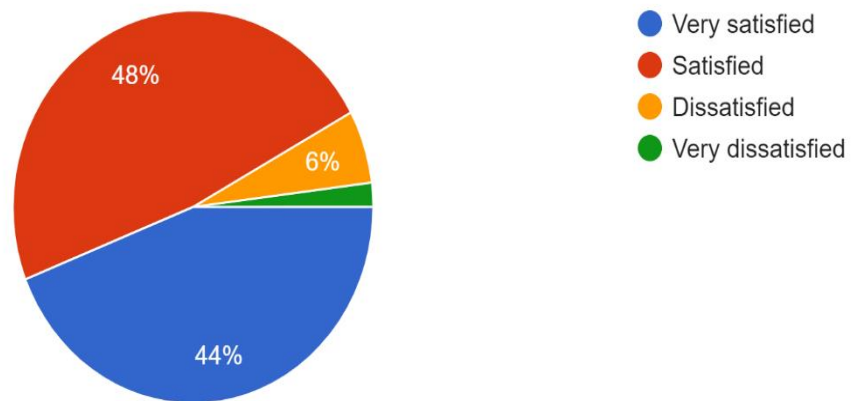


Figure :- 4.15

Interpretation :-

- The above graph and table shows the feedback from the customers with respect to the interest rates offered on SBI gold loan.
- Overall, 92% i.e (44% and 48%) respondents are more satisfied with the interest rate of gold loan.
- Remaining of 6% and 2% are dissatisfied or highly disagree against the interest rates of gold loan.

11] How would you rate your overall experience with SBI services?

Feedback	RESPONDENT
Excellent	48%
Good	40%
Average	10%
Poor	2%

How would you rate your overall experience with SBI services?

50 responses

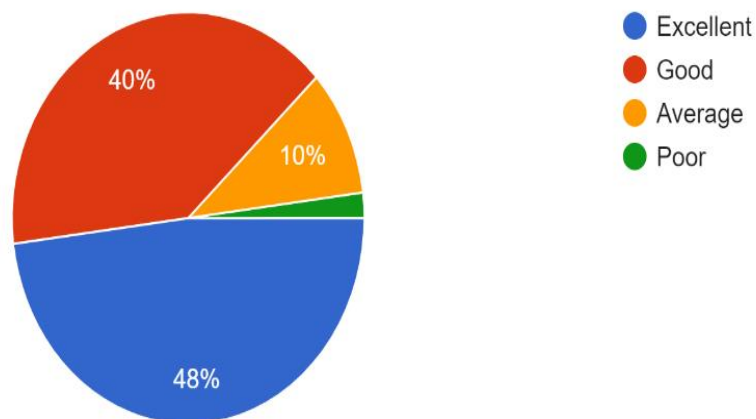


Figure :- 4.16

Interpretation :-

- The above graph and table shows the overall performances of SBI banking services with respect to the customer.
- The graph clearly shows the excellent performances of SBI towards its customers i.e 48% of the respondents.
- The 40% of the respondents are satisfied with the banking services of SBI bank.
- However, the remaining 10% and 2% of customers have been rated the experience as average and poor respectively.

CHAPTER :- 5 CONCLUSION AND SUGGESTION



CHAPTER :- 5 CONCLUSION AND SUGGESTION

5.1 CONCLUSION :-

The State Bank of India (SBI) stands as a testament to the transformative power of strategic vision, adaptability, and a commitment to excellence in the banking sector. Its evolution into the largest Public Sector Bank (PSB) in India is marked by a resilient response to dynamic economic landscapes, regulatory changes, and technological advancements. SBI's leadership has played a pivotal role in steering the institution through challenges while maintaining a focus on innovation, customer-centricity, and sustainable growth.

The State Bank of India journey reflects a combination of strategic foresight, adaptability, and a commitment to innovation. Over the years, SBI has demonstrated resilience in navigating economic uncertainties, regulatory changes, and increasing competition. The bank's leadership has played a pivotal role in steering it through challenges, while its extensive branch network and diverse product offerings have contributed to its widespread success.

SBI's commitment to digital transformation has been a key factor in its growth. The bank has embraced technological advancements, offering a range of online and mobile banking services that cater to the evolving needs of its customers. The strategic expansion of its branch network, both domestically and internationally, has further strengthened its position as a leading financial institution.

Looking ahead, SBI faces the ongoing challenge of staying ahead in an ever-changing financial landscape. Suggestions for continued digital innovation, enhanced customer-centric approaches, robust risk management, diversification of services, global expansion, employee development, ESG initiatives, and collaboration with fintechs offer a roadmap for sustaining growth and relevance.

As SBI continues to navigate the complexities of the financial world, its commitment to adapting to emerging trends, fostering customer trust, and maintaining a strong ethical foundation will be crucial in shaping its future success. The bank's journey so far exemplifies not only its historical significance but also its capacity to evolve and lead in an era of constant change within the financial industry.

5.2 SUGGESTION :-

- ❖ SBI should continue investing in emerging technologies such as artificial intelligence, machine learning, and blockchain to enhance operational efficiency and deliver innovative products and services.
- ❖ Cybersecurity Measures With the increasing reliance on digital platforms, prioritizing robust cybersecurity measures is crucial to safeguard customer data and maintain trust. Regularly update and strengthen security protocols to stay ahead of evolving cyber threats.
- ❖ Comprehensive Risk Assessment has to regularly assess and update risk management strategies, considering potential challenges in the economic and regulatory environment. Develop contingency plans to mitigate the impact of unforeseen events
- ❖ Strengthen compliance frameworks and governance structures to align with regulatory changes.
- ❖ Evaluate the success of personalized services in attracting and retaining customers.
- ❖ Examine customer feedback and experiences across various channels to identify areas for improvement.
- ❖ Introduce new and innovative financial products to cater to a diverse customer base. This may include investment products, insurance offerings, and specialized services for various customer segments.
- ❖ Implement continuous training programs to upskill employees and foster innovation.
- ❖ Evaluate the success of personalized services in attracting and retaining customers.
- ❖ Examine customer feedback and experiences across various channels to identify areas for improvement.

5.4 APPENDIX

"A Survey on State Bank of India Services"

1. What is your age ?

10~20
20~30
30~40
Above

2. Gender

Male
Female
Other

3. How would you rate your overall experience with SBI services?

Excellent
Good
Average
Poor

4. How long have you been an account holder with State Bank of India (SBI)?

Less than 1 year
1-5 years
6-10 years
11-15 years
More than 15 years

5. How satisfied were you with the account opening process when you first became an SBI account holder?

Highly satisfied
Satisfied
Dissatisfied
Very dissatisfied

6. Which SBI services do you frequently use?

Saving A/c
Current A/c
Fixed Deposit A/c
Recurring A/c

7.How satisfied are you with the customer service provided by SBI?

Highly satisfied
Satisfied
Dissatisfied
Very dissatisfied

8.Have you faced any issues or challenges with SBI services? If yes, please describe.

Highly satisfied
Satisfied
Dissatisfied
Very dissatisfied

9.How often do you use SBI's internet banking services?

Daily
Weekly
Monthly
Rarely
Never

10.If you have availed loans or credit cards from SBI, how satisfied are you with the application and approval process?

Highly satisfied
Satisfied
Dissatisfied
Very dissatisfied

11.How often do you visit a physical SBI branch?

Frequently
Occasionally
Rarely
Never

12.How satisfied are you with the services provided at SBI branches?

Highly satisfied
Satisfied
Dissatisfied
Very dissatisfied

13.How satisfied are you with the customer service provided during your gold loan application or repayment process?

Highly satisfied

Satisfied

Dissatisfied

Very dissatisfied

14.How confident are you in the security measures that SBI has in place for gold loan transactions?

Very confident

Confident

Not very confident

Not confident at all

15.How satisfied are you with the interest rates offered on SBI's gold loan

Highly satisfied

Satisfied

Dissatisfied

Very dissatisfied

