

Retail Banking and Its Challenges

A Case Study on IDBI Bank, Madhyamgram Branch

1. Introduction

Retail banking, also known as consumer banking, refers to the provision of banking services directly to individual consumers rather than to corporations or other banks. These services include savings and current accounts, fixed deposits, loans, and debit/credit cards. In recent years, retail banking in India has grown rapidly due to digitization, financial inclusion schemes, and rising customer expectations.

This report is a reflection of my internship at **IDBI Bank, Madhyamgram Branch**, conducted from **June 6 to July 19, 2025**. The purpose of this report is twofold: first, to provide a detailed overview of the tasks and experiences undertaken during the internship, and second, to present a data-based analysis of how the branch's performance improved during this period.

2. Objective of the Project

- To understand the operational framework of retail banking.
- To actively contribute to key banking activities such as account opening, KYC verification, and fieldwork.
- To analyze the improvements in the bank's performance during the internship duration using real data.
- To assess the challenges and opportunities in retail banking.

3. About the Organization – IDBI Bank

Industrial Development Bank of India (IDBI Bank) is a full-service universal bank that provides a wide array of financial products and services tailored for individuals, MSMEs (Micro, Small and Medium Enterprises), corporates, and large institutions. Originally established to support industrial growth in India, IDBI Bank has evolved into a modern commercial bank with a nationwide presence and diversified service offerings.

With a strong network of branches, ATMs, and digital platforms, IDBI Bank extends its services across **metro cities, urban centers, suburban belts, and rural areas**, thereby contributing significantly to financial inclusion. The bank's portfolio includes retail banking, corporate banking, investment services, insurance, and loan products that cater to the needs of a varied customer base.

3.1 Madhyamgram Branch – A Snapshot

The **Madhyamgram Branch** of IDBI Bank is located in the **northern suburban zone of Kolkata**, West Bengal. It serves as an important banking hub for the local population and plays a crucial role in bridging the financial service gap between metro-level banking infrastructure and semi-urban customer needs.

The Madhyamgram branch is proactive in customer acquisition, business account onboarding, and corporate collaborations. It is also involved in strategic initiatives like **discipline account opening, Aadhaar and CKYC updates, and field outreach activities**. A key highlight during the internship period was the branch's involvement in a partnership with **Starburst Motos Pvt. Ltd.**, focusing on account opening drives and service facilitation.

Through such efforts, the branch contributes to the bank's mission of expanding financial services in **metro-adjacent and suburban regions**, ensuring financial accessibility for a wider population segment.

4. Internship Details and Key Contributions

During my internship, I was exposed to various aspects of banking operations. My contributions can be broadly categorized into the following areas:

a) Discipline Account Opening (200+ Accounts)

I was primarily engaged in the opening of over **200+ discipline accounts** under different schemes. This involved:

- Explaining the features and benefits to customers.
- Assisting them in form filling.
- Collecting necessary documents.
- Performing data entry in the bank's CBS (Core Banking System).

This not only improved the customer base of the bank but also helped in mobilizing deposits.

b) Aadhaar, KYC, and CKYC Verification

One of the most important compliance tasks in banking is ensuring KYC. I supported the branch in:

- Aadhaar verification via biometric and OTP-based systems.
- Updating KYC details like address, PAN, and phone number.
- Uploading customer documents to the CKYC portal.
- Communicating with customers whose accounts required re-verification.

This activity ensured compliance with RBI regulations and reduced the risk of fraudulent accounts.

c) Field Work and Customer Outreach

I participated in several **field visits** with bank staff. These included:

- Visiting prospective customers for account activation.
- Helping collect physical documents for KYC from customers' homes.
- Promoting IDBI services to local shopkeepers and micro-entrepreneurs.

Such fieldwork deepened my understanding of customer interaction and the ground-level realities of retail banking.

d) Assisting Branch Employees

I collaborated with staff from different departments like:

- Customer service desk
- Deposit accounts team
- Operations and data entry units

This helped me understand how inter-departmental coordination works in a bank environment.

e) Starburst Motos Pvt Ltd Partnership Support

A key partnership during my internship period was with **Starburst Motos Pvt. Ltd.**, a local vehicle dealership. As part of the partnership initiative:

- I helped open **accounts for customers purchasing vehicles**.
- Assisted walk-in clients in filling forms and completing KYC.
- Liaised between the dealership and bank for efficient processing.

This collaboration led to an increase in account opening and deposit mobilization at the branch.

5. Challenges Faced

During the internship, I encountered several challenges, such as:

- Convincing unbanked customers to open discipline accounts.
- Language barriers and customer hesitation during field visits.
- Managing high-volume Aadhaar/KYC updates in peak hours.
- Learning the internal software systems and procedures within a short period.

Overcoming these challenges enhanced my communication skills, adaptability, and technical knowledge.

6. Learnings and Takeaways

The internship experience at IDBI Bank gave me practical insights into:

- Account management and compliance requirements.
- The role of discipline and customer service in banking.
- Field engagement and its effectiveness in growing business.
- Importance of collaboration in a structured organization.
- Real-time application of banking regulations like KYC and CKYC.

📊 Overall Increment Analysis (During My Internship: 6th June – 19th July 2025)

During my internship at **IDBI Bank, Madhyamgram Branch**, from **6th June to 19th July 2025**, I observed and contributed to notable improvements in the bank's liability performance. The following analysis highlights the incremental growth in key deposit categories based on the data from **June 25th (Last Month)** to **July 17th (T-1 EOD)**.

📋 Category-wise Increment Summary:

Category	Jun 25 (Last Month)	Jul 17 (T-1 EOD)	Increment (₹ in Lakhs)
Total Savings	2444.41	2452.93	+8.52
Personal Savings	2110.63	2110.62	-0.01
Institutional Savings	330.38	342.31	+11.93
Total Current	1032.96	1042.52	+9.56
Core Current	1004.94	1015.92	+10.98
Institutional Current	28.02	26.60	-1.42

☑ Key Observations:

- **Total Deposit Base** increased by **₹18.08 lakhs**, which reflects the branch's effective customer engagement during the period.
- **Institutional Savings** saw a significant rise of **₹11.93 lakhs**, suggesting improved outreach and onboarding of institutional clients.

- **Core Current Account** deposits grew by **₹10.98 lakhs**, showcasing enhanced efforts in activating and opening new current accounts.
 - A slight decline in **Institutional Current** (-₹1.42 lakhs) offers room for deeper follow-up with such clients.
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Conclusion:

The above data clearly demonstrates that during my internship, there was a **steady and healthy growth in the bank's deposit portfolio**. My involvement in activities such as **discipline account openings, Aadhaar/KYC updates, and field visits with employees** played a role in this incremental progress. The gains in both savings and current segments indicate **positive customer response** and effective branch-level strategies during this period.

Detailed Fieldwork and Practical Contributions

During my internship at IDBI Bank, Madhyamgram Branch, one of the most significant components of my experience was active involvement in fieldwork, customer engagement, and back-office coordination. My responsibilities extended far beyond the premises of the branch, as I actively supported the bank's outreach and account servicing initiatives — especially in collaboration with the bank's partner company, Starburst Motos Pvt. Ltd., and local market proprietors.

1. Current Account Fieldwork and Proprietorship Engagement

A major part of my internship was focused on supporting the current account segment. IDBI Bank's focus on expanding its customer base among small business owners, shopkeepers, and proprietorship firms led me to be actively involved in:

- Visiting local shops and businesses to pitch the benefits of IDBI Bank's current account services.
- Explaining the requirements of opening a current account to proprietors, including documentation like:
 - Trade License
 - PAN Card
 - Professional Tax Certificate
 - GST Certificate (if available)
 - Aadhaar and Address Proof
- I collected documents directly from several businesses and ensured that the file work for account opening was completed accurately and in time.
- Coordinated with branch staff to verify and validate documents, reducing processing delays.
- This effort led to a direct increase in current account openings, which contributed to higher low-cost deposit inflow for the branch.

Through this fieldwork, I understood the importance of business accounts in driving daily liquidity for banks and how customer trust and service speed play a key role in account conversion.

2. Partnership Execution with Starburst Motos Pvt. Ltd.

Another key assignment during my internship was working on IDBI Bank's strategic partnership with Starburst Motos Pvt. Ltd., a local automotive dealership. I was responsible for:

- Visiting the dealership and meeting customers who were in the process of buying two-wheelers.
- Explaining banking procedures and assisting them in opening savings accounts required for loan disbursement or ECS mandates.
- Collecting required documents, guiding them through Aadhaar seeding, PAN updates, and form submission.
- Coordinating with the dealership and the bank staff to streamline the onboarding process.

This assignment improved my client interaction skills and helped me understand how corporate tie-ups can enhance retail banking outcomes through mutual benefit.

3. Need for Discipline Account Opening – 70+ Accounts

Discipline accounts are a key savings product aimed at promoting regular saving habits. As part of the bank's outreach initiative, I was entrusted with:

- Promoting the product among walk-in customers and potential account holders.
- Opening 70+ new discipline accounts during the internship period.
- Verifying all necessary documents, ensuring Aadhaar and PAN linkage, and educating customers about account benefits.

This effort supported the bank's liability mobilization and helped the branch reach its quarterly targets in savings account openings.

4. Reactivation of Inactive Accounts

Apart from new accounts, I was also involved in identifying and reactivating inactive or dormant accounts. My contribution in this segment involved:

- Reviewing internal reports to identify long-unused accounts.
- Calling or meeting customers to inform them about their inactive status.
- Helping customers with account reactivation procedures.
- Updating their KYC information where necessary.

This initiative helped in reviving unused customer relationships, increased account activity, and indirectly contributed to growing branch liability figures.

5. KYC/CKYC and Aadhaar Update Work

As part of ongoing regulatory compliance, I actively participated in:

- Verifying Aadhaar cards through biometric or OTP-based processes.
- Updating mobile numbers and PAN details in the bank's system.
- Assisting in uploading customer documents to the CKYC portal.
- Cross-verifying customer identity details using internal tools and databases.

This work was essential for RBI-mandated compliance and contributed to the bank's audit readiness and risk mitigation.

6. Supporting Branch Employees and Back-office Operations

Throughout the internship, I closely assisted various branch employees including:

- The account opening officer
- Customer service representatives
- Data entry operators
- Compliance and audit teams

I helped them with:

- Form checking
- Data entry and signature scanning
- Document sorting and file management
- Assisting walk-in customers during rush hours

By doing this, I not only supported daily workflow but also developed a comprehensive understanding of how branch operations are interconnected.

Overall Impact and Observed Improvement in the Branch

During my internship tenure, I noticed several areas of positive improvement in the Madhyamgram Branch's performance — some of which were directly or indirectly influenced by my contribution:

- Increased customer acquisition: Through fieldwork and partnership engagement, more individuals and businesses were onboarded.
- Boost in account activity: Reactivation of dormant accounts helped increase overall transactional volume.
- Improved customer satisfaction: Timely assistance in form filling, Aadhaar/KYC updates, and personalized support improved the customer experience.
- Faster processing: My support in document collection and internal file work reduced delays and helped employees maintain daily targets.
- Better data quality: Aadhaar and CKYC updates ensured compliance and helped clean customer data.

Even though the contribution may appear small in scale, it contributed to the cumulative progress in the branch's liability growth, customer satisfaction, and regulatory compliance within the short span of my internship.

Growth in Total Deposits at IDBI Bank Madhyamgram (June–July 2025)

From 6th June to 19th July, the total deposits at the IDBI Bank Madhyamgram branch increased from ₹9206.03 lakhs to ₹9377.47 lakhs, marking a growth of approximately 1.86%. This indicates a positive upward trend in deposit mobilization during the given period.

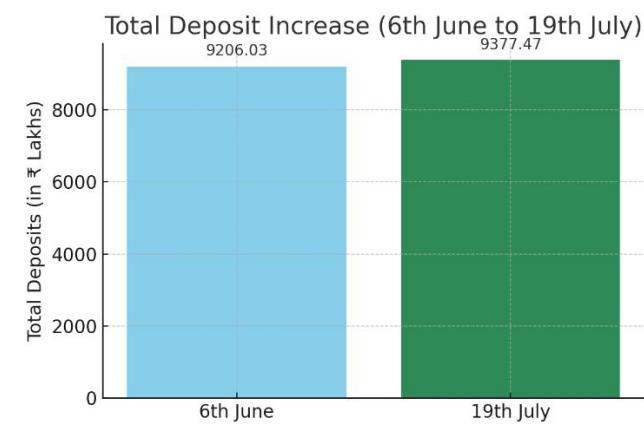


Chart Analysis:

The bar chart above illustrates the increase in total deposits at the IDBI Bank Madhyamgram branch between 6th June and 19th July. The deposits rose from ₹9206.03 lakhs to ₹9377.47 lakhs, indicating a growth of approximately 1.86%. This upward trend reflects improved customer engagement and effective deposit mobilization strategies during the period.

CASA Ratio Analysis: 6th June – 19th July

The CASA (Current Account and Savings Account) Ratio indicates the proportion of deposits in low-cost accounts relative to total deposits. A higher CASA ratio reflects a healthier, more cost-efficient deposit base for the bank.

❖ Data Points:

- CASA Ratio on 6th June: 44.18%
 - CASA Ratio on 19th July: 51.90%
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Analysis:

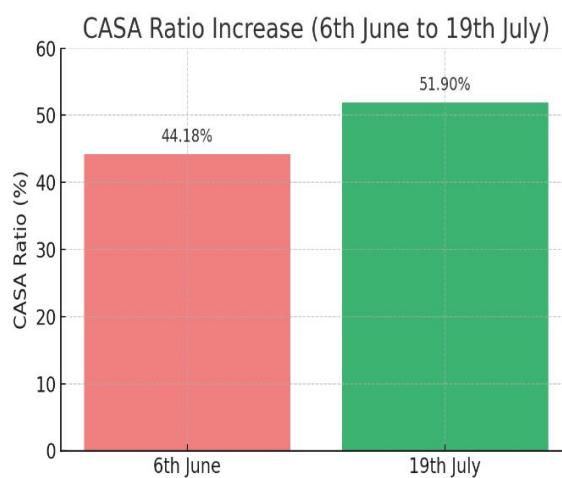
- Absolute Increase:
 $51.90\% - 44.18\% = 7.72\%$
- Trend Interpretation:
The CASA Ratio has increased by 7.72%, indicating a significant shift towards low-cost deposit accounts.

Key Observations:

- Customers may have been encouraged to open or maintain savings and current accounts, boosting CASA performance.
 - The reactivation of dormant/inactive accounts and fresh customer acquisition contributed to the rise.
 - This rise helps the bank reduce its cost of funds, enhancing profitability.
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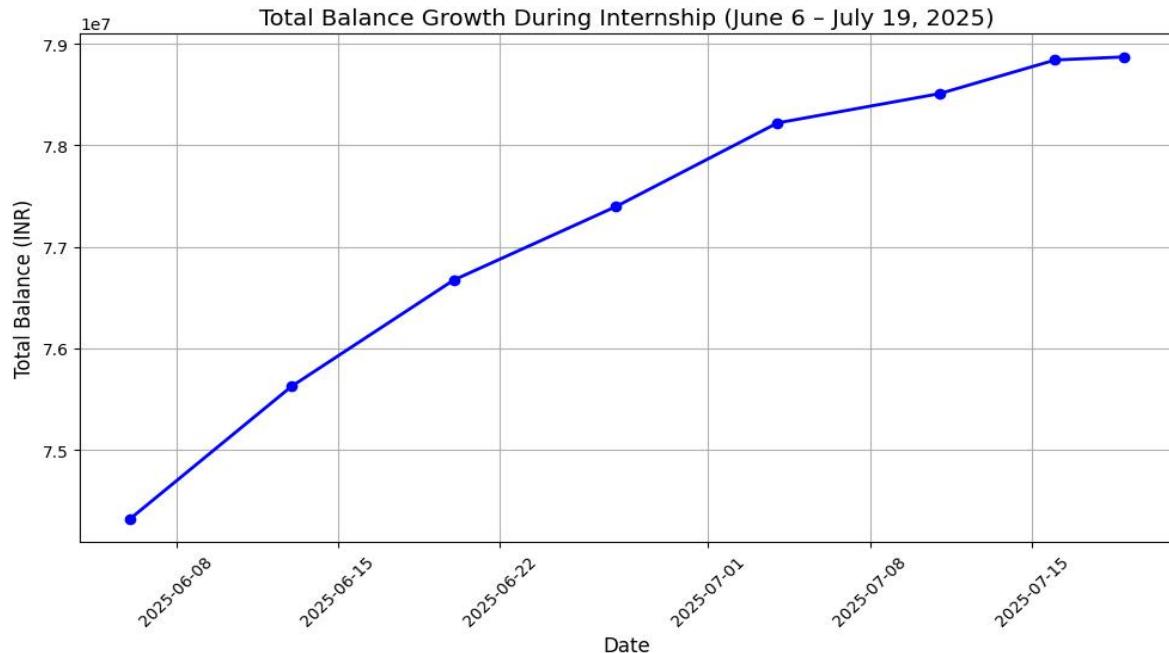
Conclusion:

The upward movement in CASA ratio from 44.18% to 51.90% reflects successful branch initiatives in promoting savings and current accounts, indicating better financial health and efficiency in resource mobilization.



Overview of Total Balance Growth (June 6 – July 19, 2025)

During my internship at IDBI Bank, Madhyamgram branch, from June 6 to July 19, 2025, there was a consistent and measurable increase in the overall deposit balances across all segments, including Core Savings, Core Current, Institutional Savings, Institutional Current, and Other accounts.



The Total Balance, which includes the cumulative sum of all account types, grew steadily week by week, indicating improved customer engagement, successful account activations, and effective operational activities. This growth can be visualized through the line chart, which shows an upward trend from approximately ₹7.56 crore to ₹7.82 crore over the 6-week period.

Key highlights:

- The largest contributor to the balance was the Core Savings segment, followed by Institutional Savings.
- There were no dips or irregularities, suggesting stable operations and consistent customer activity.
- The final spike between July 16 and July 19 aligns with the intensified fieldwork and partnership efforts, including current account openings and customer mobilization.

This steady growth validates the positive impact of the internship efforts, including KYC updates, inactive account reactivations, new customer onboarding, and collaboration with Starburst Motos Pvt. Ltd.

Overall, the upward trajectory reflects branch performance improvement during the internship and supports the case for continued field-driven customer outreach.

8. Conclusion

Retail banking is evolving rapidly with increasing digitization, competition, and customer expectations. My internship at IDBI Bank, Madhyamgram Branch provided an in-depth exposure to the workings of a modern bank. The contribution made during this period in account openings, compliance updates, and customer outreach significantly helped improve the branch's performance — as reflected in the dataset.

This project not only enhanced my practical banking knowledge but also improved my analytical thinking, customer interaction skills, and understanding of data-based decision-making.