



ASTUDY ON DIGITAL BANKING AND AN INDIAN ATTITUDE

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Abstract: In the present situation, the interest of banking is whenever, anyplace banking, this requires inventive strong secure enhanced and prepared to meet the desires for engaged and educated clients. Computerized change is simply moving from customary banking to an advanced world. It is a crucial change in how banks and other money related organizations find out about, how to associate with and fulfil the clients. A powerful advanced change starts with a comprehension of computerized client conduct, inclinations, decisions, prerequisites, and yearnings and so forth. This change prompts the significant changes in the associations from item driven to client driven view. This paper covers job of digitization in Indian banking, factors influence the extent of computerized banking in India, advanced financial patterns in India, innovative achievements in Indian banks. The present investigation depends on optional information. The information has been extricated from the different sources like research articles, productions from administration of India, different announcements of RBI and confirmed sites. The examination found that, computerized banking has radically decreased the working expenses of banks. This has made it workable for banks to charge lower expenses for administrations and furthermore offer higher loan fees for stores. Lower working expenses have implied more benefits for the banks. The investigation likewise found that, advanced banking is having the capacity to change the scene of monetary consideration. Simple utilization of computerized banking can quicken the mix of unbanked economy to the standard.

Keywords: Digitalization, Banking in India, Innovations, Technology.

I. INTRODUCTION

Banks are a piece of our lives, however have a critical job in our everyday lives. Banks consistently attempt to receive most recent advancements to improve client experience. Digitalization isn't a possibility for banking industry, rather it is unavoidable. The trendy expression in India now daily is making a cashless economy. The effective usage of demonetization drives the legislature to execute computerized exchanges. Digitalization is the way toward changing over information into computerized design. Digitalization implies the selection of innovation. The fundamental goal of the administration of India is making 25 billion advanced exchanges through different offices. Digitalization of banking requires stages like Unified Payment Interface (UPI), Aadhar Pay, Debit Cards and Immediate Payment Service (IMPS).

Advanced banking might be seen as selection of different existing and developing advances by the banks. In the present situation, we end up in a computerized wonderland, where the milkman acknowledges wallet installment without a whine, a man purchases a geometry set worth about Rs. 100 utilizing a Visa and the vegetable merchant utilizes QR code based "Sweep and Pay" utility. The new imaginative computerized advancements and modern manners of thinking have brought forth totally different organizations and social measurements. Make in India and Digital India is currently the popular expressions to a brilliant and supportable mechanical and money related advancement of our country. Advanced banking gives answers for investors to their present moment and long haul business and mechanical prerequisites. In the present situation, factors like upgrading of consumer loyalty, brought together client encounters, quicker yield, unending financial volumes, budgetary incorporation, operational efficiencies, size of economy and so forth are being looked for by utilizing advanced financial innovations. The computerized India is the Indian government's lead program with a dream to change over India into a carefully enabled nation.

II. OBJECTIVES OF THE STUDY

- To study the role of digitization in Indian banking.
- To study the factor affect the scope of digital banking in India.
- To study the digital banking trends in India.

- To study the technological milestones in Indian banks.

III. RESEARCH METHODOLOGY

The prevailing look at is descriptive in nature and is based totally on secondary records. The data has been extracted from diverse assets like research articles, publications from government of India, various announcements of RBI and authenticated web sites.

IV. REVIEW OF LITERATURE

a). Dr. Arunangshu Giri and Ipsita Paria (2018) the article entitled “A Literature Review on Impact of Digitalization on Indian Rural Banking System and Rural Economy”. The present paper focuses on the review and summarizes various studies which were made by different researcher of different location across India on the impact of digitalization on rural banking system of India. The study found that, digital banking is having enormous potential to change the landscape of financial inclusion. The study also found that, with the features as low cost, ease of use digital banking can accelerate the integration of unbanked economy to the mainstream.

b). K. Hema Divya and K. Suma Vally (2018) the article entitled “A Study on Digital Payments in India with Perspective of Consumer’s Adoption”. The present paper focuses on the analysis of the adoption level of the digital payment systems by customers. Primary data was collected from 183 respondents in Hyderabad. The collected data through questionnaire were analyzed by using chi-square technique. The study found that, the deployment of technology for digital payments have improved the performance of banking sector and able to achieve the motive cash less country.

c). Anthony Rahul Golden S. (2017) the article entitled “An Overview of Digitalization in Indian Banking Sector”. In this article an attempt has been made to study the overview of digitalization in Indian Banking sector. Banks are not just a part of our lives but have a significant role in our daily lives. Thus banks always try to adopt latest technologies to enhance customer experience. The study found that, due to the adoption of this digitalization, the banking sectors in India face some remarkable changes as well as hurdles. The study also found that, as we are in the digital era, it is not possible to avoid the growth and services or digital banking.

d). Santiago Carbo - Valverde (2017) the article entitled “The Impact on Digitalization on Banking and Financial Stability”. In this article an attempt has been made to discuss the impact of digitalization on banking activities and challenges that imposes for financial stability. The study found that, digitalization is an opportunity to reduce marginal costs and increase productivity in financial services.

V. ROLE OF DIGITIZATION IN INDIAN BANKING

Digitization is the system of changing statistics into virtual layout. Digitization means the adoption of technology. Digitization isn't always an alternative for the banking enterprise, alternatively it is inevitable due to the fact each industry is being digitized and banking region is not any exception. With the assist of technology, banks are capable of attain out to greater customers and offer better services to them. Banks in India as a whole have been very reluctant to adopt the modifications introduced about by technological development. More than a few of factors introduced about the mechanization and digitization in banking industry in India. The installing region standard cheque encoders were the first step forward in virtual transformation in banking. Magnetic Ink individual popularity (MICR) allows inside the sorting and processing of cheques with each financial institution department having an MICR code.

The next step was greater of a need than an innovation. Banking is a respective process and consequently a hard work extensive one in which the employee is liable to making errors. With a purpose to minimize mistakes and speed up the manner, banks started using computer era with widespread personal computer systems after which set up their personal nearby are networks (LAN). Because the networks grew and banks started to connect collectively, middle banking got here into being. Centralized on line actual time exchange (center) banking for this reason allowed customers to perform financial transactions and access their account from any of the collaborating bans branches. Those services made it easier for customers to operate their account and slowly led to the coining of the word: every time, everywhere banking”.

Then computerized Teller system (ATMs) arrived on the scene and electronic fund transfers had been made feasible. on-line banking and Tele banking made their look in the 2000's and one-of-a-kind modes of on line fund transfers had been instituted like real Time Gross settlement (RTGS), instant payment system (IMPS). Countrywide Electronics Fund transfer (NEFT) and national electronic Clearing service (NECS). Latest years have seen the increase in cell banking offerings and other progressive offerings on line. The function of digitization of banking in India that started within the 1080's has definitely come a long manner.

VI. FACTORS AFFECT THE SCOPE OF DIGITAL BANKING IN INDIA

Education: A lack of knowledge approximately banking in itself is a hurdle. Many components of India still conflict with very low literacy fee. The lack of awareness approximately computers and the usage of the net is a project.

Training: There's a lot resistance from inside the banking enterprise itself. Personnel are not skilled in the use of progressive generation. They may be not able to utilize unique functions of digital banking.

VII. DIGITAL BANKING TRENDS IN INDIA

Digital India in the banking sector has grown sharply in recent times. Some trends we see in digital banking in India are:

a). Increase in customers:

The government's encouragement to use electronic wallets has contributed much to people adopting the use of technology in financial transactions. We see a rapid increase in the use of credit/debit cards as well as electronic wallets and the trend will continue.

b). Chatbots:

A number of banks have already employed chatbots in their customer care operations. We will see a steady increase in the number of chatbots employed as well as improvements in their speed of response, quality of interaction and the quality of services rendered.

c). Merge Physical and Digital Process:

Many banks today offer a mixed physical and digital process to their customers. The customers could walk into the bank and then use devices there to carry out their transactions. In the Indian context we will certainly see a steady increase in this kind of service especially in the rural areas.

d). Mobile Technology:

The proliferation of mobile phones and the easy and cheap availability of internet has meant that the banking sector had to provide digital services via mobile phones. A number of banks have developed apps to help customers handle banking transactions on their mobile phones. This trend will only continue. We can look forward to additional features and services being provided, and the user experience being more streamlined.

E). End to end digital marketing:

A number of customers are already using devices to handle their banking tasks. Banks have come to realize that digitization is the only way forward. Hence a number of banks have already started on the path of end-to-end digitization, in their effort to provide all kinds of services over the internet, resulting in paperless transactions.

VIII. FINDINGS OF THE STUDY

1. Digital banking has significantly reduced the working prices of banks. This has made it possible for banks to charge lower fees for offerings and also provide higher hobby prices for deposits. decrease working costs have intended extra profits for the banks.

2. With the accelerated convenience of whenever, everywhere banking, the quantity of customers has improved for banks. Human blunders in calculations and recordkeeping are reduced. With facts of each transaction being maintained electronically, it's far viable to generate reports and examine the facts at any point and for special purposes.

**IX. SUGGESTIONS**

1. Technical defaults must be refrained from by way of employing properly skilled and professional technicians in area of computers, in order that lack of information may be prevented.
2. Seminars and workshops have to be organized by means of the banking specialists at the salubrious utilization of e-banking services particularly for individuals who are ATMs or laptop illiterate.
3. E-banking offerings need to be customized on basis of age, gender, vocation and so on. in order that wishes and requirements of humans can be rewarded as a result. authorities must enlarge investments for the construction of well supplied constructing and infrastructure.
4. It is essential for banks to work on now not handiest excellent internet site, social media connect and cellular banking and so forth.
5. Banks must be cautious concerning cyber threats; Banks ought to be prepared to address cyber assaults. Design with user achievement as focus, content material understandable with the aid of anybody, supported with demos and help to lessen intimidation.
6. New policies constrain banks to undertake their digital offerings, widening the competition form new players.

X. CONCLUSION

With the growing utilization of clever telephones, digitalization of banking region is inevitable to catch up the increasing expectations of the sector. It certainly reduced human errors and expanded convenience. With the help of digital banking, most corporations do no longer should rely on the bank operation timings. Now the transactions can be made even within the atypical hours. There are a few transactions like paying bills or making every day bills that can be automated inside the virtual banking platform. As an end result, the organizations are capable of store a variety of time on the guide procedures and this has a brilliant effect on their productivity. The variety of purchaser base has additionally improved because of the benefit in 'everywhere banking'. Digitization has decreased human errors. It's far possible to get entry to and examine the data each time permitting a robust reporting device. Virtual banking is changing the brick-and-mortar banks into greater greener and efficient places to operate. There is a plethora of options that people can choose with regards to banking. Inside the present scenario, people can test their bank account info, pay their bills on line, transfer money to different bills and a lot of these may be finished very at ease at their house. For this the handiest requirement is the internet connection.

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