

Recent Trends in Indian Banking Sectors

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Abstract- Banking sector play a tremendous role in financial sector. Banks now not only limited to accept the deposit and the cash of the individuals but also provide more facilities to the customer like credit card, debit card, locker facilities etc. Bank play a very important role in the Indian economy and circulation of money in the economy .Due to the competition among the public, private and foreign banks the banks has provided more facilities and bring new innovative ideas to the attract the customer. Now the bank main focus is to satisfy the customer with different facilities In all this changes, information technology play a very important role. The traditional Functions of banks is shifted into modern functions .There are some threats related to security of new technology but overall the growth of banking is raising by this. In this paper we discuss about the new trend of Indian banking sector.

Key words: Banks, financial sector, competition, economy

I. INTRODUCTION

Now the banking sector play a important role in Indian economy It is the life blood of the economy. The banking is changed into modern banking. The development of an country is depend upon the banking sector .RBI is the central banks of all the banks who control all the banks. In 1969 there was only 14 nationalised banks .After 1969 more six banks has increased .Now the banks are not only in public sector but private banks, foreign banks, cooperative banks and regional rural banks come into existence and due to this, competition is increased. Now the banks main priority is customer satisfaction. Every Now the banking provide many services to the customers like ATM,debit card, credit card, net banking ,mobile banking and so on .Times has gone when the customer visit to the banks and wait in the queues and banks also promote e banking . Now the banks main priority is customer satisfaction. Every bank is expanded in rural and urban areas with multiple products.

Indian Banking Regulation act 1949 section 5 (1) (b) of the banking Regulation Act 1949 Banking is defined as. —Accepting for the purpose of the landing of investment of deposits of money from public repayable on demand or other wise and withdraw able by cheques, draft, order or otherwise.

II. REVIEW OF LITERATURE

In (2010) Ombat conducted research to find out the relationship between technology and service quality in the banking industry According to his questionnaire people are satisfied with the facilities provided by banks. Most common in that is ATM, debit card, credit card so on. (2010) another

research was conducted on ' impact of E banking, According to it customer are satisfied with the modern facilities provided by the banks .Banks provide all the facilities like transfer money at less cost and time also save but they have less knowledge about all the facilities provided by banks . In 2011 Roy conducted a research on identified the generic service quality dimensions of technology satisfaction and customer loyalty. His research is on seven dimensions like loyalty, customer satisfaction and so on . People are satisfied with all the facilities provided by the banks.

III. OBJECTIVES OF THE STUDY

The main objectives of my study is the recent trends in the banking sector .

IV. RESEARCH METHODOLOGY

The research is secondary. The data is collected from books, magazines, internet etc

V. RECENT TRENDS

1. *Internet Banking or E Banking:* In internet banking the banks has centralized database. The network is connected to the different locations and gives the connectivity to the main office. The banks give the password to the user. The user on his personal computer can go the bank site and perform any functions .He can obtain charge and credit card statement, can pay online bills, can download account statement, can transfer money between the accounts. The customer have a flexible time ,he can access the computer at any time. Sometimes there are many risk related t o security but its user are increasing day by day in urban as well as rural areas.
2. *Automatic Teller Machine (ATM):* An ATM card is issued by banks which allow a customer to withdraw and deposit the money at 24*7 hours .ATM is set up in public places. This ATM cards are known by a variety of names such as master card ,visa card ,platinum card etc.ATM card is made of magnetic chip which contain 16 digit number .In this we can check the mini statement ,order the cheque book, withdraw the money and deposit the money etc . Now last few years the customers of ATM are increased. There are two type of ATMs white label ATMs and Brown label ATMs .In white label the name of the bank is written on it. In 2012 RBI issued the licence to non financial institution. Tata payment

communication solution was the first non financial institution to set up the ATM under the brand name indicash .

3. **Real time gross settlement:** It is also known as RTGS. In this money is transferred from one bank to another bank without wasting the time. Gross settlement transaction is completed on a one-to-one basis without bunching with other transactions. It is a quick procedure. RTGS is used for high value transaction. The minimum amount to be remitted through RTGS is ` 2 lakh. And there are no upper limits. The RTGS service transactions services is available .from 9.00 to 2:00 PM on Saturdays for settlement purposes by the RBI If the transaction is inward no fees is charged but if there is outward transaction then RS 30 charge on per transaction .If the amount is more than 5 lakh then RS 55 per transaction will be charged.
4. **National Electronic fund Transfer:** commonly it is known as NEFT.In this system the person can electronically transfer funds from one bank account to another bank account in the country. NEFT are settles in batches..The charges of NEFT is above Rs 10,000 is RS 5 +GST .charges are increased according to the limit.
5. **Mobile banking:** Mobile banking is the major development in the banking sector .The user of mobile banking is increased 3 times if we compare it with debit card and credit card because to check mini statement and order cheque book customer has no need to go anywhere and mobile banking reduced the cost because no charge is applicable on it.
6. **Core banking solution:** Core banking is a service provided by banks to a group of bank branches through network where customers may access their bank and perform basic transaction from any of the member branch offices. It include, loans, transaction cost payment and mortgages. Bank provide these services through different channels like ATM, mobile banking and internet banking etc .The customer need not operate through his own branch but go to the nearest branch for making services. He is not a customer of a branch but customer of bank.
7. **Debit card:** Debit card is also known as plastic card, bank card. It is issued by the banks to those customer who have an account in their respective bank. Debit card is used instead of cash. Customer can purchase grocery items, payment of hotel bills, filling petrol etc through debit card .Debit card also used for withdraw or deposit the money. There are different types of cards like master card, maestro card ,visa card etc.It is made of magnetic chip with 16 digit number .It is accepted more readily than cheque when we do the payment.
8. **Credit card :** Credit card are like debit card .The major difference is that in debit card the payment is paid through your account but in credit you can purchase the goods on credit and have to pay it after one month with interest rate .It is also known as post paid card. Credit card is issued by the banks on the creditworthiness of the customer. The limit of credit is extended for valuable customers.
9. **Smart card** Smart card is made of plastic with an imbedded integrated circuit that stores and process the information .In smart card the personal information, insurance information medical history all can be stored in it. The smart card to be inserted into a small card reader, which reads all the information stored on the card. In smart card also special identification number is given.
10. **SMS Banking:** In SMS messages information relating to customer account are send to the customer by the bank . It is the choice of the customer to avail this facilities or not. All the information relating to debit and credit of the account is sent to the customer on their registered mobile numbers.
11. **Paytm:** Pay tm means payment through mobile. It is an Indian based company launched in India .The customer can purchase the grocery goods, book movie ticket,recharge mobile etc or any other items through Paytm. During the demonetarisation period in 2017 mostly payment is done through paytm.



VI. CONCLUSION

Today E-banking has spread all over the world. All Bank provide better facilities or services to the customer .E banking is benefited both for banks as well as customers. Technology made is easy to transfer the money anywhere in the world within a few hours with reasonable cost.

There are also many problems faced by the E banking due to fraud or hacking of password but sill people take the benefit of this new technology or in future customer will increase more. In 2017 during demonetarization the govt .has more focussed on digital India.

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