

INTERNET BANKING IN INDIA

C. SARAVANASELVI

Research Scholar

Department of Commerce

Sri Vijay Vidyalaya Arts & Science College (Women's)

Dharmapuri- 636 807, Tamil Nadu

Abstract

In the present day, demand for financial services transmuting rapidly and deportment of customers regarding these service going to transmute rapidly. Accordingly, it's compulsory for the banking sector additionally that lieu of the traditional banking it should adopt electronic banking for sustaining as well as attracting the customers. Internet banking is the most pioneering trend among the customers in the present era for more expeditious and secured financial services. The transfer from the traditional banking to internet banking has been an elevating amendment in banking dealing. Enlarged competition, the advancement of information and communications technologies, and transmuting business environment, etc have coerced banking services to transmute. This paper explored the online customer services provided by the banks in India

Keywords: ATM, ECS, National Electronic Funds Transfer, RTGS, etc.

1. Introduction

Banking over the internet has attracted increasing attention from bankers and other financial services industry participants, the business press, regulators, and law makers across the world. The main objective of study is to know whether customers are aware of this facilities, how it more convenient than branch banking, and what are major problems encountered by the customers

2. Technology upgradation

Full branch computerization: Banks are now fully computerized. It has improved the standard of customer services.

ATM services: ATMs are located across the length and breadth of the country, thereby creating a national network of ATMs with an unparalleled reach. The value added service like ATM locator, payment of fee for students, multilingual screen, voice over and drawl of cash advance were introduced in ATMs.

Internet banking: It enables customers to access their account information and initiate transactions on a 24x7. All functionalities have been extended to retail customers.

3. Net bankin

g features

Credit card: Customers can pay their credit cards dues through this option.

Funds transfer: The customers can't transfer funds between their accounts, even if they are in different branches. The customer can also transfer fund to any person having a bank account anytime, anywhere, using third party funds transfer options.

New fixed deposit request: The customers can open a fixed deposit account on the internet. He will just have to give detail regarding the accounts from which he/she want to transfer funds, the amount and terms for the fixed deposits, the branch and the relevant maturity instructions.

Fixed deposit inquiry: The customer can access details of their fixed deposit account such as principal balance, term of deposit, rate of interest, maturity date, maturity amount and instructions for payment.

Demand draft: The customer can issue a DD from their account at special rates. They will just have to select the accounts to be debited from and give the bank details of the amount, locations and beneficiary.

TDS inquiry: The customers can access information on tax deducted at source for all their deposit for the current or previous financial year.

Stop payment requests: The customers can request stop payment on a cheque online by just entering the cheque number and the reason for stopping payment.

Cheque status inquiry: The customers can view the status of a specific cheque issued on any of his/her accounts.

Cheque book request: The customers can request for a new cheque book online. His/her cheque books will be couriered to the address on the bank records.

Account balance inquiry: The customers can check his/her savings or current account balance, including information regarding unclear funds, ledger balances, overdraft limits and sweep-in amounts.

Account statement inquiry: The customers can view all the transactions on his/her account for either the current period, or a specific period determined by him/her. The customer can also request his/her statement via mail.

Demat on the NET: If the customers also hold a Demat account with the bank, he/she can access his/her account online. Through Demat on the internet, he/she can view his/her your transaction for the last 7 days.

Bill pay: The customers can pay his/her mobile phones, electricity and telephone bill through the internet using the bill pay facility.

Security: With net banking, the customers can carry out all his/her banking and shopping

transactions safely and with total confidentiality. So, the customers are absolutely sure that all his/her online transactions are safe and protected.

4. Objectives

1. To review the workings of internet banking.
2. To know about promise made by various banks
3. To know about threat to internet banking

5. Methodology

The paper is mainly concerned with evaluating the performance of internet banking. The primary data were collected through the discussions with bank officials and customers. Secondary data were collected from journals and books.

6. Internet enabled banking model

The new banking business model coalesces around the 6 Cs' which are summarized below.

The 6 Cs	Traditional Model	Internet Enabled
Cross sell	Product Drive	Relationship value Drive
Connectivity	Stand-alone	Connected
Channels	Few	Multiple
Consolidation	Low	High-across products and banks

7. Conclusion

The traditional branch model of bank now giving place to an alternative delivery channels with ATM network. It can be operative account statements Demat, VISA transfer, fund transfer, RTGS, NEFT, mobile recharges, IMPS and portfolio management.

8. Reference

- Calisir, F., & Cigden, A.G. (2008). Internet Banking versus other Banking Channels: Young Consumers View. *International Journal of Bank Management*, 11, 87-114.
- Courchrane, M., Nickerson, D., & Sullivan, R. (2002). Investment in Internet Banking as a Real Option: Theory and Tests. *Journal of Multinational Financial Management*, 12, 347-363.
- Deming, W.E. (1993). *The New Economics for Industry, Government and Education*. Cambridge: Massachusetts Institute of Technology Center for Advanced Engineering Study.
- Lustsik, O. (2003). E-Banking in Estonia: Reasons and Benefits of the Rapid Growth. *Kroon and Economy*, 3 2-27.