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## RECENT DEVELOPMENTS IN INDIAN BANKING SECTOR

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### **Abstract:**

*It has been a challenging year for banks. Despite pressure from NPAs, banks operating Digital India, utilizing the latest technology and introducing a number of products and applications to improve customer functionality. With the number of mobile phones in the country exceeding one billion more than 30% of smart phones, banks are competing to provide customers with the best digital payment and other banking solutions anywhere, anytime. After the monetary campaign, the Government has been looking for a low-income community and banks have been supporting the development of digital banking efforts - POS machines, with the help of electronic media. Such types of Cashless Transaction; Net Banking, SMS Payment System Powered by Aadhar Supported Mobile Banking Cards, E-wallets etc. JAM strategy (Janadhan, Adhaar and Mobile).*

**Keywords:** *monetary campaign, Cashless Transaction, Janadhan, Adhaar and Mobile*

### **1) Introduction:**

It has been a challenging year for banks. Despite pressure from NPAs, banks operating Digital India, utilizing the latest technology and introducing a number of products and applications to improve customer functionality. With the number of mobile phones in the country exceeding one billion more than 30% of smart phones, banks are competing to provide customers with the best digital payment and other banking solutions anywhere, anytime. After the monetary campaign, the Government has been looking for a low-income community and banks have been actively supporting digital investment efforts - POS machines, portfolios, mobile banks, Aadhar-enabled payment systems, etc. JAM strategy (Janadhan, Adhaar and Mobile). Today, most of the work can be done at home and customers do not have to visit the bank branch for anything. Technology is no longer

enabled, but a business driver. The growth of the internet, cell phones and communication technology has added a unique dimension to banks. The information technology (IT) available today is used in customer acquisition, automated driving and process efficiency, delivery and efficiency to customers.

Over the past decade, most banks have completed the transformation of technology-driven organizations. From the manual, the scaled area to the global presence of automated systems and processes, it is hard to imagine a bad situation; the sector was in the pre-transition period, when a simple deposit or withdrawal would require a day. ATMs, mobile banks and online payment services to retailers and service providers almost eliminated the need for customers to visit the branch. Branches also change from serving as a processing center to a relationship management center. This change has had a very positive effect on banks that bring about increased productivity and efficiency so that they can be more competitive. Better risk management due to the combination of information and real-time availability of important decision-making data.

## **2) Recent Developments in Banking Sector:**

### **1. Internet:**

The Internet is a network of computers. Data can be sent and received in any part of the world. In an instant, the Internet site can do a lot of work for us. Includes the following:

- This net can serve as an electronic mailing system.
- Can access a remote website, which may be a foreign newspaper.
- We can change our ideas online.

### **2) Society for Worldwide Inter - bank Financial Telecommunications (SWIFT):**

SWIFT, as a co-operative, was established in May 1973 with 239 participating banks from 15 countries with headquarters in Brussels. It came into operation in May 1977. SWIFT services have a fast, secure, reliable and inexpensive mode of transferring financial messages worldwide. Currently more than 3000 banks are network members. To meet the growth of the message, SWIFT was developed in the 80s and this version is called SWIFT-II. This is a very inexpensive, reliable and safe way to transfer a wallet.

- This network also facilitates the transfer of fixed deposit-related messages, interest payments, debit statements, foreign currency etc.
- This service is available year-round, 24 hours a day.
- This program guarantees against any loss of transmission by transmission.
- Works on almost all financial institutions and selected lists of other users.

### **3) Automatic Task Machine (ATM):**

ATM is an electronic machine, used by the customer himself to make deposits, withdrawals and other financial transactions. ATM is a step towards improving customer service. ATM location

is available to the customer 24 hours a day. The customer is given an ATM card. This is a plastic card, with a customer name. This card has a magnetic code and can be read by this machine. Each cardholder is given a personal identification number (PIN). When a customer wants to use a card, he or she must place his or her plastic card in place of the machine. Once the card is recognized by the machine, the customer enters his or her ID number. After obtaining customer authentication, the ATM follows the customer to enter the amount to be issued by him. After considering the purchase and obtaining sufficient balances in his account, the ATM withdrawal facility provides him with the necessary cash. When the task is completed, the ATM issues the customer card.

#### **4) Financial Products:**

Cash withdrawals are a basic service provided by bank branches. Cash payment by a cashier or cash dispenser is one of the time savings. The operation of this machine is cheaper than the actual operation and this machine is cheaper and faster than that of an ATM. The customer is given a plastic card, which is attached to a magnet. After official filling, the machine allows the machine to trade for the required amount.

#### **5) Electric Wipe Service:**

In 1994, the RBI appointed a committee to review the banking system and to review the electronic wiring service. The committee recommended in its report that the electronic payment system should be made available to all corporate entities / institutions by doubling the minimum payment such as dividend, interest, refund, salary, pension or commission, and recommended the Electronic Clearing Service-Debit Committee. Clearing may be introduced to pre-authorized debits to pay utility bills, insurance premiums and installments to rental and financing companies. The RBI has been a necessary step in launching these programs, initially in Chennai, Mumbai, Calcutta and New Delhi.

#### **6) Bank Net:**

Bank net is India's first national level network, established in February 1991. The communication network was established by the RBI on the basis of the recommendation of a committee appointed by it under the leadership of chief executive T.N.A. Lyre. The money available at the bank is divided into two parts: Bank net-I and Bank net-II.

#### **Bank Net Operations and Utilization:**

- The message of the bank transaction can be conveyed by coding from city to city.
- Quickly resolve transactions and advice.
- Customer service development - withdrawals are possible for any branch member.
- Easy transfer of data and other statements to the RBI.
- It is useful for foreign exchange transactions.
- Access to SWIFT through the Bank net is easily possible.

### **7) Chip card:**

The bank customer is provided with a special type of credit card with the customer name, code etc. The amount of the customer account debt is recorded on the magnetic field card. The computer can read these magnetic fields. When a customer uses this card, the amount of credit written on the card starts to decrease. After using the number of times, in one phase, the balance does not cause anything on the card. At that point, the card is useless. The customer must deposit the cash into his or her account in order to reuse the card. And the amount of credit is written on the card by magnetic means.

### **8) Phone Banking:**

Customers can now call the bank's designated telephone number and by dialing his or her ID number you will be able to access the computer's designated bank computer. The software provided on the computer asks him to dial the service code number he needs and to respond accordingly. By using Automatic voice recorder (AVR) for simple queries and functions and phone terminals handled by complex questions and purchases, the customer can actually make all the banking related expenses: Anywhere, Anytime.

### **9) Tele - Banking:**

Tele banking is another innovation, which gives the customer the opportunity to bank 24 hours a day. Tele-banking is based on voice processing available on bank computers. Callers usually the customer calls the bank at any time and may ask for balance in his account or other transaction history. In this program, bank computers are connected to a telephone link with the help of a modem. Voice processing center is provided in the software. This software detects the caller's voice and gives him or her appropriate response. Some banks also use a telephone answering machine but this is limited to certain short-term activities. This is a telephone answering system and is now Tele-banking. Telephone banking is becoming more and more popular as questions at ATMs become even longer.

### **10) Online banking:**

Online banking enables the customer to perform banking services through an online banking website. It is a system for accessing accounts and general information about banking products and computer services while sitting in the office or at home. This is also called virtual banking. But online banking has changed the banking system. One can now access all these transactions on his computer via the bank's website. All such transactions are encrypted; using sophisticated multi-layered security structures, including fire walls and filters.

### **11) Mobile Banking:**

Mobile banking is an extension of online banking. The bank works with mobile service providers that provide this service. For this service, the mobile phone must be SMS or open WAP.

These services are also available to those customers who only have credit card accounts in the bank.

### **12) Wherever the Bank:**

With the expansion of technology, it is now possible to obtain banking details in remote areas. Basic work can be done in remote areas. Automated Telling Machines play an important role in providing remote services to customers. The withdrawal of some channels occurred due to the connection of ATM channels.

The Rangarajan committee also recommended the installation of ATMs in non-branch areas, airports, hotels, and train stations, Office Computers, Remote Banking to expand the office and customer home.

### **13) Voice Mail:**

Speaking of response systems, there are several banks especially foreign banks now that provide a highly developed tone call service that delivers the customer's call directly to the relevant department and allows the customer to leave a desk or door message, if the person is not available.

### **Conclusion:**

Indian state-owned banks with about 75% of the market share have taken the first step in the IT sector. They have the power of high-quality staff. There is a lot of awareness and awareness about IT. What is needed is 'great pressure' in the way it was delivered in the post-colonial period for the expansion activities. IT and India are now the same. Whether India becomes an export destination or a development center is a matter of debate. Regarding the banking industry in India it can be said that although Indian banks may not be as technologically advanced as their counterparts in developed countries, they follow most of the international practices ahead of IT. The power of India's banks lies in the fading storms and rising to reach expectations in all sectors finding all the styles of the world is a matter of time.

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