

COMPARATIVE STUDY BETWEEN HDFC BANK AND CANARA BANK

**A Project Submitted To
University Of Mumbai for Partial Completion of The Degree Of
Masters Of Commerce (Advanced Accountancy)
Under the Faculty of Accountancy**

**By
NIKITA SURENDRA MOHITE**

Roll No: 24

For The Subject: Project II

**Under The Guidance Of
PROF. CA. AMAR MADIA
Department Of Accountancy**

**VIDYAVARDHINI'S
ANNASAHEB VARTAK COLLEGE OF ARTS,
KEDARNATH MALHOTRA COLLEGE OF COMMERCE,
E.S.ANDRADES COLLEGE OF SCIENCE,
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401202**

Academic Year – 2024-2025

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CERTIFICATE

I hereby certify that Miss.**Nikita Surendra Mohite**, student of Vidyavardhini's Annasaheb Vartak College of arts, Kedarnath Malhotra college of Commerce, E.s. Andrades college of science, vasai road (w), Dist-palghar studying in Master Of Commerce, has completed a project titled '**COMPARATIVE STUDY BETWEEN HDFC BANK AND CANARA BANK**' in the area of advance accountancy specialization for the academic year 2024-2025. To the best of my knowledge the work of the student is original and the information included in the project is correct.

PROF. CA. AMAR MADIA

Name of External Examiner

College Seal

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DECLARATION

I, Ms. **NIKITA SURENDRA MOHITE** student of Vidyavardhini's Annasaheb Vartak College of arts, Kedarnath Malhotra college of Commerce, E.s. Andrades college of science, vasai road (w), Dist-palghar studying in **MASTER IN COMMERCE**, hereby declare that I have completed the Research project entitled '**COMPARATIVE STUDY BETWEEN HDFC BANK AND CANARA BANK**' during the academic year 2024-2025.

The report work is original and the information/data included in the report is true emerging from the primary and/ secondary data gathered and analyzed as part of this project.

Due credit is extended on the work of Literature/Secondary Survey by endorsing it in the Bibliography as per prescribed format.

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ACADEMIC YEAR: 2024-25

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ROLL NO: 24

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CHAPTER - 1

Introduction

1.1 Overview of topic

In general, banking may be classified as retail and corporate banking. Retail banking, which is designed to meet the requirements of individual customers and encourage their savings, includes payment of utility bills, consumer loans, credit cards, checking accounts and the like. Corporate banking, on the other hand, caters to the needs of the corporate customers like bill discounting, opening letters of credit, managing cash, etc. Bank is a place where it accepts deposits for its customers and lends money to their customers in the form of loans. Banks encourage saving habits among individuals and thereby make funds available for them when they need it. Banks play an important role in the stability of a country's economy. Banks also provide related services such as individual retirement accounts (IRAs), certificates of deposit (CDs), currency exchange, and safe deposit boxes. A broader definition of banking is any financial institution that receives, collects, transfers, pays, exchanges, lends, invests, or safeguards money for its customers. Investment banks, financing companies, and money lenders are just some of the institutions that have engaged in banking. Banks sell financial services such as car loans, home mortgage loans, business loans, checking accounts, credit card services, certificates of deposit, and individual retirement accounts. According to the Oxford dictionary, a bank can be defined as, “An establishment for custody of money, which it pays out, on a customer’s order.” Banking company in India has been defined in the banking companies act 1949 as, “one which transacts the business of banking which means the accepting, for the purpose of lending or investment of the deposits of money from the public, repayable on demand, or otherwise and withdrawals be cheque, draft, order or otherwise.”

1.2 Banking in India

Modern banking in India originated in the mid 18th century. Among the first banks were the Bank of Hindustan, which was established in 1770 and liquidated in 1829–32; and the General Bank of India, established in 1786 but failed in 1791.

The Indian banking sector is classified into scheduled and non-scheduled banks. According to the law,

1. Scheduled bank

Scheduled banks are the banks, which are included in the second schedule of the banking regulation act 1965. According to this schedule bank:

- Must have paid up capital and reserve of not less than Rs. 500,000.
- Must also satisfy the RBI that their affairs are not conducted in a manner determined to the interest of its depositors.

Scheduled banks are subdivided as

- i. State co-operative banks
- ii. Commercial banks

2. Non-scheduled bank

Non scheduled banks are the banks, which are not included in the second schedule of the banking regulation act 1965. It means they do not satisfy the conditions laid down by the schedule. These are the banks having paid up capital, less than Rs.5 lakhs. They are further classified as

- i. Central co-operative banks and primary credit societies.
- ii. Commercial banks.

1.3 History of banking in INDIA

- Ancient India

The Vedas are the ancient Indian texts, mentioning the concept of usury with the word kusidin translated as “usurer”. By the end of the 2nd century usury became more acceptable. The manusmriti considered usury an acceptable means of acquiring wealthy or leading a livelihood. It also considered money lending above a certain rate and different caste a grave sin. Late during the Mauryan period, an instrument called ‘adesha’ was in use, which was an order of a banker directing him to pay a sum on note to a third person, which means the modern bills of exchange. In large towns merchants also gave letters of credit to each other.

- Medieval period

The use of loans continued in the medieval period and was called ‘dastawes’. There are records of Indian bankers issuing bills of exchange on foreign countries. The evolution of hundis, a type of credit instrument also occurred in the time and remains in use.

- Colonial era

In the first half of the 19th century the East India Company established three banks:

1. Bank of Bengal in 1809.
2. Bank of Bombay in 1840.
3. Bank of Madras in 1843.

These three banks are also known as presidency banks and were independent units and functioned well. These three banks were amalgamated in 1920 and Imperial bank of India was established on 27th January 1921, which started as private shareholders banks, mostly European shareholders, with the passing of time Imperial bank was taken over by the newly constituted state bank of India act in 1955. In 1865 Allahabad Bank was established and first time exclusively by Indians, Punjab national bank limited was set up in 1894 with headquarters at Lahore. Between 1906 and 1913, Bank of India, Central bank, Bank of Baroda, CANARA BANK, Indian bank, and Bank of Mysore were set up. Reserve Bank of India came in 1935. In July, 1969, 14 major banks of India were nationalized and on 15th April, 1980 six more commercial private banks were also taken over by the government.

1.4 Expansion of banking in India

The expansion of banking in India has been a key factor in the country’s economic growth. It began with the establishment of the first bank, the Bank of Hindustan, in 1770, and later saw the formation of major banks like the Imperial Bank (now State Bank of India) and the Reserve Bank of India (RBI) in 1935. Post-independence, the government nationalized several private banks in 1969 to promote financial inclusion. In the 1990s, liberalization and economic reforms opened the door for private banks and foreign banks to enter India, increasing competition and innovation in the sector. The introduction of banking technology, such as ATMs, mobile banking, and online platforms, further revolutionized access to banking services, especially in rural areas.

Government schemes like Jan Dhan Yojana and initiatives such as financial literacy programs have also significantly expanded access to banking for the unbanked population.

Today, India has a robust banking system with public, private, and foreign banks, serving millions of customers and supporting the country's growing economy.

1.5 INDIAN BANKING INDUSTRY

The banking scenario in India has been changing at a very fast pace from being just the borrowers and the lenders traditionally, the focus has shifted to more differentiated and customized product and service providers from regulation to liberalization in the year 1991, from planned economy to market.

From licensing to integration with global economics, the changes have been swift. Almost all the sectors operating in the economy were affected and the banking sector is no exception to this. Thus the whole banking system in the country has gone under radical change. Let us see how banking has evolved in the past years of independence.

After independence in 1947 and predominance in 1950 the country set about drawing its road map for the future public ownership of banks was seen as inevitable and SBI was created in 1955 to spearhead the expansion of banking into rural India and speed up the process of magnetization.

Political compulsions brought about nationalization of banks in 1969 and lobbying by bank employees and their unions added to the list of nationalized banks a few years later. Slowly the unions grew in strength, while bank management stagnated. The casualty to the customer service declined, complaints increased and bank management was unable to fix the rot.

In the meantime the technology was becoming a global phenomenon lacking a vision of the future and the banks erred badly in opposing the technology upgrade of banks. They mistakenly believed that the technology would lead to retrenchment and eventually the marginalization of unions. The problems faced by the banking industry

soon surfaced in their balance sheets. But the prevailing accounting practices have enabled banks to dodge the issue.

The rules of the game under which the banks operated changed in 1993. Norms on income recognition, assets classification and loan provisioning were put in place and capital adequacy ratio became mandatory. The cumulative impact of all these changes has been on the concept of state ownership in banks. It is increasingly becoming clear that state ownership in banks is no longer sustainable.

The amendment of banking regulation act 1993 saw the entry of new private sector banks and foreign banks:

Major players in India

1. HDFC BANK LTD.
2. CANARA BANK LTD. .
3. STATE BANK OF INDIA LTD.
4. ICICI BANK LTD.
5. BANK OF BARODA LTD.
6. FEDERAL BANK LTD.
7. AXIS BANK LTD.
8. IDBI BANK LTD.
9. YES BANK LTD,
10. ING VYSYA BANK LTD.

1.6 PRIVATIZATION OF INDIAN BANKING

There are two areas of competition which the banking industry is facing internationally and nationally. In the pre-liberalization era, Indian banks could grow in a closed economy but the banking sector opened up for private competition. It is possible that private banks could become dominant players even within India. There has been a rapid rise of the new private sector banks and it has tracked the transformation of the public sector banks as they grapple with the changes of financial deregulation.

Use of ATM cards, Internet Banking, Phone Banking, Mobile Banking are the new innovative channels of banking which are being widely used as they result in

saving both time and money which are two essential things that everyone is short of and is running to catch hold of them. Moreover private sector banks are aligning its infrastructures, marketing quality and technology to build deep commitment in building consumer and retail banking. The main focus of these banks is on innovative range of services or products.

TYPES

- **Central bank**

Central bank is the apex bank in the banking structure of a country. It plays an important role in a country's monetary and banking system. Central bank is the most important bank of the country. The main function of this bank is to maintain the economic stability of the country and in reference to the underdeveloped countries; its main function is the development of the economy. Central bank provides guidance to other banks, whenever they face any problem. It is therefore known as banker's bank. The central bank of India is the Reserve Bank of India (RBI). The other functions of RBI are:

1. Currency issuing authority
2. Banker to the government
3. Banker to the other bank
4. Framing monetary policies
5. Exchange control
6. Custodian to foreign exchange and gold reserves
7. Development activities
8. Research and development in banking sector

Co-operative banks

Co-operative Banks are financial institutions registered under co- operative act. The main objective of these types of banks is giving credit to economically backward people. In India co-operative banks are the main source of rural credit. These banks are to encourage the rural area people to save and give loans at low interest rates. There are three types of co-operative banks at different levels.

1. Primary credit societies:

These are formed at the village or town level with borrower and nonborrower members residing in one locality. The operations of each society are restricted to a small area so that members know each other and keep watch over activities of all members in case to prevent frauds.

2. District central co-operative banks:

These banks are operated at District levels having the primary credit societies belonging to the same district as their members and function as links between the credit societies and co-operative banks.

3. State co-operative banks:

These are the apex co-operative banks in all the states of the country. They mobilize funds and help in its proper channelization among various sectors. The money reaches the individual borrowers from the state co-operative banks through the central co-operative banks and primary credit societies.

Commercial banks

These banks accept the deposits from the general public and lends short term loans to traders, manufacturers and businessmen by various ways like cash credits, overdrafts, etc. commercial bank provides various services like collecting cheques, bills of exchange, remitting money from one place to another place, etc. nowadays some of the commercial banks are also providing housing loans on long term basis to individuals. Commercial banks are of three types, public sector banks, private sector banks and foreign banks.

1. Public sector bank:

Public sector banks are those in which the government holds more than 50% of the total stock. The government formulates all the financial guidelines for public sector banks. The public sector banks operate under the government to inspire trust in the depositors that their money is safe. India's biggest public sector bank is the State Bank of India. Public sector banks constantly work in the public interest by introducing schemes for customers' benefit. They also charge less for their services

than private banks. Besides working in the public interest, nationalized banks in India also earn huge profits. There are 12 public sector banks in India.

Examples of public sector banks

1. CANARA BANK
2. BANK OF BARODA
3. BANK OF INDIA

2. Private sector bank:

Private sector banks are those in which private individuals or private corporations own a significant portion of the bank's equity. Even though these banks adhere to the guidelines of the country's central bank, they are free to develop their financial strategies for their customers. A significant portion of these banks' shares are traded on the stock market, and anyone can purchase a significant portion of these banks' shares on the stock market. There are 21 private sector banks in India.

Examples of private sector banks.

1. HDFC BANK
2. ICICI BANK
3. AXIS BANK

3. Foreign banks:

These banks are registered and have their headquarters in a foreign country but operate their branches in our country. Foreign banks operating in our country have increased since the financial reforms of 1991. Examples of the foreign banks in our country are :

1. Citibank
2. American express

Regional rural banks

These banks were established in 1975 to enhance the banking facilities in the rural areas. In these banks, the features of commercial and co-operative banks are found. These banks are sponsored by some commercial banks. 50% of their capital is provided by the central government, 35% by the commercial banks concerned and 15% by the state government concerned. The main functions performed by these

banks are to provide loans to small traders, small farmers and for the development of agricultural activities.

Specialized banks

There are some banks which cater to the requirements and provide overall support for setting up business in specific areas. Exim bank, SIDBI and NABARD are examples of such banks.

1. Export import bank of India (EXIM BANK)

For setting up business for exporting products or importing products from foreign countries for sale in our country, EXIM bank can provide the required support and assistance. The bank grants loans to exporters and importers and also provides information about the international market.

2. Small Industries Development Bank of India (SIDBI)

To establish a small scale business unit or industry, loans on easy terms can be availed through SIDBI. It also finances modernization small scale industrial units, use of new technology, etc. the main aim of SIDBI is to promote, finance and develop small scale industries

3. National Bank for Agriculture and Rural Development (NABARD)

It is an apex institution for financing agricultural and rural sectors. For people engaged in agricultural or other activities like handloom weaving, fishing, etc. NABARD can provide credit both short term and long term through regional rural banks.

Exchange banks

Exchange banks are mainly concerned with financing foreign trade. Main functions of exchange banks are remitting money from one country to another country, discounting of foreign bills, helping import and export trade, etc. bank of Tokyo, bank of America are examples of exchange banks in India.

Indigenous bankers

In India, Indigenous or native/ domestic bankers have been carrying on banking functions for generations before properly organized commercial and other banks

started functioning. They mainly deal in “Hundis” and promissory notes. They charge a very high rate of interest on loans. Hundis are regarded as native of bills of exchange.

Saving banks

This bank accepts small savings from the public who have fixed income. It creates the saving habit among people. In India, the post office savings bank is one of the saving banks. Commercial banks and co-operative banks also play a role of saving banks.

FUNCTIONS

Commercial banks perform various types of functions. It satisfies the financial needs of the sectors like industry, trade, agriculture, etc. it plays a very important role in a process of satisfying economic and social needs. The functions performed by banks are changing according to changing time and recently they are becoming customer centric and widening their functions. Functions of the commercial banks are categorized into two types:

- Primary functions
- Secondary functions

1. Primary functions

A. Accepting of deposits

The most important activity of a commercial bank is to mobilize deposits from the public. People who have surplus income and savings, find it convenient to deposit the amounts with banks in different types of deposit accounts which are as follow:

1) Saving deposits

This account, as the name suggests, is meant for promotion of savings. Persons having fixed and regular income can deposit their savings in this account. A saving account holder is not permitted to have frequent withdrawals from this account as it is meant for saving. The interest on this account is credited to the account once in every six months

2) Fixed deposit

A fixed amount is deposited for a fixed amount of time and it is called a fixed deposit account. It is also known as term deposit. The fixed period of time may be from 30 days to 5 years or above. The rate of interest is highest on this account because the amount accepted is invested elsewhere for a long term by the bank. The depositor is given a fixed deposit receipt. If the depositor needs it before the date of maturity, he can get a loan against the deposit.

3) Current deposits

In this account, a depositor can deposit money any number of times and can withdraw it as and when he requires. In this account, generally business class deposit their money, generally the bank does not pay interest on this account. If the total amount deposited is less than the minimum amount required, then the bank can charge some service charges. Money can be withdrawn from this account by cheque. A current account holder has an overdraft facility.

4) Recurring deposits

In this type of account, a depositor deposits a fixed amount of money every month for a fixed period of time. The money is deposited monthly. This money cannot be withdrawn before the expiry of a fixed term except certain conditions. The amount of interest which is received on the money deposited is re-deposited along with the principal amount. This amount attracts higher interest in comparison to other accounts except fixed deposit accounts.

B. Granting of loans and advances

A banker receives money through its deposits at lower rates. Out of these deposits commercial banks grant loans and advances to the members of the public and to the business community at a higher rate of interest.

1) Loans

A loan is granted for a specific period of time. The loans are particularly granted to some businessmen and members of the public against personal security, gold silver

and other movable and immovable assets. Generally commercial banks grant short term loans. But term loans i.e. loans for more than a year may also be granted. The borrower may withdraw the entire amount in lump sum or installments. However, interest is charged on the entire amount of loan

2) Advances

An advance is a credit facility provided by the bank to its customers. It differs from loan in the sense that a loan may be granted for a longer period of time. The purpose of granting advances is to meet day to day requirements of a business. Interest is charged only on the amount withdrawn and not on the sanctioned amount.

Types of Advances

a. Cash credit :

Under the cash credit system, the bank allows the borrower to draw an amount up to a specific limit. A limit of a certain amount is sanctioned to the customer. The customer can withdraw this amount as and when required. Interest is charged on the amount withdrawn

b. Overdraft:

Overdraft is a credit facility granted by the bank to current account holders. A current account holder is allowed to withdraw more than the amount of credit balance in his account. It is a temporary arrangement. Overdraft facilities with a specific limit may be allowed either on the security of assets or on personal security or both. Bank charges interest on this facility. A current account shows a debit balance where there is an overdraft.

c. Discounting of bills

A bill of exchange is a negotiable instrument. Banks provide short term finance by discounting bills i.e. making payment of the amount before the due date of the bills after deducting a certain amount of discount. The party gets the funds without waiting for the date of maturity of the bills. In case the bill is dishonored on the due date, the bank can recover the amount from the customer.

2. Secondary functions

In addition to primary functions of accepting deposits and granting loans and advances, Banks perform various other functions which are called secondary functions. They are of the following;

A. Agency functions

Agency functions include the following:

1) Collection of cheques, dividends, and interests:

As an agent the bank collects cheques, drafts, promissory notes, interests, dividend etc. on behalf of its customers and credits the amount to their accounts. Customers may furnish their bank details to companies where investment is made in shares, debentures, etc. so that the companies can directly send the warrants/ cheques to the bank for credit to customers' accounts.

2) Payment of rent, insurance premium, etc:

The bank makes the payment such as rent, insurance premiums, subscription, etc on standing instruction until further notice. Till the order is revoked the bank will continue to make such payments regularly debiting the customers' account. ECS means electronic clearing system under which one time instruction is given to the bank for debiting/ crediting the account.

3) Dealing in foreign exchange:

As an agent, the commercial bank purchases and sells foreign exchange for customers as per RBI exchange control regulations.

4) Purchase and sale of securities:

Commercial banks undertake the purchase and sale of different securities such as shares, debentures, bonds, etc on behalf of their customers. They run a separate 'portfolio management scheme' for their big customers.

5) Act as trustee, executor of will, attorney, etc:

The bank acts as executives of will, trustees and attorneys. It is safer to appoint a bank as trustee than to appoint an individual.

6) Bank drafts:

A bank draft is a financial instrument with the help of which money can be remitted from one place to another. Anyone can obtain a bank draft after depositing the amount in the bank. The bank charges commission for issuing a bank draft. For bank drafts, funds are withdrawn directly from a bank's fund and not from an individual account. It is less risky for a creditor.

7) Underwriting of shares:

Underwriting services include guarantees by the bank to the company. In case the company shares are not sold, the bank will take the responsibility of the unsold shares. Bank charges commission for this service.

8) Demat account :

Demat account facility has been introduced by commercial banks to facilitate the customers who are shareholders.

- a. To keep a record of their shareholdings in electronic form.
- b. To facilitate buying and selling of shares in the share market

A statement of holding is issued to the account holder periodically for his information and records.

B. Utility functions

Utility functions of banks include the following:

1) Safe deposit vault/ lockers:

Safety of valuables like jewels, documents, etc is provided by commercial banks by way of safe deposit vaults or lockers. 'Lockers' are small cabinets fitted in steel racks and kept inside strong rooms known as 'vaults'. These lockers are available on a half yearly or annual rental basis.

2) Traveller's cheques:

Traveller's cheques are used by domestic travellers as well as international travellers. Bank issues traveller's cheque to help carry money safely while travelling within India or abroad. Thus, the customers can travel without fear or loss of money. Traveller's cheques are commonly used by international travellers so as to make their travel more safe and convenient.

3) Letter of credit:

Letter of credit is a payment document provided by the buyer's bank in favour of the seller. This document guarantees payment to the seller upon presentation of documents mentioned in the letter of credit evidencing dispatch of goods to the buyer. The letter of credit is an important method of payment in international trade. There are four parties to a letter of credit.

- a. The buyer or the importer is also known as the applicant.
- b. The bank which issues the letter of credit known as opening bank.
- c. The seller in whose favor the letter of credit is issued is also called as beneficiary.
- d. The credit receiving bank

4) Gift cheques:

The commercial banks offer gift cheque facilities to the general public. These cheques receive a wider acceptance in India. Under this system by paying an equivalent amount one can buy a gift cheque for presentation on occasions like weddings, birthdays etc.

1.7 HDFC BANK

The Housing Development Finance Corporation Limited (HDFC) was amongst the first to receive an 'in principle' approval from Reserve Bank of India (RBI) to set up a bank in the private sector as a part of the RBI's liberalization of the Indian banking industry in 1994. The bank was incorporated in August 1994 in the name of 'HDFC BANK Limited' with its registered office in Mumbai, India. HDFC bank commenced operations as a scheduled commercial bank in January 1995. HDFC Bank is one of India's leading private-sector banks, established in 1994 and headquartered in Mumbai. It offers a wide range of banking services, including retail banking, corporate banking, and treasury operations. HDFC Bank is known for its strong

digital banking infrastructure, providing services like mobile banking, internet banking, and ATMs across the country.

The bank has a significant presence in both urban and rural markets, serving individuals, businesses, and government entities. It is recognized for its customer service, innovation, and financial stability. Over the years, HDFC Bank has consistently maintained strong growth, becoming one of the most valuable banks in India by market capitalization. Its success is attributed to a combination of prudent management, a diversified product portfolio, and strategic expansion. As of September 30, 2024, HDFC Bank's distribution network comprised 9,092 branches and 20,993 ATMs across 4,088 cities and towns. While specific figures for December 2024 are not available, the bank has been actively expanding its network. In January 2024, HDFC Bank announced plans to open 1,000 branches in 2024, aiming to reach a total of 13,000 branches within 3-5 years. Given this expansion strategy, it's reasonable to infer that by December 2024, the number of branches and the cities they serve would have increased beyond the September 2024 figures. As of March 31, 2024, HDFC Bank employed 213,527 individuals, marking a 23.27% increase from the previous year.

In January 2024, the bank reported issuing approximately 53 million debit cards and 20 million credit cards. Specific data regarding the number of POS terminals installed by HDFC Bank in FY 2024 is not readily available. However, the bank has been actively enhancing its merchant solutions, including the introduction of the All-In-One POS device, which integrates a point-of-sale system, QR code scanner, and Soundbox. While the exact number of permanent employees as of December 2024 is not specified, the bank's workforce has been on an upward trajectory, with over 4,000 new employees joining each month as of September 2023.

HISTORY OF HDFC BANK

Foundation and Early Beginnings (1994-1999)

HDFC Bank was incorporated in August 1994 in Mumbai as a part of India's economic liberalization, which allowed private players to enter the banking sector. The Housing Development Finance Corporation (HDFC), India's leading housing finance company, promoted the bank.

In 1995, HDFC Bank commenced operations, offering commercial and transactional banking services to both individuals and businesses. Its first branch and corporate office were established in Mumbai. It gained attention for its focus on operational efficiency, customer service, and the use of technology to streamline banking processes. In 1999, HDFC Bank merged with Times Bank Limited, marking the first-ever merger in India's private banking sector. This merger significantly strengthened the bank's market presence and customers.

The Landmark Merger with HDFC Limited (2023)

In 2023, HDFC Bank completed its merger with its parent company, HDFC Limited, which was one of the largest housing finance institutions in India. This merger created a financial powerhouse with a combined balance sheet exceeding \$400 billion, making it one of the largest banks in the world by market capitalization. The merger also expanded the bank's portfolio to include comprehensive housing finance solutions, further strengthening its retail banking dominance.

MISSION

- ❖ World class Indian Bank.
- ❖ Benchmarking against international standards.
- ❖ To build sound customer franchises across different businesses.
- ❖ Best practices in terms of product offerings, technology, service levels, risk management and audit and compliance.

VISION

The HDFC Bank is committed to maintain the highest level of ethical standards professional Integrity and regulatory compliance HDFC banks business philosophy is based on 4 core values such as

- Operational excellence
- Customer focus
- Product leadership

The objective of HDFC Bank is to provide it started market customers a full range of financial products and services giving the customers one step Window for all his or her requirements the HDFC Bank Plus and investment advisory services programs have been designed keeping in mind needs of customers who said distinct Financial Solutions information and advice on various investment avenues.

KEY EXECUTIVES OF HDFC BANK

- Sashidhar Jagdishan (CEO)
- Anjani Rathor (CDO)
- Arvind Kapil (Group Head - Retail Assets and SL)
- Arvind Vohra (Group Head - Retail Branch Banking)

- Ashima Bhat (Group Head - Business Finance & Strategy, Administration, Infrastructure, ESG & CSR)
- Srinivasan Vaidyanathan (CFO)
- Ramesh Lakshminarayanan (CIO and Head of IT)

HDFC BANK BOARD OF DIRECTORS

- o Mr. Atanu Chakraborty (Chairman)
- o Mr. Sashidhar Jagdishan (Managing Director)
- o Mr. Kaizad M. Bharucha (Deputy Managing Director)
- o Mr. Bhavesh Zaveri (Executive Director)
- o Mr. V. Srinivasa Rangan (Executive Director)
- o Mr. Keki M. Mistry (Non-Executive Director)
- o Mrs. Renu Sud Karnad (Non-Executive Director)
- o Mr. M. D. Ranganath (Independent Director)
- o Mr. Sandeep Parekh (Independent Director)
- o Dr. (Mrs.) Sunita Maheshwari (Independent Director)
- o Mrs. Lily Vadera (Independent Director)
- o Dr. (Mr.) Harsh Kumar Bhanwala (Independent Director)
- o Mr. Santhosh Iyengar Keshavan (Independent Director)

HDFC bank Limited executive committees

- Audit committee
- Compensation committee
- Nominating committee
- Corporate governance committee

SWOT ANALYSIS OF HDFC BANK STRENGTH

- **Strengths**

1. Strong Brand Reputation
2. Diverse Product Portfolio
3. Robust Financial Performance 21
4. Innovative Technology Adoption
5. Extensive Distribution Network
6. Strong Customer Base

- **Weaknesses**

- a) High Dependence on Urban Markets
- b) Limited Global Presence
- c) High Cost of Operations

- **Opportunities**

- I Growing Digital Banking Market
- II. Rural Market Expansion
- III. Partnerships and Collaborations
- IV. SME and MSME Lending
- V. Sustainable Banking

- **Threats**

- i. Intense Competition
- ii. Regulatory Changes
- iii. Economic Slowdowns
- iv. Cyber-security Risks
- v. Global Economic Uncertainty

HDFC Bank is well-positioned as a leader in the Indian banking sector with strong financials, technological innovation, and customer trust. By capitalizing on emerging opportunities and addressing its weaknesses and threats, the bank can sustain long-term growth and enhance its competitive edge.

AWARDS WON BY HDFC BANK

2022

i. Asiamoney Best Bank Awards 2022:

- Best Corporate Bank
- Best Bank for SMEs
- Best Bank for Diversity & Inclusion

ii. Euromoney Awards for Excellence 2022:

- Best Bank in India

iii. Fortune India – Grant Thornton Bharat's Study of India's Best Banks 2022:

- Best Large Bank

2023

1. BT Best Banks Awards 2023:

- Best Bank of the Year (Joint Winner)
- Best Large Indian Bank

2. Economic Times Awards for Corporate Excellence 2023:

- Conscious Corporate of the Year

3. Financial Express Best Banks Awards 2023:

- Best Private Sector Bank

2024:

a) The Global Private Banking Awards 2024:

- Best Private Bank in India

b) The Asian Banker Leadership Achievement Awards 2024:

- CEO of the Year in Asia Pacific

c) ICC Emerging Asia Banking Conclave & Awards:

- Best Performance on Growth (Private Sector Bank – Large)

1.8 CANARA BANK

The headquarter of CANARA BANK is in Bangalore CANARA BANK India is the fifth Biggest bank in India it is one of the most admired banking and financial services provider in India CANARA BANK is one of the most prominent commercial banks in India the bank was established in the year 1906 in Mangalore Karnataka by a well-known personality Mr Ammemble Subba Rao Pai initially it was founded with the name CANARA BANK Hindu permanent fund but later on the name was changed to CANARA BANK Limited Mr Ammemble Subba Rao Pai had envision the bank to not only offer financial services but also fulfil social causes such as removal of superstitions and ignorance promotion of habit of saving providing assistants to the people in need and developed accents of humanity among the people

It has 9,723 branches. 13,423 ATMs as of December 2023. The services provided by CANARA BANK are asset management, commercial banking, credit cards, investments banking, pensions, mortgages, private banking, retail banking, etc. CANARA BANK offers a UPI app named “empower”. This app empowers CANARA BANK and other bank customers to perform pay and collect transactions using a single mobile app. The government of India nationalised CANARA BANK along with 13 other major commercial banks of India, on 19th July 1976.

On august 30th 2019, the finance minister of India Nirmala Sitharaman announced that Syndicate bank would be merged with CANARA bank. The board of directors approved the merger on 13th September 2019. "A good bank is not only the financial heart of the community but also one with the obligation of helping in every possible manner to improve the economic condition of the common people"- A. Subba rao Pai.

HISTORY OF CANARA BANK.

Canara Bank, one of India's oldest and largest public sector banks, has a rich history of growth and transformation. Below is a detailed overview of its journey:

Early Years (1906 - 1947)

- 1906: Canara Bank was founded by Shivalli Narayana Bhat, a businessman from Mangalore, Karnataka. Initially, the bank was set up under the name "Canara Bank Limited" with a capital of ₹50,000. The primary goal was to provide banking services to local communities, including loans for agricultural and business needs.

- The bank expanded its operations initially in the southern part of India, particularly in Mangalore, but it gradually extended its services across the country. By the time of India's independence in 1947, the bank had established a solid reputation and a growing customer base.

Post-Independence Expansion (1947 - 1969)

- 1947-1969: After India gained independence, Canara Bank started to expand significantly. During this period, it was among the few banks that pioneered in opening branches in rural areas, fulfilling the Indian government's focus on rural development.
- The bank's contribution was recognized with the opening of more branches and its ability to offer loans to both individuals and businesses, boosting economic activities in various regions.

Nationalization and Growth (1969 - 1990)

- 1969: The Government of India nationalized 14 major commercial banks, including Canara Bank. The move was part of a broader strategy to strengthen the public sector and improve access to banking in rural and semi-urban areas. As a result, Canara Bank expanded its reach rapidly, opening more branches across the country.
- 1970s-1980s: The bank's operations grew, and it became a key player in India's banking sector. It focused on providing loans to various sectors, including agriculture, industry, and services. The establishment of a vast branch network also helped increase the bank's accessibility.

Merger and Continued Growth (2010 - Present)

- 2017: A major milestone in the bank's history was the merger with Syndicate Bank, one of the oldest public sector banks in India. This merger strengthened Canara Bank's position in the banking sector and expanded its customer base.
- Digitalization and Innovation: In recent years, Canara Bank has heavily invested in digital banking services, offering features such as mobile banking, internet banking, and a range of innovative products and services.
- 2020s: Canara Bank continues to adapt to the changing financial landscape by focusing on digital transformation, customer experience, and expanding its

range of financial products. It has also introduced several initiatives in financial inclusion, offering services to rural and underserved areas.

KEY EXECUTIVES OF CANARA BANK

As of January 2025, the key executives of Canara Bank include the Managing Director, Executive Directors, and other top-level management members responsible for the bank's operations and strategic initiatives.

- Shri L.V. Prabhakar – CEO
- Shri R. Rajendra – Chief General Manager
- Shri K. M. Chandra Sekhar – Chief General Manager
- Shri B. K. Mishra – Chief Financial Officer (CFO)
- Shri M. R. Prakash – Chief Risk Officer (CRO)
- Shri S. Prakash – Chief Technology Officer (CTO)
- Shri D. G. Sridhar – General Manager

CANARA BANK BOARD OF MEMBERS

- o Shri L.V. Prabhakar – Managing Director & CEO
- o Shri K. S. P. Rao – Executive Director
- o Shri R. S. Shetty – Executive Director
- o Shri M. D. R. M. S. M. Subrahmanyam – Executive Director
- o Shri Shyam Srinivasan – Non-Executive Chairman (Government Nominee)
- o Shri G. Ramesh – Non-Executive Director
- o Shri S. Ramanathan – Independent Director
- o Shri N. Ravi – Independent Director
- o Shri K. V. R. Murthy – Independent Director
- o Shri K. S. A. K. Ramachandran – Independent Director

INTERNATIONAL BANKING SERVICES

CANARA bank entered the arena in 1953 with the opening of its first foreign exchange department in Mumbai today CANARA bank the fourth largest bank in India catering to the cross border trade and remittances and financing of foreign trade. CANARA bank finance exports at pre-shipment stage as well as post shipment stage, which can be availed either in foreign currency or Indian rupees.

In addition CANARA bank facilitates discounting of deferred export receivables on a recourse basis from an overseas forfeiting agency. The bank has been the pioneer in

financing of LC based international trade transactions in India. The bank has an excellent worldwide correspondent relationship and has the capability to handle any export, import, remittance and related transactions anywhere in the world and in any currency.

CANARA bank has a branch in London and wholly own subsidiary in Hong Kong they have a joint venture with SBI at Moscow under the name Commercial Bank of India LLC they have opened a representative office at Shanghai people's Republic of China they are engaged in trade finance and have expertise on the Indian market scenario. The bank also manages to exchange houses in the Gulf and arrangement with 20 exchange houses and 18 banks for drawing on DD's from Gulf countries on they are select branches throughout India the bank has 54 dealing rooms located in Mumbai New Delhi Calcutta Chennai and Bangalore in India they provide a whole range of services and products like purchases and sale of 7 world currencies forward booking and other four hedging instrument like currency swaps.

FOUNDING PRINCIPLES OF CANARA BANK

- To remove superstition and ignorance
- To spread education among all to sub-serve the first principle
- To inculcate the habit of thrift and savings
- To transform the financial institution not only as the financial heart of the community but the social heart as well
- To assist the needy
- To work with sense of service and dedication
- To develop a concern for fellow human being and sensitivity to the surroundings

MISSION

To provide State-of-the-Art Banking solutions, leveraging technology, aiding Ease of Doing business and enhancing value for all stakeholders through inclusive growth.

VISION

To emerge as the best practices Bank by pursuing global benchmark in Profitability operational efficiency asset quality risk management and expanding the Global reach.

AWARDS WON BY CANARA BANK

2022:

- In IBA's 16th Annual Banking Technology Awards, CANARA BANK received joint Runner-up award for Best Payment Initiatives.
- The association of business communicators of India has given a silver award for in-house magazine Shreyas under special column English.

2023:

- Canara Bank has received the APY Annual award for achieving the set targets under APY during FY 2022-23 at "APY Annual Felicitation Programme" at New Delhi on 7th June 2023.
- Canara Bank has received “Rajbhasha Sopan Sammaan” from Bhartiya Bhasha & Sanskriti Kendra for outstanding performance in the field of Official Language for the year 2021-22 on 27th April 2023.

2024:

- Canara Bank has received the third prize in Region 'C' for excellent official language implementation in the 2-day seminar organized by the Department of Financial Services, Ministry of Finance, Government of India on 22.08.2024 and 23.08.2024.
- Canara Bank was awarded First Prize under category of Best Lenders (both Public & Private sector) for outstanding achievement under PM SVANidhi 2023-24.
- Canara Bank has received the Finnoviti Award for 'CANARA Digital Rupee' application on 19th June 2024.

1.11 BUSINESS SEGMENTS OF THESE BANKS

HDFC BANK and CANARA BANK offer a wide range of commercial and transactional banking services and treasury products to wholesale and retail customers. These banks have three key business segments:

1. Wholesale Banking Services

2. Retail Banking Services

3. Treasury.

1. Wholesale Banking Services

The bank's target market ranges from large, blue-chip manufacturing companies in the Indian corporate to small & mid-sized corporate and agro-based businesses. For these customers, the bank provides a wide range of commercial and transactional services, cash management, etc. Based on its superior product delivery / service levels and strong customer orientation the banks have made significant inroads into the banking consortia of a number of leading Indian corporations including multinationals, companies from the domestic business houses and prime public sector companies. They are recognized as a leading provider of cash management and transactional banking solutions to corporate customers, mutual funds, stock exchange members and banks.

2. Retail Banking Services

The objective of retail bank is to provide its target market customers a full range of financial products and banking services giving the customers a one stop Window for all his/her banking requirements. The products are backed by world class service and delivered to the customers through the growing branch network as well as through alternative delivery channels like ATMs, phone banking, net banking and mobile banking.

HDFC Bank and CANARA bank preferred program for high net worth individual, plus the investment advisory services programs have been designed keeping in mind needs of customers who seek distinct Financial Solutions, information and advice on various investment avenues the bank also has a wide array of retail loan products including auto loans, loans against marketable securities, personal loans and loans for two wheelers it is also a leading provider of Depository Participant services for retail customers providing customers the facility to hold their investment in electronic form.

3. Treasury

Within this business the bank has three main product areas for an exchange and derivatives local currency money market and debt security and equities with the liberalization of financial market in India corporate need for sophisticated risk management information advice and product structures this and fine pricing on various treasury products are provided through the bank treasury team to comply with statutory reserve requirements the bank is required to hold 25% of its deposit in government securities the treasury business is responsible for managing the returns and market risk on this investment portfolio.

Products /Services of HDFC Bank and Canara Bank

Banking should be effortless. With HDFC and CANARA bank the efforts are rewarding. They have a range of solutions. They have many services in their banks, some of those are as follows:

- a) Saving plus account: In this account average quarterly balance of 10,000 to 20,000 depending upon the customers.
- b) Senior citizens: They present an especially dedicated account to their customer which like a dutiful child will help fulfil the needs in the best possible way.
- c) Institutional savings account: A specially designed account for twin benefits of saving as well as current account. Customers' funds continue to earn interest while he enjoys hassle free banking and a host of other features.
- d) Salary account: There are various salary accounts: Payroll account, Classic salary account, Regular salary account, Premium salary account, No frills salary account, Reimbursement salary account, etc.
- e) Fixed deposit service: Long term investment forms a chunk of everybody's future plans. An alternative to simply applying for loans, fixed deposits allow you to borrow from your own funds for a limited period, thus fulfilling needs as well as keeping savings secure.
- f) Five year tax saving fix deposit: In 2006 it was announced for the first time that Bank Fixed Deposit book by an individual /HUF for 5 years and up to Rupees 1,

00,000 will be allowed exemption under section 80c of the Income Tax Act 1961 subject to necessary declaration taken from the customer.

g) Safe deposit locker: A safe deposit locker with banks is the solution to people fear located at select branches in cities all over the country banks locker ensure the safekeeping of valuables. The locker and their contents can be nominated to people near and dear to you nomination facility is available to individual higher of same deposit locker in case of sole hirer of a safe deposit locker nomination can be made in favour of only one individual.

h) Loan Services: In today's competitive world everything happens only with the help of money or through the money every person need money but sometime a person has not cash on hand at the time needs loan either from any friend or any Financial institute loan does not mean that only lower class person needs it but also upper class person needs it. As per the requirement there are types of loans provided by these banks.

Personal loan

A person has so many dreams but sometimes due to scarcity of money a dream cannot be satisfied so he was one solution for that person. Personal loans can help feel their need or requirement. It can be anything either a dream vacation loan required for marriage etc.

Home loan

Home loans are provided to the people to fulfil their dreams of buying or having a house of their own.

Vehicle loans

Nowadays in this competitive and fast running world the value of time is increasing and is important so to carry out business or to travel vehicles are required but not everyone holds the capacity to purchase vehicles so these banks are providing vehicle loans. Types of vehicle loans:

2 wheeler loan

4 wheeler loan

Used car loan

Gold loan

A person can get 70% loan of on the value of the gold jewellery and ornaments there is also available of overdraft on gold jewellery with this a customer can get a free additional services like free personalised cheque book free international debit card and free net banking phone banking services

Educational loan

The importance of education is very high as the importance is increasing it is becoming costly so some people cannot afford a higher education so there is education loan which is available for the students loan disbursed directly to educational institution it is released as per fees schedules of Institutes exclusive telegraphic transfer facility available for courses abroad loans available for short duration /job oriented courses also

Loan against property

A person can get loan against residential or commercial property to expand his business plan a dream wedding furnished his child education and much more he can demand on bank to meet all his business requirements even to purchase a new shop or office for business loan to purchase commercial property is specially designed product to help person expand his business without reducing the capital from his business.

i) NRI Banking Services: With a view to attract the Savings and other remittance into India through banking channels from the person of Indian nationality who are residing abroad and bolster the balance of payment position the Government of India introduced in 1970 non-resident account rules which are governed by the exchange control regulations’.

Deposit types. NRI banking facilitates the NRI customers to open the following account types:

- **NRE (non-resident external accounts):** It can be in the form of savings, current or fixed deposit in Indian Rupees, the fund in this account or fully repatriable.
- **NRO (non-resident ordinary accounts):** It can be in the form of savings current or fixed deposit in Indian Rupees; the funds in these accounts are not repatriable.
- **FCNR (foreign currency non-resident accounts):** It can be informed of fixed deposits only in the five major currencies namely US dollars GBP DM Euro and Japanese yen; the funds in these accounts are fully repatriable.

j) Card services: Every person needs a card for their day to day transactions. Use of Plastic money has increased. It is needed everywhere, maybe for a business transaction or for a meal. Bank provides these cards to meet financial objectives.

Credit cards: In these the bank allows the customer to borrow funds within some pre-approved credit limit.

Debit cards: Debit cards allow the customer to use their own money from their bank account electronically so that they do not have to carry a lot of cash with them which makes everything easier.

Prepaid cards: Besides offering convenience, prepaid cards have been tailored to answer travel and gifting needs.

CHAPTER - 2

Research Methodology

2.1 Objectives:

- To find which sector is more preferable i.e., HDFC BANK or CANARA BANK
- To find the factors that influence the customers to choose a bank.
- To know the benefits of the HDFC bank and CANARA bank
- To study the problems faced by the customers in HDFC bank and CANARA bank.
- To compare HDFC bank and CANARA bank on the basis of the quality of service.

2.2 Scope:

The focus of all corporations today in the highly deregulated and competitive environment has been to cut costs, optimize their operation and with the realization that only efficient structures which can cut their transactional cost can survive in the current scenario. With the technology advent in all spheres, it would only follow that organizations would use it as a platform to the operating cycles and to take advantage of all the available investment opportunities which may arise.

The project attempts to understand the tolls offered by institutions today that makes this possible. Both sides of the services of collections as well as payments have sought to be developed and offered by banks in India. This will help understand what the better options to go for are.

2.3 Sources of Data:

The data can be collected through various sources mainly through primary and secondary data collection processes. But for this research work primary data was collected through Google Questionnaire. Google Questionnaire consisted of 14 framed questions and the number of respondents were 101.

The data was collected at a niche level, so that I could acquire the information. It was collected from both male & females of all age groups.

This helped me to estimate the perception of a larger group of people. The data was collected through primary means and part of the research was done through secondary data. This primary data which is used or collected for the first time and it has not been used by anyone else in the past. In order to understand the nature and characteristics of various respondents in this study the information was collected and analyzed according to their socioeconomic background which included the characteristics of their responses like gender, age, and employment status. This description shows that respondents included in the survey belong to different backgrounds and this in turn increases the scope of the study.

2.4 Limitations:

Despite the study being carried out with great enthusiasm and care, several limitations hampered the research.

1. Time constraints: There is a time bound to complete this research study. Hence it would not be possible to do an in-depth study of the topic.
2. Accuracy: It is complex to understand whether the respondents have given correct information. Some of them could give misleading data.
3. Small Sample Size: Due to time constraint, it is difficult to reach large masses, so the respondents would be smaller in number.
4. Access: The material required for the project work sometimes was not available on the website from which the research had to be done.
5. Limited boundaries of geographical area: Due to time constraint, it is not possible to collect data from larger geographical areas. This causes the limited accessibility for resources and the research study could be made with available sources.

CHAPTER - 3

Review of Literature

1. Cooper H.M. (1998) defines literature review as one which uses database reports of primary or original scholarship itself. The primary reports used in the literature may be verbal but most of the time reports are written documents. A literature review seeks to describe, summarize, evaluate, clarify and integrate the content of primary reports. A well structured literature review is characterized by a logical flow of ideas, current and relevant references with consistent, appropriate referencing style, proper flow of terminology and an unbiased and comprehensive view of the previous research on the topic. This chapter aims to provide a general overview of the literature relevant to this project/Research work. The internet is the driving force behind the new global economy, with internet banking allowing banks to revolutionize services and giving their customers more options than before. This is because so many banks worldwide have launched internet sites in the last few years, banks can no longer differentiate between themselves by merely having an internet presence. In order to differentiate themselves banks need to continuously evolve their services in the future to meet customers' needs. The literature review for this study includes theses, dissertations, articles, papers and books. These findings have enabled me to formulate the problem and to prepare the design of study. The following related studies have enabled the researcher to identify some variables as well as the position of the present study.

2. Zeithaml and bitner (1996) in their article suggested that a customer relationship with a company was strengthened when a customer made a favorable assessment about the company's service quality and weakened when a customer made a negative assessment about the company's service quality. This article stated that quality of services rendered by a bank could often be a single most important factor which can make customers shift loyalties and business to other banks. He suggested that customer's loyalty had a powerful impact on the performance of service firms and served as an important source of competitive advantage. He focused on how the customers at the time of service delivery interacted closely with the service providers and got an inside knowledge of the service organization. This knowledge gave them

an opportunity to critically assess the services provided and the service provider. Thus service quality plays an important role in adding value to the overall service experience. Also customers seek organizations that are loyal i.e. aim to provide consistent and superior quality of services for present and long term and organizations aiming for this bound to get customers' loyalty.

3. Dale , B.G. Williams, R.T. Van der Wiele, t.(2000) in their article, pointed out that through business to business e-commerce and six sigma there were clear indications that old style quality was coming back into the business arena because of the savings it could bring. These trends and their implications were examined in the paper. He suggested that with the advent of globalization, the customer was quite well informed and his expectations were very high. Banks were coming under greater pressure from ever growing demands of the customer who expected services of high quality at competitive prices. He mentioned that service quality could be used as a tool for differentiation and can provide a comparative edge. Service quality was also crucial for developing loyal customers and was hence responsible for the success of any service organization.

4. Dr. Gupta R. and Dr. Shikarwar N.S. (2013) concluded that the banking industry occupies a unique place in a nation's economy. A well developed banking system is a necessary precondition of economic development in a modern economy. The main parameters of growth in banks are net profit growth, net assets growth, EPS growth and Reserve and surplus growth and the results reveal in terms of parameters defined key words: net assets, EPS, reserves, surplus growth. He also concluded that in CANARA BANK the credit appraisal done by the study involves the evaluation of management, technical feasibility, financial viability, risk analysis and credit ratings. This shows that CANARA BANK has a sound system for credit appraisals. The credit appraisal process carried out at CANARA BANK has good parameters to appraise and with respect to the banking activities the performance of heft is better than the SBI and for the investors who are intended for long term investment and risk takers HDFC is better but with respect to growth in the market of the company price SBI is better.

CHAPTER - 4

Data Analysis and Interpretation

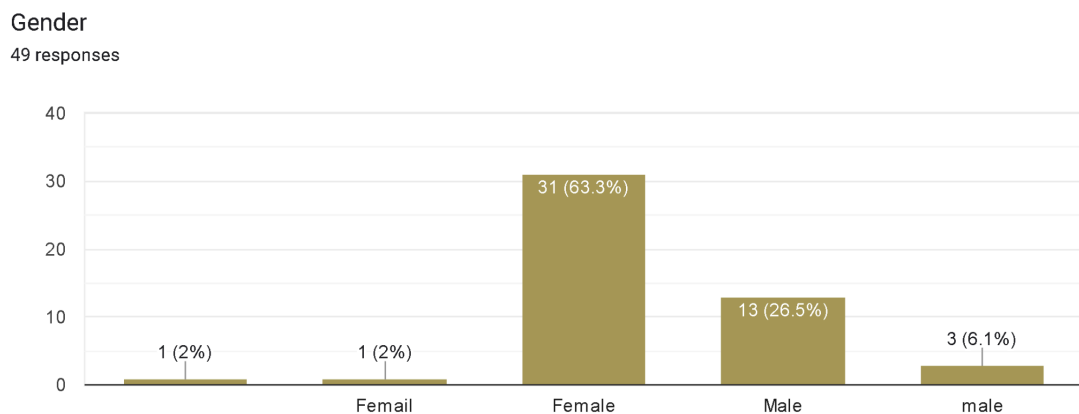
4.1 Data analysis:

In this research project, to prove my objectives of the study, data was collected through a primary method. In primary data the method used was random sampling. In random sampling, data is calculated from random people and not specifically a target group of people. An attempt was made to collect the data from 101 respondents which was successfully carried out. The questionnaire is formed in such a way that it can decode the objectives framed. It consisted of various common personal questions like age, gender, etc. And then the objective related questions. The survey form was formed keeping in mind that it could take minimum time of respondents and they appreciate filling it. Hence the data collected is firsthand data and is unfiltered data. That could give a clear idea about factors that influence the customers to choose a bank, know the benefits to customers and also problems faced by them and compare HDFC Bank and Canara Bank according to this data.

4.2 Data Interpretation:

Respondent's gender:

The below diagram indicates the gender of the respondents.



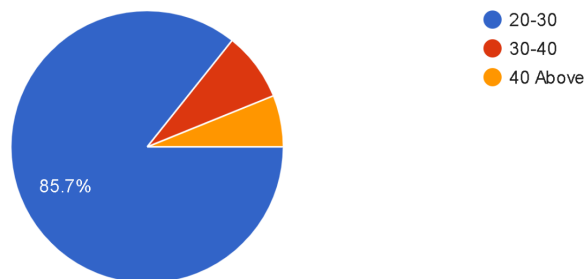
Interpretation:

Gender identification is an important factor. Out of 49 respondents who attempted the survey 16% found were males and 33% were females. Therefore, it could be easy while doing a comparative study between 2 banks as it allows us to know how male and females function differently with their respective banks and their opinion on it. Also, this gender difference can assist to discover that both males and female can take decisions differently

Age:

The following diagram states the age slabs of the respondents.

Age
49 responses



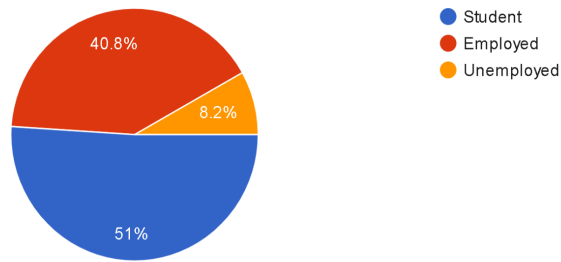
Interpretation:

Respondent age plays a vital role as experience of a person helps to make better decisions in knowing how a bank functions and to get proper benefit of it. I have interpreted in the above diagram the amongst 49 respondents the age group of 20 yrs. - 30 yrs. were found to be dominated with the highest responses i.e., 85.7%. Followed by the age group of 30 yrs. - 40yrs. With 8.2% . The age groups of 40 yrs & above have been noted 6.1% and unfortunately there were very few respondents of this age group.

Occupation:

The following diagram states the occupation slabs of the respondents.

Occupation:
49 responses

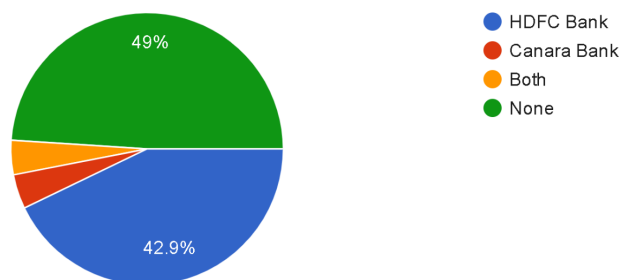


Interpretation:

A person's occupation plays a significant role in making investments or borrowing loans. I have monitored in the above pie that out of 49 respondents who made an effort to fill in the survey form, mass respondents which marked 40.8% were employed. And 8.2% of respondents were unemployed and 51% were students.

1. Which bank(s) do you have an account with?

1. Which bank(s) do you have an account with?
49 responses



Interpretation:

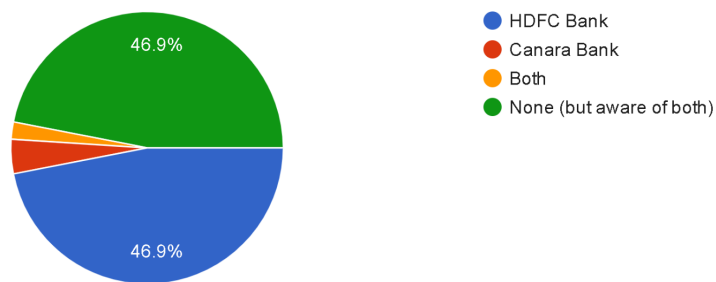
42.9% of the respondents have their account in HDFC bank and 4.5% have their account in the CANARA bank. Also only 4.5% of the respondents have their account in both the banks. The majority of the respondents are account holders in HDFC bank. By this we understand that people prefer HDFC bank moreover CANARA bank. This

shows us that the majority of respondents have their accounts in HDFC Bank and prefer it more than government banks like Canara Bank.

2. Which bank's services do you currently use?

2. Which bank's services do you currently use?

49 responses

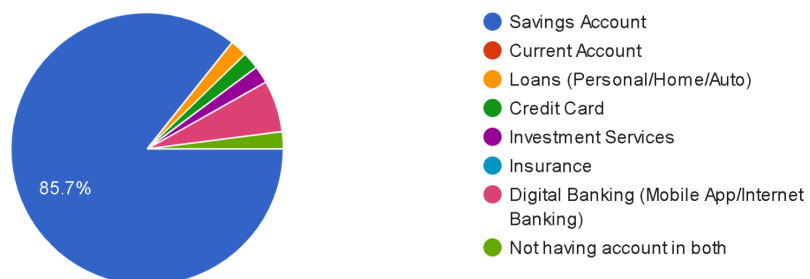


2 respondents were account holders of CANARA bank and 23 respondents were account holders of HDFC bank. 23 of the respondents were unaware by the services provided by their banks

3. Type of banking services availed:

3. Type of banking services availed:

49 responses



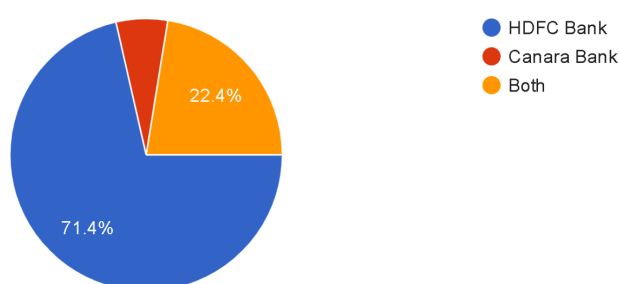
Interpretation:

85.7% of the respondents have their savings account and 2% have loans (personal/home/auto). Also 6.1% of the respondents have Digital Banking (Mobile App/InternetBanking). The majority of the respondents have a savings account.

4. Which bank is more customer-friendly in terms of service delivery

4. Which bank is more customer-friendly in terms of service delivery?

49 responses

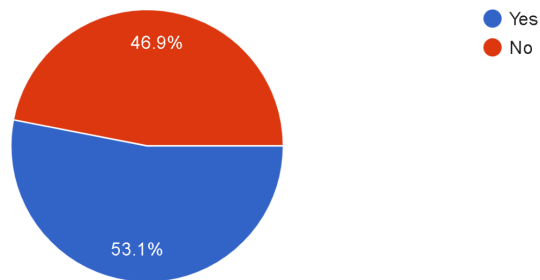
**Interpretation:**

Here 71.4% OF them respond that HDFC Bank is customer friendly in terms of service delivery and 22.4% respondent give opinion that both banks are customer friendly in terms of service delivery. However, there's always a small segment of customers who might miss out on updates, especially if they are not as active or involved in banking processes.

5. Does your bank charge you high for the services provided?

5. Does your bank charge you high for the services provided?

49 responses



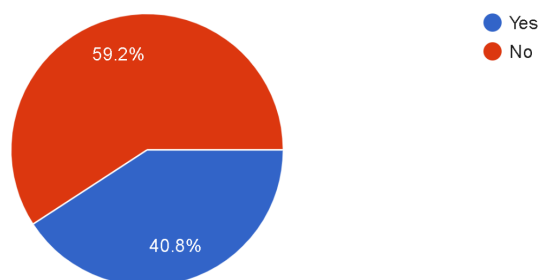
Interpretation:

46.9% of the respondents think that their banks charge very high for the services they provide. 53.1% of the respondents think that the charges are not very high. HDFC Bank's customers may perceive the high costs as a trade-off for convenience and additional services, while CANARA Bank's customers may feel they are charged appropriately for the simpler services provided, but could still consider some niche services as expensive. HDFC Bank should focus on improving transparency in its fee structure and ensuring that customers perceive the value of the services they are paying for.

6. Have you ever faced constant issues with the bank?

6. Have you ever faced constant issues with the bank?

49 responses



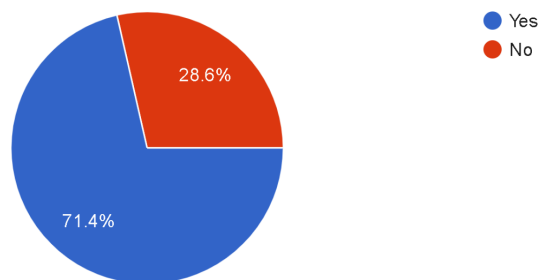
Interpretation:

Here the majority of the respondents, 59.2%, were not facing any problems but 40.8% of the respondents had faced constant issues with their banks. Despite HDFC Bank

having a larger proportion of respondents facing issues, most respondents (75.02%) from both banks are not experiencing constant problems, which indicates that, in general, both banks offer satisfactory service to the majority of their customers.

7. Does your bank provide a good interest rate?

7. Does your bank provide good interest rate?
49 responses

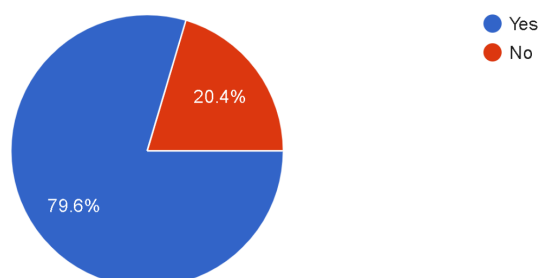


Interpretation:

71.4% of the respondents think that the interest rate provided by their bank is good in which 14 respondents are customers of the CANARA bank and 58 customers are of the HDFC bank. 28.6% of the respondents think that the interest rate given to them by their banks is not satisfactory. In this there are 7 respondents of CANARA bank's customers and only 17 responses of the HDFC bank's customers.

8. Does your bank provide you with good schemes?

8. Does your bank provide you good schemes?
49 responses



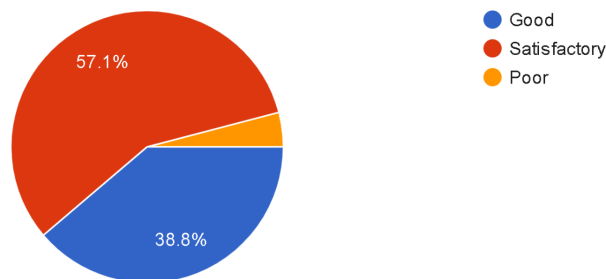
Interpretation:

Here 79.6% OF the respondents with a yes 11 customers were of CANARA bank and 64 customers were of HDFC bank. 20.4% of the respondent responded with a no out of which 10 were account holders of CANARA bank and rest 11 responses were of HDFC bank account holders. 49 For Canara Bank, the negative responses could stem from a lack of appealing and modern schemes, customer service issues, or a general mismatch between the bank's offerings and customer expectations. While HDFC Bank, although the overall satisfaction rate is higher, some customers might still feel the schemes are not adequately addressing their needs or that they come with high fees, complexity, or underperformance.

9. How is the overall experience with the services provided by the bank?

9. How is the overall experience with the services provided by the bank?

49 responses



Interpretation:

39.8% of the respondents had a good experience with their banks, and 57.1% of the respondents had a satisfactory experience with their banks. Some of them have poor experience with the services provided by the bank.

Comparison of employees' life at HDFC Bank and Canara Bank.

The overall rating of HDFC Bank for this is 4.06 out of 5 & for Canara Bank is 4.01 out of 5.

Factor	HDFC Bank	Canara Bank
Job Security	3.5/5	4.8/5
Work-Life Balance	3.5/5	4.5/5
Company Culture	4.0/5	3.8/5
Salary and Benefits	4.3/5	3.7/5
Work Satisfaction	4.2/5	4.0/5
Skill Development	4.4/5	3.7/5
Career Growth	4.5/5	3.6/5

Fixed deposit rates of HDFC bank

Period	Interest Rate (per annum)	Senior Citizens Rate (per annum)
7-14 days	3.00%	3.50%
15-29 days	3.00%	3.50%
30-45 days	3.50%	4.00%
46-60 days	3.50%	4.00%
61-89 days	4.00%	4.50%
90 days to 6 months	4.00%	4.50%
6 months 1 day to 9	4.50%	5.00%

months		
9 months 1 day to 1 year	5.25%	5.75%
1 year to 15 months	5.75%	6.25%
15 months to 18 months	5.75%	6.25%
18 months to 21 months	5.75%	6.25%
21 months to 2 years	5.75%	6.25%
2 years 1 day to 3 years	6.00%	6.50%
3 years 1 day to 5 years	6.25%	6.75%
5 years 1 day to 10 years	6.25%	6.75%

- Interest rates for senior citizens are generally higher by 0.50% compared to the regular rates.
- Rates are subject to change, so it's advisable to check with the bank or their website for the most accurate and updated information before making an investment.

Fixed deposit rates of Canara bank

Period	Interest Rate (per annum)	Senior Citizens Rate (per annum)
7-45 days	3.00%	3.50%
46-90 days	3.50%	4.00%
91-179 days	4.00%	4.50%
180-269 days	4.25%	4.75%

270 days to less than 1 year	4.50%	5.00%
333 days scheme	5.00%	5.50%
1 year only	5.25%	5.75%
2 years to less than 3 years	5.75%	6.25%
3 years and above to 5 years	6.00%	6.50%
Above 5 years to 10 years	6.00%	6.50%

Recurring Deposit rates of HDFC bank

Period	Interest Rate (per annum)	Senior Citizens Rate (per annum)
6 months	3.50%	4.00%
9 months	3.50%	4.00%
12 months	5.25%	5.75%
15 months	5.75%	6.25%
24 months	5.75%	6.25%
27 months	5.75%	6.25%
36 months	6.00%	6.50%

39 months	6.00%	6.50%
48 months	6.00%	6.50%
60 months	6.00%	6.50%
90 months	6.00%	6.50%
120 months	6.00%	6.50%

- Senior citizens receive an additional 0.50% over the standard interest rates.
- Interest is compounded quarterly, which can help in maximizing returns over the investment period.

Recurring Deposit rates of Canara bank

Period	Interest Rate (per annum)	Senior Citizens Rate (per annum)
180 days to 269 days	4.25%	4.75%
270 days to below 1 year	4.50%	5.00%
1 year	5.25%	5.75%
Above 1 year to below 2	5.50%	6.00%
666 days	5.50%	6.00%
2 years and below 3 years	5.75%	6.25%
2 years and above to below 5 years	5.75%	6.25%
5 years and above to 10 years	6.00%	6.25%

Suggestions

- Compliance with RBI Norms: It is essential for banks to follow the norms set by the Reserve Bank of India (RBI) to ensure regulatory compliance and maintain customer trust.
- Interest Rates and Loan Facilities: Banks should consider increasing the interest rates for savings accounts to make them more attractive to customers. Banks should provide loans at lower interest rates to encourage borrowing and economic growth. Education loans should be made more accessible with minimal documentation and simplified processes. Banks should provide the facility of loans against shares, allowing customers more flexibility in accessing credit.
- Customer Service and Fair Dealing: Banks should ensure fair treatment of customers, adhering to ethical practices and transparency. Bank employees should be cooperative, friendly, and able to understand and resolve customer issues effectively. There should be greater contribution and involvement from the bank's employees in service delivery and customer satisfaction.
- Internet Banking and Technology: Banks should ensure that internet banking services are available at all times, offering customers seamless access to their accounts. Each section of the bank should be fully computerized to improve efficiency and reduce manual errors. Real-time gross settlement systems can be implemented to facilitate immediate and smooth transactions between banks. A token system should be implemented at Canara Bank to reduce long queues and improve customer service.
- New Schemes and Advertisement: Banks should regularly introduce new schemes and ensure that they are communicated effectively to the customers through proper advertising channels. Banks should make efforts to raise awareness about new schemes so customers can take advantage of them.

- Charges and Fees: Banks should consider reducing the high maintenance charges for savings accounts to make banking more affordable for customers. Banks should offer low-cost services to customers without compromising on quality, ensuring better value for money.
- Customer Awareness and Education: Banks should offer clear and detailed information about their schemes and services, ensuring customers understand them to avoid future issues.
- Employee Cooperation and Teamwork: Branches should encourage a cooperative and collaborative environment among employees, which helps in improving service efficiency and overall productivity.

Conclusion

The customers nowadays are not exposed to what type of service being provided by banks in India but in the world wide as whole. They expect much more than what is actually being provided. So the new banking sector has to provide and cater to all the needs of the customers otherwise it is difficult to survive in the competition coming up. They not only expect the safety of money but also best ways to invest that money which needs to be fulfilled. Banks need to have a better outlook towards what customers are actually demanding. If a bank is not functioning properly it is being closed. So it is difficult for banks to face.

In my report I have tried to show the basic difference between HDFC bank and CANARA bank. Both the banks are very good banks. They are somewhere nearly satisfying their customers. Though HDFC bank is new in the segment and CANARA bank is a government bank people still prefer HDFC bank.

In the study we came to know different needs of the customers, their valuable suggestions and responses to the different questions. My study will help the common people make the right choice of where to invest in and have knowledge about the quality of service provided in both the banks and make better decisions. This study will help the government understand that though public sector bank is available, people prefer private banks i.e. HDFC bank over CANARA bank and this will help them understand where the CANARA bank is lagging behind and might try to bring appropriate changes and make it better for their customers.

With this information we can conclude that the customer satisfaction level of HDFC bank is more than CANARA bank. HDFC banks provide better service, schemes, net banking, location, advantage, etc than CANARA bank.

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Annexure

1. Name

2. Gender

☐ Male

☐ Female

3. Age

☐ 20-30

☐ 30-40

☐ 40 Above

4. Occupation

☐ Student

☐ Employed

☐ Unemployed

5. Which bank(s) do you have an account with?

☐ HDFC Bank

☐ Canara Bank

☐ Both

☐ None

6. Which bank's services do you currently use?

☐ HDFC Bank

☐ Canara Bank

☐ Both

☐ None (but aware of both)

7. Type of banking services availed:

☐ Savings Account

☐ Current Account

☐ Loans (Personal/Home/Auto)

☐ Credit Card

☐ Investment Services

☐ Insurance

☐ Digital Banking (Mobile App/Internet Banking)

8. Which bank is more customer-friendly in terms of service delivery?

☐ HDFC Bank

☐ Canara Bank

☐ Both

9. Does your bank charge you high for the services provided?

☐ Yes

☐ No

10. Have you ever faced constant issues with the bank?

☐ Yes

☐ No

11. Does your bank provide a good interest rate?

☐ Yes

☐ No

12. Does your bank provide you with good schemes?

☐ Yes

☐ No

13. How is the overall experience with the services provided by the bank?

☐ Good

☐ Satisfactory

☐ Poor