

# **A study of Retail Banking and its Challenges**

**Prof. Aparna Surve**

Asst. Professor

St. Rock's College of Commerce and Science, Borivali (W), Mumbai, India

**Abstract:** *According to a report published by A.T. Kearney (a global management consulting firm), India is the second most attractive retail banking destination among 30 emerging markets. In reality, India has witnessed a shift from wholesale lending to retails lending, particularly in the private sector banks. Housing Loan occupies a prominent position and accounts for more than 50 to 60 percent of almost all banks' total credit. The changing retail banking portfolio in India has multiple dimensions. While there is a noticeable shift in the number and nature of products introduced and the manner in which banking services are provided, there is also a concern that growth in retail banking is skewed toward assets and not balanced with growth in liabilities (retail deposits). A further concern is that banks are not reaching out to individuals with lower incomes. However, Indian banks have already begun to include those previously excluded from formal banking services. To foster the growth of retail banking, banks have begun bolstering their services through multiple channels, with the bank branch remaining the primary focus.*

**Keywords:** Retail banking, Indian Banking sector, challenges, scope, opportunities