

New Technological Changes in Indian Banking Sector

Prof.Rajshree s. Hulgekar

Department Of Commerce, Shivaji Arts, Commerce, BCA College, Baad Karwar

INTRODUCTION:

Today Indian Banking sector is a flourishing industry; it's mainly focused on new banking technological innovation. Banks created to use technology to provide effective quality and services to the customer and get high speed. In the recent scenario has been changed, there are around 340 banks are working in India, in which are public and private banks. Today all the banks started with the different channels, like ATM, Credit Card, Debit cards, Mobile Banking, Internet Banking etc. But Net Banking made it an easy way for customer s to do their banking transaction from various places.

In 2020 India's banking sector is a fifth largest banking sector and 2025 the banking system was a third largest banking sector in the world. The Indian banking sector cannot ignore the new technological challenged and banks are also facing great challenges, that the innovation policy and strategy.

INNOVATION IN INDIAN BANKING:

Nowadays the Indian Banking sector her seen number changes. Most of the banks began to take an innovative challenge towards banking with the objectives, to create more customers and consequently to the banks .the government result of regulations, tax polices, globalization, liberalization, privatization to raise risk in the monetary market. The financial year innovate banking ,Mobile Banking , Debit Card, Credit Cards ,ATM, Fund Transfer .NEFT etc.

RECENT TRENDS IN BANKING:

The Indian banking has changed dramatically over the past 25 years due in large part to technological change.the various factor of innovation in banking and financial market are ECS, RTGS, NEFT, ATM, and retail banking etc. and including more product and services.

1 **ATM:** the automatic teller machine or ATM is such a complicated pieces of technology that it doesnot have a single inventor. ATM enables the customer to withdraw the money 24 hours a day 7 days a week.ATM can be used for cash withdrawal , payment of utility, bill fund transfer between accounts, deposits of cheque and cash into accounts, balance enquiry etc.

2. **Electronic Payment Services:** It is mainly based o the e-governance, email, e-commerce; etc.it is a negotiable instrument act.

3. **Real Time Gross Settlement (RTGS):**

- Introduced in india since march 2004
- operated by RBI
- Transfer fund from their account of account bank
- Fast fund transfer

4. **NEFT:**

- Nation wide payment system
- one to one fund transfer

5. **Electronic funds transfer:** electronic is a system where by anyone who wants to make payment to another person/company etc. RBI is the service provider of EFT.

6. **Tele Banking:**

- Entire non- cash related banking telephone
- Automatic voice recorder

7. **Mobile Banking:** mobile banking is a service provided by a bank or other financial institution that allow its customer to conduct financial transactions using a mobile devices such as smart phone or tablet.

Our top picks for major technology trends that will reshape Indian Banking are as follows:

1. **Open Banking:** a connected ecosystem for financial and nonfinancial services with multiple underlying service providers is the future of banking.

2. Block Chain: the bank try to meet the increasing demand of customer, block chain will be one of the enables for re-imagining processes.
3. Banking Strategy: Banks are already making gaits in cloud adoption. Technologies are changing the faces of business-Big data, block chain. Artificial intelligence (AI), will be leveraged using cloud computing, Business models for merging banks will also be largely driven by the strategy.
4. Artificial Intelligence: has the potential to transform both front office and back office operations with its self-improving program at ICICI banks. The banks will explore the concept to integrate the conversational interface in to their Omni channel strategy.
5. Banking Architecture Simplification: the new technology is the bedrock of banking architectural simplification. In other words, complex architecture will be broken up into smaller bite-sized pieces for ease of development and upgrade for specific functionalities. Banks will not only have to keep up with the growing expectations of a billion connected customer , but they'll also have to make sure that they are leagues ahead of the emerging competition

ROLE OF TECHNOLOGY IN ACHIEVING COMPETITIVE ADVANTAGES IN BANKS

For technology to drive the competitive advantages in a sustainable fashion, banks need to have clearly defined strategies goals and to support the IT goals, bank need to invest in building architectures, infrastructure process , IT organizations and governance frame work this means.

- Ensure business benefits expected from IT are clearly identified.
- Polices and procedure around the data quality, disaster recovery, business continuity plan
- Ensuring governance has enterprise-wide coverage.
- Having a clearly defined IT organization with appropriate skill sets.

ISSUE OF TECHNOLOGY IN BANKING:

1. New business and new market: the Indian banking sector is at an exciting point of evolution. The opportunities to enter new business and new market and to deliver higher level of customer services are immense.
2. Completion: as the Indian are positioning it as financial services provider, banking business are getting redefined. Technology is unsettling the earlier business process and customer behavior is also undergoing a change.
3. Data quality and consistency : banks and financial institution look at common data standards and protocols so as to make the information system truly interoperable and facilitate easy data flow information governance is emerging as a distinct discipline and this deserves much more attention.
4. IT- Business : IT-Business alignment needs special attention to derive better value from IT investments
5. Greater customer orientation: greater customer orientation is the only way to retain customer loyalty and to stay ahead of completion.
6. Security aspects of banking transaction: banks are developing alternative channels of delivery like ATM, Tele banking, internet banking etc.

CONCLUSION:

The banking sector in India has become tougher in term of development and economic growth the number of customer in the financial sector. Nowadays, the new technology is sure that the future of banking will introduce move offers and services to the customer with the bust banking product and innovations. The banking system has improve the manifolds in terms of product and services, technology, banking system, trading facility etc .it is the evident that the banking system has grown in India to compose with other country. The universal application of ICT can change the way. Banking has been perceived. Beginning with customer centre services, back office set up, MIS needs of banks has dimensions of innovation and change in quality.

Technology in Indian banking has surely emerged from being “reactive to proactive” and the need of their hour is to enhance the foundation on which application of future can safely stand if the bank is to lead through the next wave of growth in banking.

REFERENCES:

1. Avasthi, G.P. and Sharma 'Information Technology in Banking Challenges for regulations'
2. Mr Birenjan Diga, Faculty Department of Management, AI-Amen Institute of Management Studied, Bangalore.

3. Ms.Charu Modi, Assistant Professor Jeeva Sewa Sansthan group of institutions for women faculty of management Bhopal “Innovation in India –Banking Sector –Use of technology.”
4. Arun R shet assistant professor, zew Horizon College, international journal of scientific research.
5. Sandeep kaur “ A study on new innovation in banking sector”

WEBSITE

- 1 <http://www.icmrindia.org>
- 2 <http://www.cxotoday.com>
- 3 <http://www.slideshare.net>
- 4 <http://www.ey.com>