

**CHAPTER-IV**

**PROFILE OF BANK OF  
INDIA  
(LAXMIPURI BRANCH  
KOLHAPUR)**

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**4.1 INTRODUCTION:**

Bank of India is established on 7th September, 1906 by a group of eminent businessmen from Mumbai. The Bank was under private ownership and control till July 1969 when it was nationalized along with 13 other banks. Beginning with one office in Mumbai, with a paid-up capital of Rs.50 lakh and 50 employees, the Bank has made a rapid growth over the years and blossomed into a mighty institution with a strong national presence and sizable international operations. In business volume, the Bank occupies a premier position among the nationalized banks. The Bank has 4467 (March 2013) branches in India spread over all states/ union territories including specialized branches. These branches are controlled through 50 Zonal Offices. The BOI came out with its maiden public issue in 1997 and follow on Qualified Institutions Placement in February 2008. Total number of shareholders as on 30/09/2009 is 2, 15,790. While firmly adhering to a policy of prudence and caution, the Bank has been in the forefront of introducing various innovative services and systems. Business has been conducted with the successful blend of traditional values and ethics and the most modern infrastructure. The Bank has been the first among the nationalized banks to establish a fully computerized branch and ATM facility at the Mahalaxmi Branch at Mumbai way back in 1989. The Bank is also a Founder Member of SWIFT (Society Worldwide Internet Financial Telecommunication) in India. It pioneered the introduction of the Health Code System in 1982, for evaluating and rating its credit portfolio. Presently Bank has overseas presence in 20 countries spread over 5 continents – with 53 offices including 4 Subsidiaries, 4 Representative Offices and 1 Joint Venture, at key banking and financial centers viz., Tokyo, Singapore, Hong Kong, London, Jersey, Paris and New York. Today Bank of India comes in the top 50 branches in the world.

Today's BOI having 60000 users of online users in Kolhapur Zone and Laxmipuri main branch having near about 5900 online banking users are registered under online banking system. It was the first Bank in India promoted by Indian interests to serve all the communities of India. At the time, banks in India were either

owned by Europeans and served mainly the interests of the European merchant houses or by different communities and served the banking needs of their own community.

#### **4.1.2. VISION OF BANK OF INDIA**

"To become the bank of choice for corporate, medium businesses and up market retail customers and to provide cost effective developmental banking for small business, mass market and rural markets".

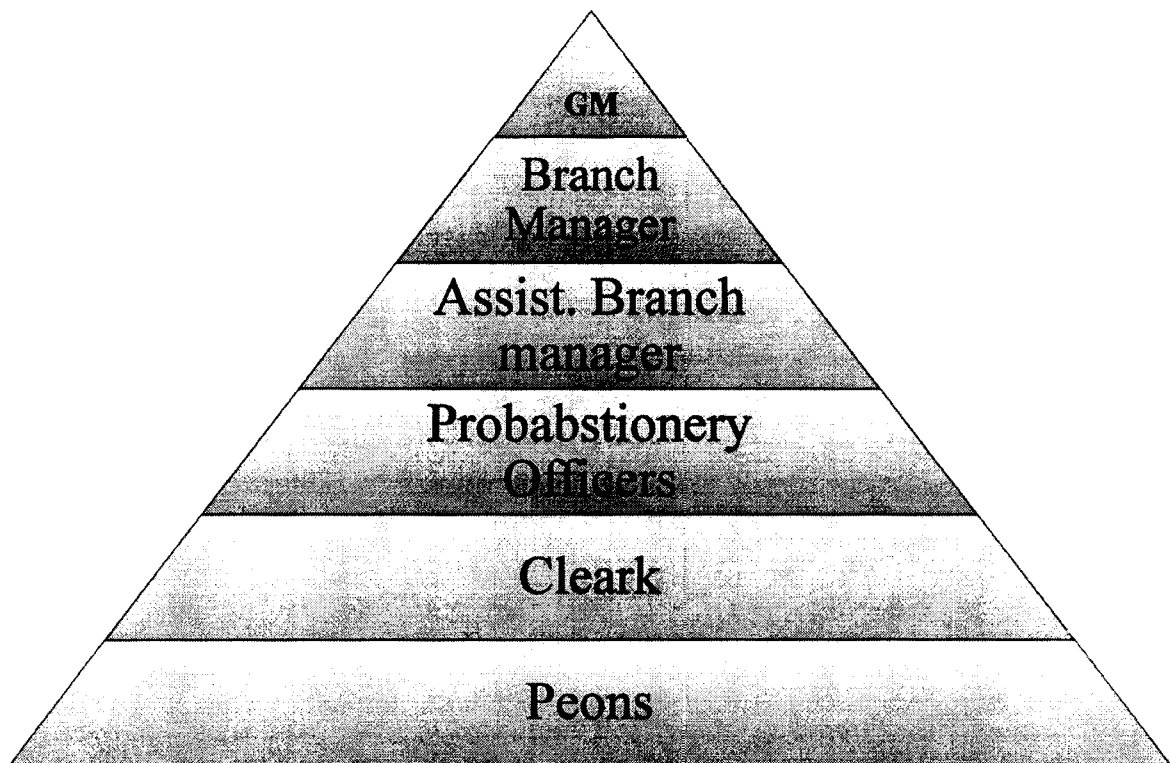
#### **4.1.3 MISSION OF BANK OF INDIA**

"To provide superior, proactive banking services to niche markets globally, while providing cost-effective, responsive services to others in our role as a development bank, and in so doing, meet the requirements of our stakeholders".

#### **4.1.4. BANK OF INDIA QUALITY POLICY**

We, at Bank of India, are committed to become the Bank of Choice by providing Superior, Proactive, and Innovative State of The Art Banking Services with an attitude of Care and Concern for the Customers and Patrons.

#### **4.1.5. ORGANISATIONAL CHART OF BANK OF INDIA LAXMIPURI BRANCH KOLHAPUR**



#### **4.1.6. AWARDS OF BANK OF INDIA**

Bank of India taking various Awards including laxmipuri branch Kolhapur.

- With ET 2<sup>nd</sup> Most Trusted Bank Award 2012
- Best Bank Award for Technology for Financial Inclusion among Large Banks for the year 2010-2011 conferred by IDRBT.
- C-Change Enterprise Awards 2011- Recognizing Excellence among CIOs - Best Security Implementation Award awarded by CIOL & DATAQUEST.
- Outstanding Innovation Award conferred on Bank of India by Hughes – Network Service Provider.
- Certificate of appreciation awarded by Computer Society of India to the bank for the Project – Financial Inclusion through ICT enabled solution.

#### **4.2. BRANCH PROFILE**

In the process of restructuring of bank's administrative set up Kolhapur Zone was created in 2001 with the amalgamation of 51 branches of erstwhile Sangli Region with 40 branches of erstwhile Kolhapur Region covering Kolhapur, Sangli and Satara districts. It has Lead Bank responsibilities in two districts the zone has basically agricultural business and entire economy is dependent on crop of Sugarcane and Sugar Industry. The Branch is located in rural area in Panhala taluka of Kolhapur district. The branch is functioning at the village since 1981 and has completed 32 years of functioning in rural area. The branch is functioning at Jaysingpur since 1972 and has completed 42 years of functioning in the area. **The Branch is located in Laxmipuri main branch in the year 27<sup>th</sup> April 1964 and for last 39 years it is providing various banking services** to different segments of the society in the command area of the branch. Bank started a Women Branch in Satara in the year 2013.

Kolhapur is situated in the southwest corner of Maharashtra and shares its eastern and southern border with the State of Karnataka. Kolhapur is one of the fastest-growing cities in Maharashtra and is one of the highest per capita income cities in India.. Kolhapur is connected to major Indian cities like Mumbai, Pune, Hyderabad, Bangalore, Solapur, Nagpur, Tirupati, Ahmadabad, Delhi, Dhanbad through express trains. Kolhapur is also connected by road with Mumbai to the north and Bangalore to the south by National Highway 4 which extends all the way down till Chennai. The city is located about 395 km from Mumbai and 240 km from Pune.

### **4.3 THE BOI, LAXMIPURI BRANCH IS OFFERING FOLLOWING SERVICES:**

- Welcome Kits introduced for NRI Customers opening NRE/NRO accounts at foreign centers.
- As per Finance Ministry guidelines and recommendations, the Bank's corporate web-site (English) has been enabled for persons with Disabilities.
- New facilities introduced for BOI Net Banking user. Fixed Deposit scheme- Star Sunidhi Tax saving with nomination facility introduced. The BOI PPF account holders can now make online deposit.
- Self-operating SB pass book printing kiosk has been introduced.
- As per Banking Codes and Standards Board of India (BCSBI) requirements, the Bank is printing help line number on the passbook & statement of accounts.
- Quarterly consolidated Statement of a/c is sent to the Diamond customers in PDF format via email.
- Viewing of Annual Tax Statement (Form 26AS).
- Star eTrade – Online share trading – Integration with Gupta Equities.
- Online Interbank Fund Transfer across banks, through Star Connect Internet Banking Services, using RTGS / NEFT.
- BOI Star e-Pay for Auto-pay or on-line payment of various utility services / bills.
- E-Payment for Direct & Indirect, Central Excise and Service Tax.
- Star e-Share Trade to trade in shares.
- E-Freight Payment.
- Online Payment of Directorate General of Foreign Trade (DGFT) license fees.
- Online Booking of Railway & Airlines Ticket.
- Online Application for Education loan.
- Provision to make online bid-cum-application for Application Supported by Blocked Amount IPO issues by Retail Internet Banking Customers having account with any DPO.
- BOI-BTM (Banking through Mobile launched).
- Introduction of Personal Accident Insurance Cover for all No Frill account holders.

- For International Travelers BOI Star International Travel Card in US Currency with Visa Affiliation has been introduced.
- All these services provide the Laxmipuri main branch Kolhapur.

#### **4.3.1. OFF LINE BANKING SERVICES**

Bank of India Laxmipuri Kolhapur branch provides the various main offline banking services

1. Saving Bank Account
2. Current Bank Account
3. Cash Credit bank of account
4. Recurring bank Account
5. Fixed Deposit account.
6. Locker Facilities Account

#### **4.3.2. ON-LINE BANKING SERVICES (STAR CONNECT)**

- Balance enquiry and statement
- Transaction history
- Online transfer of funds
- Request of Cheque book
- Monthly Bank account statement by E-mail
- Change Password Demat holdings
- Interest rate updates
- Bills Payment
- Share Trading
- Online tax payments
- Customer Correspondence
- Demonstration of I-banking
- Corporate Internet Banking

#### **4.4. NEW INITIATIVES IMPLEMENTED DURING THE YEAR:**

Bank of India Laxmipuri Branch Kolhapur Implemented following initiatives for the financial year 2012-13

- Launching of “SMS based Grievance Redressed system” which is being brought to the notice of the Zonal Head on real-time basis for due attention to customers and for speedy resolution from the Business Team.
- Launching of Balance enquiry for SB & OD Accounts through SMS using “Missed call” facility “free-of-cost” to the customers.
- Online acceptance of PPF subscription in PPF account maintained with Bank of India.
- Online acceptance of Donation for Prime Minister National Relief Fund (PMNRF)
- Inclusion of Star Sunidhi Scheme (Tax Relief Deposit) in Online TDR module.
- e-Payment of Commercial Tax for additional seven state governments.
- Online Cheque Book Request facility for Internet banking Users and also through BOI ATMs for ATM Card Holders.
- Online Custom Duty payment module is enhanced to enable the customers to make multiple challan payments simultaneously.
- Statement of account option is now enhanced to enable the customers to view/print statement for a period of one year at a time.
- Online standing instruction module for our Retail Internet Banking customers having fund transfer facility.
- Introduction of one time password (OTP) for registration of a new Beneficiary for RTGS / NEFT as second authentication factor as a Security and Risk Mitigation Measure for Electronic Payment Transactions.
- SMS Alert for inward/outward RTGS / NEFT messages.
- Launch of Cash NEFT for walk in customers.
- Acceptance of PPF subscription in any branch for the PPF account maintained in Bank of India.
- Linking of Aadhaar Number and Account number on the basis of Customer Id which will enable Direct Cash Transfers of subsidies into the Bank account of the beneficiaries under Government’s various welfare schemes being implemented such as MGNREGA, Fertilizer Subsidy, Scholarship, LPG subsidy, etc.
- Deployment of Self Service Passbook updation Kiosk.
- Deployment of Queue Management system for enhanced customer experience.
- Deployment of Digital Signages – reforming Bank’s Photo & Video advertisements.

- Revamped next-generation customer-centric website on the latest Web platform was launched on Bank's 107th foundation day on 7th September, 2012.

#### **4.5. INFORMATION TECHNOLOGY BRANCH AUTOMATION**

All branches of Bank are on Core Banking Solution (CBS) and new branches are directly being opened under the CBS platform. All these branches are RTGS / NEFT enabled.

##### **4.4.1 SMS ALERTS – STAR SANDESH**

As a fraud prevention measure, SMS alerts are generated and provided to all customers who have registered their mobile number with the Bank for Activation of login / transaction passwords for the Internet Banking users.

- Alerts for installment due in Star Auto fin & Housing Accounts.
- All Debit transactions from delivery channels (Internet banking/ ATM/POS).
- All Customer induced debit & credit transactions of 10,000/- and above.
- All Debit RTGS transactions.
- All Debit NEFT transactions of 10,000/- and above.
- All ECS Credit / Debit transactions for 10,000/- and above.
- Credit confirmation for NEFT outward message (i.e. credit to beneficiary A/c).
- Auto reversals of transactions for failed ATM transactions.
- Acknowledgment on accepting the cheque book issue request.
- One Time Passwords for transactions in respect of customers who have not opted for Star Token
- One Time passwords of Star Token whenever the customer desires to access Internet Banking from a Personal Computer other than the registered Personal Computer.

##### **4.5.2. INTERNET BANKING:**

A fast and secure internet banking facility is available to customers for utility bill payments, air & rail ticket booking, on-line shopping, inter-bank and intra bank fund transfers, etc. Bank of India is the first PSU Bank in India to implement Two-factor Authentication (2FA) – Star Token for both Retail and Corporate internet banking customers as an additional security measure. Bank's customers enjoy the convenience of secured Anytime, Anywhere, Anyhow hassle free Banking from the comfort of their homes and offices with a click of a mouse. In BOI in Kolhapur online banking status is developed and mobile Banking is in developing stage.

#### **4.6 POSITION OF BANK OF INDIA IN INDIA AND GLOBAL**



**Table No. 4.1**  
**Branches of Bank of India**

Sr. No	Name of Branches	2009	2010	2011	2012	2013
1	Foreign Branches	27	29	29	49	53
2	Indian Branches	3021	3207	3490	4000	4292
<b>Total Branches of BOI</b>		<b>3048</b>	<b>3236</b>	<b>3519</b>	<b>4049</b>	<b>4345</b>

(Source: BOI Annual report 2012-13 p.54)

The bank has spread over the all world into establishing branches. In 2009 bank has only 27 foreign branches are there but due to good financial services provider Banks expand its branches up to 53 foreign branches at present. In spite of it bank has also increased its branches domestically from 3021 in the year 2009 to 4292 at present. It shows better financial services of bank and customer creation caused to expand the branches.

#### **4.6.1. BRANCH NETWORK & EXPANSION:**

The Bank has a geographically well spread branch network in India and abroad. The Bank had 4000 branches in India as on 31.03.2012. In the foreign countries, 48 branches and 4 representative offices keep Bank's presence felt in all time zones and important financial canters of the globe. During the year 2012-13, Bank opened 292 new branches including 02 Extension Counters converted into full-fledged branches.

#### **4.7. POSITION OF BANK OF INDIA IN MAHARASHTRA (KOLHAPUR):**

**Table No. 4.2**  
**Kolhapur Zone Distribution of Branches**

Location wise	Kolhapur	Sangli	Satara	Total
Urban	8	5	2	15
Semi-urban	9	13	4	26
Rural	27	23	14	64
<b>Total</b>	<b>44</b>	<b>36</b>	<b>16</b>	<b>105</b>

(Source: BOI Zonal office Information)

Under the Kolhapur Zone Bank branches classified as urban, semi-urban and rural. The number of Urban branches are 6 in Kolhapur and 4in Sangli but Satara doesn't

have the urban branch. Semi- Urban branches significantly contributed to each district while number of Rural Bank branches has been more in comparison with other two in Kolhapur Zone. In Kolhapur city Bank of India having one mid-corporate branch.

#### **4.8. BANK OF INDIA WORK AS A LEAD BANK:**

The Bank has been assigned with Lead Bank responsibility in 48 districts spread over five states of 1.Jharkhand, 2.Maharashtra, 3.Madhya Pradesh, 4.Uttar Pradesh and 5. Orissa. The Bank has been successfully discharging its duties of Lead Bank in all these districts. The achievement of the Bank is 8471 crore which is 96.16% of ACP. The Bank has now, been designated by the SLBC as the “Lead Bank Convener” in the state of Jharkhand.

In Maharashtra, Chandrapur, Gadchiroli, **Kolhapur**, Nagpur, Raigad, Ratnagiri, Sagali, Solapur, Sindhudurg, Wardha and Gondia this districts are comes Bank of India under the lead bank schemes.

##### **4.8.1. FINANCIAL INCLUSION:**

Financial Inclusion is integral to the inclusive growth process and sustainable development of the country. There has been a strategic shift in sustainable financial inclusion to the adoption of market oriented approach viewing financial inclusion as a viable business proposition. It has been made possible with the availability of ICT based solution to support secure and sufficiently low cost transactions required by the financial sector. Bank is committed to provide banking services through Business Correspondents and ICT based hand held devices (micro ATMs) to 40160 villages, connect 125 lakh people through Basic savings Bank Deposit Account within built overdraft facilities to take care of their urgent consumption needs, extend entrepreneurship credit to eligible people to earn their sustainable livelihood, offer mobile based remittance facility to help mainly the migrant labour / self employed to remit money to their family members and facilitate access to Bank’s third party products including Micro Insurance amongst other services.

##### **4.8.2. NON-PERFORMING ASSETS YEAR 2011- 12 AND 2012-13**

**Table No 4.3**

#### **Year Wise Non Performing Assets of BOI**

<b>Particulars</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>
Net NPA	1.71%	1.31%	0.91%	1.47%	2.06%

(Source: Annual Report 2011-12 and 2012-13)

The Bank continues its drive and focus in improving its performance in the area of NPA management in the year 2012-13. Substantial measures were initiated to augment recovery and contain NPAs. Efforts were also made to maximize recovery in written off accounts and uncharged / unrealized interest in NPA accounts which contributes to the Bank's profits significantly.

#### 4.8.3. INTEREST RATE OF VARIOUS SERVICE

##### 4.8.3.1 Deposits Rate

Table No. 4.4

Maturity	For Deposits of Less than Rs.1 Cr.		For deposits of Rs.1 Cr & above but less than Rs.10 Cr		For deposits of Rs.10 Cr & above but less than Rs. 100 Cr	
	21.10.13	25.11.13	21.10.13	25.11.13	21.10.13	25.11.13
07 days to 14 days *	4.00	4.00	4.25	4.25	4.50	4.50
15 days to 30 days	4.50	4.50	4.75	4.75	5.00	5.00
31 days to 45 days	6.50	6.50	6.50	6.50	6.50	6.50
46 days to 90 days	6.75	6.75	6.75	6.75	6.75	6.75
91 days to 179 days	7.00	7.00	7.50	7.50	7.50	7.50
180 days to 269 days	8.00	8.00	8.00	8.00	8.25	8.25
270 days to 364 days	8.00	8.00	8.25	8.75	8.25	8.25
1 Year	9.00	9.05	9.00	9.10	9.00	9.00
Above 1 Year to less than 2 Years	9.00	9.05	8.50	8.75	8.50	8.50

2 Years to less than 3 Years	9.00	9.05	8.25	8.25	8.25	8.25
3 Years to less than 5 years	9.00	9.05	7.25	7.25	7.25	7.25
5 years to less than 8 years	9.00	9.05	7.00	7.00	7.00	7.00
8 years and above up to 10 Years	8.75	8.75	7.00	7.00	7.00	7.00

(Source: Bank of India Interest and service charges Chart)

#### 4.8.3.2 DEBIT CARD SERVICES CHARGES

Table No.4.5

<b>Charges for 1<sup>st</sup> year of usage</b>	<b>FREE</b>
Branches in Metro & Urban areas	Rs 100/-
Branches in Rural and semi Urban	Rs 50/-
Savings Bank Account holder maintaining Rs 10000/- quarterly average balance in Rural and Semi Urban	NIL/-
Saving Bank Account holder maintaining Rs 25000/- quarterly average balance in Urban and Metro areas	NIL/-
Senior Citizens and Pensioners	NIL/-

(Source: Bank of India Interest and service charges Chart)

#### 4.8.3.3 CREDIT CARD SERVICE CHARGES

**Table No. 4.6**

Card	Type	Entrance fee	Annual Membership fee*	
			Principal	Add-on
India Card@	Credit	Nil	NIL	NIL
Taj Premium Card	Credit	Nil	800	400
BOI Navy Silver	Credit	Nil	350	175
BOI Navy Gold	Credit	Nil	NIL	NIL
Gold (Visa)	Credit	Nil	600	350
Gold International (Visa)	Credit	Nil	1500	800

(Source: Bank of India Interest and service charges Chart).

#### **4.9 MARKETING ACTIVITIES:**

Bank of India Laxmipuri branch also performing the marketing activities of various banking product. Marketing has been an important of financial institutions that's why BOI focus of new customers, clients and create a set of customer centric processes for enhancing value for them. The Bank has appointed Marketing Team in all the zones for mobilizing Deposits, Retail & SME advances, De-mat Accounts, Card Products, IT Enabled Products and Services, sale of Third Party Products and Gold coins to name a few. The marketing staff are placed / attached to the branches and are working under the Head Marketing placed at Zonal Office. The Bank has also placed separate Marketing Teams at Retail Business Centers (RBCs) for mobilizing retail loans, SME Centers for mobilizing SME Loans and has created TASC Teams for mobilizing Trusts, Associations, Societies and Clubs Business. To strengthen the marketing Team, the Bank had recruited 430 Marketing Executives in the last three financial years. During in the year 2012-13 the bank has recruited 234 Marketing Executives. As on 31st March, 2013, Bank has over 500 proactive and trained marketing personnel for focused marketing efforts.

#### **4.10. THIRD PARTY PRODUCTS:**

Bank of India Laxmipuri branch Kolhapur involved the third party product like Life Insurance, General Insurance and Mutual Fund.

##### **4.10.1. Life Insurance**

BOI Tie-up for Life Insurance to Star Union Dai-ichi Life Insurance Co Ltd. Bank of India has entered into Corporate Agency Agreement on 6th February, 2009 with Bank's Joint Venture - the Star Union Dai-ichi Life Insurance Co Ltd for sale of their life insurance products. In the year 2009 Bank has over 80 employees to act as 'Specified Person' for sale of insurance products in various centres. Today's Bank of India has around 1600 employees to act as 'Specified Person' for doing business of insurance products in various centres. During the current financial year 2012-13, bank collected premium of ` 465 crore (Number of Policies – over 96,000) and contributed to more than 55% of the total new business of the Joint Venture company. Bank continues to offer optional life insurance cover to our Star Home Loan and Star Education Loan borrowers under Group Policy wherein the borrowers pay reduced premium for life cover.

##### **4.10.2. General Insurance**

Tie-up for General Insurance (Non-life) with National Insurance Co Ltd. (NICK) The existing tie-up arrangement with NICK was converted into Corporate Agency Distribution Model in compliance with IRDA revised guidelines covering Banc assurance Business with Distributors like Bank. Bank has a co-branded health insurance product – BOI National Swasthya Bima, which is a Family Floater Medclaim Insurance Cover available only for Bank of India account holders, for a very low premium. The coverage is for the Account Holder, Spouse and Maximum of 2 Dependent Children.

##### **4.10.3. MUTUAL FUNDS PRODUCTS**

Bank of India has continues to be a shop for all financial needs of the customers and we distribute Mutual Fund products of the following 10 Asset Management Companies, viz., BOI-AXA Mutual Fund, Birla Sun Life Mutual Fund, DSP Black Rock Mutual Fund, Franklin Templeton Investments, HDFC Mutual Fund, IDFC Mutual Fund, ING Mutual Fund, Kotak Mutual Fund, Reliance Mutual Fund and UTI Mutual Fund.

#### **4.11. COMMITMENT TOWARDS CUSTOMERS**

The Bank reiterates its commitment to customer service through a customer centric approach to achieve the goals set under SANKALP 10000. The Bank has been a voluntary member of the Banking Codes and Standards Board of India (BCSBI) since its inception in 2006, to emphasize its customer orientation and commitment to provide service of a high order in a transparent manner, supplying the customer with the necessary information to take an informed decisions. BCSBI revised Code 2009 was also adopted by the Bank and displayed on the website. Copies of the revised code are distributed among customers for their information. Bank of India has been done his customers commitment through the following activities.

- A short film on desired staff behaviour shot entirely within the Bank premises is being shown to the participants attending training courses conducted at Staff Training Centres all over India.
- Root cause analysis of complaints is being done at half yearly intervals to identify problem areas and initiate corrective steps at the Head office level.
- SMS complaint management has been introduced for directly contacting the Zonal managers for quick redressal of complaints.
- With the increased emphasis on use of electronic mode of communication, the turnaround time for complaints is being compressed to 10 days in majority of the cases.
- All customer centric information mandatorily required, is displayed on the website for the benefit of customers and is made available at the branches.
- Various channels are offered to customers for airing their grievances, including e-mail, phone.
- Bank is issuing personalized Cheque books in all branches.

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