

IMPACT OF TECHNOLOGY IN INDIA NBANKING SECTOR

MS. NIDHI DANGI

**Research Scholar, Master Of Philosophy , C.U. Shah University, Wadhwan,
Surendranagar Gujarat.**

ABSTRACT : *In IT revolution Indian banking industry is center. This research paper focuses on the impact of technology in Indian banking sector. We can nothing about the success of banking industry without information technology and communication. It Plays a vital role of banking sector in Indian economy .India has invested in the technology such as Telebanking, Mobilebanking ,ATM ,CreditCard ,ectto bring improvement in quality of customer service and make fast processing of banking operations.*

1. INTRODUCTION

The revolution of Information Technology (IT) has changed every aspect of human being's life including banking. Information technology in banking sectors refers to use of information and communication technology to offer better services to its customer in a safe reliable and affordable manner to make advantages over other banks. With the help of Information Technology, changes have come in traditional banking activities resulting into new technology activities. Information Technology has helped to create new market. With the IT revaluation banks are increasingly interconnecting their computer system not only to branch but it's wide area network which can spread all of the network. Banking industry plays a very important role in the economy. Technology changes have made transactions speedy.

2.0 IT TRENDS IN INDIAN BANK

(A) Electronic Payment Services (E-cheque)

In present time we know about e-governance, email, e-commerce, e-tail, etc. In same manner a new technology is being developed for introduction of e-cheque which will eventually replace the conventional paper cheque.

(B) Real Time Gross Settlement (RTGS)

In India, since March 2004, Real Time Gross settlement Started. RTGS is a system through which electronic instrument can be given by bank to transfer funds in their accounts in one bank. RTGS system is operated by the RBI and gives efficient faster fund transfer among banks facilitating their financial operations.

RTGS is an electronic form of fund transfer where the transmission takes place on a real time basis. RTGS system operates accounts within two hours.

(C) Electronic Fund Transfer (EFT)

Electronic Fund Transfer is a system where by anyone who wants to make payment to another person/company etc. EFT can give service to make cash payment or gives instruction to transfer the fund directly from his bank to another bank account of receiver. When fund transfer to his own account to another account to make sure about the receiver's name, bank account number, account type, bank name, city branch name etc. So process of transfer the amount to the receiver's account is correct and faster.

(D) Electronic Clearing Service (ECS)

Electronic Clearing Service is a retail payment system than can be used to make bulk payment/Receipts of a similar nature especially where each individual payment is of a repetitive nature and of relatively smaller amount. This facility is meant for companies and government departments to make large volumes of payment of funds transfer by individual.

(E) Automatic Teller Machine (ATM)

Automatic Teller Machine is the most popular device in India. ATM gives a service to customers to withdraw money 24 hours and 7 days a week. ATM can be used for payment of utility bills, funds transfer between accounts, deposit of cheques and balance enquiry, etc.

(F) Electronic Data Interchange (EDI)

EDI is used to transmit financial information and payments in electronic form.

Electronic data interchange is the electronic exchange of business documents like purchase order, Invoices, Shopping notice, etc.

(G) Tele Banking

In this facility the customers do entire non-cash related banking on telephones. Under this device automatic voice recorder is used for simple queries and transactions.

(H) Phone Banking

In Phone banking provides easy access for customers to have large businesses telephones.

(I) Credit Card

Credit Card gives customer facilities to make purchase of any product and pay later. Debit card is prepaid card whereas Credit card is a postpaid with fixed limit.

(J) D- Mat Accounts

Transacting shares business through electronic media is called D-Mat. Investor opens an account called Demat Accounts with DPS. In electronic form they get share and then actual shares are given to the investor. Investor pays for the opening maintenance and collection of shares. The uses of Demat account are reducing paper work, bad deliveries, loss of shares and less transaction cost.

3.0 CONCLUSION

The banking today is re-defined and re-engineered with the use of Information technology. With the help of information technology the work is done speedily and easy making cash less transaction. Use of latest digital system, Physical records keeping have been reduced, this facility can be available in mobile to keep records so the details we can be retrieved easily. The banks are offering IT services like RTGS, Net Banking, etc. With the use of Information technology the customer are getting good services with continuous product and process innovation. By the government support and careful re-evaluation of existing business strategies can set the stages for Indian banks to become bigger and stronger. The development of Information technology India has made more global and prosperous.

4.0 REFERENCE

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