

# IMPACT OF RETAIL LENDING FUNDS ON AXIS BANK

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**Abstract:** Retail banking refers to banking services that are mainly used by individual consumers. Commercial banks and small community banks generally provide retail banking resources to their clients. Consumer banking is at the heart of retail banking. Retail banking companies provide personal banking services, including savings and control accounts, billing services, and debit and credit cards. Today, most of the retail banking service is electronically regulated by automated bank cards (virtual retail banks) or virtual retail banking services, the so-called online banking services. It deals with lending to bank customers. Retail banking services are generally thought to provide commercial market banking services to individuals. Over the years, it has expanded to provide many occasional facilities for small and medium-sized businesses. The definition of retail banking also includes the bank's own "private banking" business (i.e. services provided to individuals with high net worth). The purpose of this study is to assess the market trends of advances, deposits and investments with reference to AXIS bank.

**Keywords:** Bank, Customers, Retail banking and Choice

## I. INTRODUCTION

Retail loans lend to individuals rather than to companies. Retail loans are provided by banks, credit unions, savings and credit unions. These companies borrow loans for the purchase of cars, home finance, pharmaceutical care, home improvements, holidays and another consumer use. Due to the attainability of loans and the increasing the quantity of goods offered for retail lending, retail loans played a significant role in bank lending. The amounts borrowed from retail loans are generally lower than loans to businesses. Retail loans can take the form of participatory loans that are payable in the short term of the years or non- guaranteed loans in the same way as retail loans, especially mortgage loans and home loans. At the same time, the risks are full, as banks are increasingly different from traditional trading methods, which use risk-based pricing, indirect loans and hedging. Extending retail lending in geographic areas means that regulatory, compliance and disclosure issues only exacerbate existing problems. Retail loans are loans to individuals for housing, education, consumer durability and personal needs. Credit cards are also part of the retail portfolio.

## MEANING OF RETAIL LENDING

Retail loans generally refer to the provision of financial services, deposits and product-related products to individual customers. Banks focus on different categories, such as the professional, housewife, pensioner, children and the payment department. The above market segments offer a wide range of products, such as intermittent payments, provisions on bank deposits, FDs, credit cards, housing and consumer loans.

## RETAIL LENDING DEFINITION

"Retail loans are general commercial market banks where independent clients use domestic branches of large commercial banks. The services offered include savings and control accounts, mortgage loans, personal loans, debit cards, credit cards, and so on."

## NEED OF THE STUDY

The need for a study is to appraise the involvement of retail credit risks and Shows that asset management is in the bank. It examines the bank's products and services that are cheap and beneficial to consumers. Describe the impact of interest rates on the products offered by the Bank. It also helps bank branches expand their profits from retail credit funds.

## OBJECTIVES OF THE STUDY

- Evaluation and Estimation of retail profits from AXIS Bank.
- Calculation of the ratio of intangible assets in AXIS bank.
- The purpose of the study is to assess the market trends of advances, deposits and investments

## SCOPE OF THE STUDY

The scope of the study is very large. It focuses on economic activity as a whole and increases consumer purchasing power. This can affect retail debt products in nuclear families, which can lead to high savings and increased bank services.

## RESEARCH METHODOLOGY

The research methodology is a complex study that utilizes a secure scientific method for solving problems and generating generally applicable recent knowledge. Scientific methods include well organized examination, classification and interpretation of data.

## RESEARCH PROCESS

Research is the procedure of collecting, analyzing and interpreting data Issues. However, in order to qualify the process as research, the process must have certain features: controllable, rigid, systematic, valid and verifiable, empirical and critical as possible.

## II Review of Literature

Michael Shulver his study examines the theoretical and practical aspects of corporate &quot; parenting & quot; (i.e. allocated resources, activities implemented, actors / decisions) in developing a retail banking system. A revision of related corporate tactics, supply chain, networking, and service administration reports confirms the typology of concept (capacity, merchant trend) and methods (top-down, bottom-up) in system parent content. This gives a framework for discussing the results of a broader analysis of the case study of the UK retail lending region. The examination of case studies proposed that different forms of &quot; network parenting& quot; needed a rich concept to support both real advice and more extreme hypothetical expansions. We develop a basic typology (using stand-by administration procedures) and use it to refer the parental system narrated in the report. The study is about possible directions for future work.

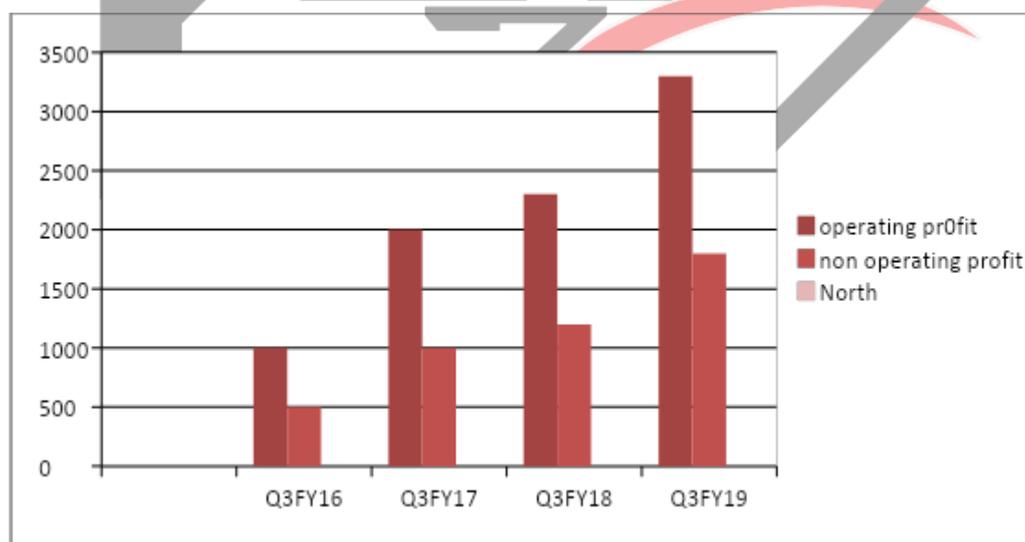
Deborah Ralston Reliable lending policies for retail banking organizations include analyzing huge risk aspirants, changing credit quality, like security requirements, and post-repayment credit acceptance. For credit union leaders, this approach is difficult because it requires a balance between the company&#39;s social goal and credit enhancement, so that members achieve lifestyle goals and, by default, reduce the company&#39;s viability. The results of the Australian

Credit Cooperative Survey, in which 70 percent of individuals reported a default on personal credit, suggests that managers do not impose stricter credit terms on high-risk borrowers.

## III Data Analysis & Interpretations

### PROFIT & LOSS HIGHLIGHTS

MILLION	FY16	FY17	GROWTH	FY18	FY19	GROWTH
Net Interest Income	3,485	2,442	42.7%	12,469	7,880	58.2%
Non-Interest Income	1,969	1,601	16.7%	6,233	5,755	8.3%
Total Net Income	5,333	4,043	32.4%	18,702	13,635	37.2%
Non-Operating Profit	1,865	1,467	27.1%	6,798	5,000	35.9%
Operating Profit	3,488	2,576	35.4%	11,904	8,633	37.9%
Provision &Contingencies	433	426	1.6%	982	1,396	-28.3%
Provision for Tax	1,021	750	36.2%	3,650	2,487	46.8%
Profit After TAX	2,034	1,400	45.3%	7,270	4,777	52.2%



**BALANCE SHEET GROWTH**

Particulars	Dec31,2019	Dec 31,2018	y-to-y growth
Assets	522,460	295,875	76.6%
Advances	311,122	187,104	66.3%
Liabilities	522,460	295,875	76.6%
Shareholders' Funds	36,937	19,813	86.4%
Total Capitals Funds	68,320	37,517	82.1%
Deposits	394,528	220,386	79.0%
CASA	40,369	22,289	81.1%
Investment	152,223	82,820	83.8%

**Interpretation**

- CASA growth of 81.1% y-to-y along with Strong Deposit growth of 79.0% y-to-y. The bank has strong financial structure from the financial year 31 Dec 2017 to 31 Dec 2019.
- The bank deposits in the financial year march 2016 were Rs.100billions but the deposit increased to 480 billion in the current year.

**KEY FINANCIAL INDICATORS**

Particulars	2019 ,Dec 31,	2018,Dec 31,	2017,Dec 31,
ROA	1.5%	1.8%	1.5%
ROE	21.3%	26.3%	20.9%

**Interpretation**

- In Previous financial year ROA was 1.2% but the growth in current financial year it has increase to 1.4%.
- In Previous financial year ROE was 13% but the growth in current financial year mar 2016 it stood to 20%.

**IV Findings**

On 31 March 2018, the number of advances increased by 54.8% to R. EUR 343.64 billion. Amounted to HUF 221.93 billion on 31 March 2018. Investments increased by 84.4% to HUF 188.29 billion. March 31, 2019 from 10.10 billion forints on March 31, 2019. Total deposits increased by 71.4% to HUF 4,559.39 billion on 31 March 2019.

**V Suggestions**

A small proportion of the retail share of the retail lending area compared to the wholesale bank.

The bank must aggressively launch retail lending practices. Overall, the bank needs to increase its retail credit book, which is a good source of revenue.

**Conclusion**

The bank has a great relationship over the clients. Clients are extremely comfortable with Axis Bank's contact management service. The Bank and its clients make a long-lasting connection. It tends to keep its clients at all costs. It is believed that the older client is most beneficial than modern one, so they try to balance a great and long-lasting relationship with their customers.

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