**Abstract**

SERVQUAL was presented as a multidimensional construct and in their original formulation, Parasuraman*et al.* (1985) They developed 22-item instruments to measure customer expectations and perceptions (E and P) of the five dimensions of SERVQUAL. Customer satisfaction can be conceptualized as either transaction-specific satisfaction or cumulative satisfaction. Globalization and privatization led policies have compelled the banking sector to reform and adjust to have a competitive edge to cope with multinationals led environment. The private-sector banks in India represent part of the Indian Banking Sector that is made up of private and public sector banks. The private sector banks are bifurcated into old private sector and new private sector banks. Aim of the study is to analyze perception of service quality and preference leading to satisfaction among rural customers towards services provided by select private banks in Coimbstore. This study discusses the research design and data collection method. Initially, the data collection methods, target population, sampling mechanism, sample size. The research is descriptive in nature. Convenience sampling method used for the study. Some of the private sector banks operating in rural areas of Coimbatore are Axis Bank, City Union Bank, ICICI Bank, HDFC Bank and IndusIndBank . Item statistics, reliability and structural equation model are used as statistical tools for the study. When taking contribution of services into consideration based on service quality construct two variables viz. Empathy and Responsiveness achieved highest loading (SQ3=0.88 and SQ2=0.87) followed by SQ4=0.075 and least the Tangibility (SQ5= 0.53). With respect to Preference with highest loadings are based on appropriate locations of ATM / CDM centre (P3), efficiency of CDM services (P2) and efficiency of ATM services (P1) with the loadings of 0.97, 0.91, 0.87 respectively had significantly contributed in achieving the satisfaction level. When measuring the statistical significance between independent and dependent variables it is observed that preference and satisfaction are found significant. Whereas there is no significant relationship between service quality and satisfaction towards services provided by private sector banks selected for the study in Coimbatore. In conclusion, majority bank customers are having agriculture as their occupation, loan facility during cropping period will help them make profit and keep their transaction healthy with the banks, therefore, banks shall provide sufficient loan facility to improve their quality of life.