



COMPUTER & E-BANKING IN INDIAN BANKING SECTORS

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Abstract: This paper is an attempt to highlight the role of computers and e-banking in banking sector. Computer has become a part and parcel in the present scenario. The field of banking and computers are inseparable from each other. E-banking is a very effectively way. Now a day's e-banking, mobile banking core banking are the recent methods of bank transactions .Costumer information and bank transactions are impossible with making use of computers. It is essential to understand the use of new technology .At preset many new technologies of banking are practiced. These new technologies have changed the face of E-banking.

Computer in Banking:- Modern banks use computers for strong financial information & processing transaction. Banks & other employees also use them to long information. Customers often use computers for online banking Transaction. Banking tellers also use computers to access customer data quickly. Instead of having to find a file for every customer. Tellers can simple type in the customers name & bring up relevant data instantly. These systems can also process much transaction when the customer is present. Tellers can give customers receipts reflecting deposits & withdrawals. Online banking has become, more popular over the years & people do not have to go the bank as often as they once did.

Advantage & disadvantage of computer banking: - Internet banking is a tool to help customers manage their money & time efficiently. Banking online can also be cost effective as it eliminates the need to order checks, buy postage / drive to the bank. Online customers also the capability of compute ring rate, fees & packages from the comfort of home. Online

banking customers with access to the internet can access accounts online anytime & anywhere, creating convenient practices forward the maintenance & security of a checking or saving account. Example:- purchase transaction are made on a Sunday or after 6.00 P.M. Your current balance from an ATM receipt will read the last known balance during regular banking hours, this can be misleading. An account balance online will show customers the actual viable balance, which is the difference between the last known current balance & recent transaction that are not fully processed.

Money Management & Educational Tools:-Deposits & bill payments can be set up to move in & out a checking or Savings accounts automatically. Freeing up the customer from worrying about mailing in bill payment on time/depositing checks while out of town, many banks offer financial management tools & advice and can also export account statements to Quicken. Microsoft money /Microsoft excel. This enables the customer to monitor spending habits budget effectively& relation the optimal benefits from investments / saving accounts.

Signing up & becoming familiar:-Opening an online bank account can involve completing forms with a lot of email types. Completion of these forms usually involves proof of indemnification & social security number. If a joint account is opened, one party may be asked to sign a durable power of attorney over to the pother. Once signed up it may take some time to become familiar with the setup of the banking site. Most banks do have call center to help new customers navigate the site however not all call centers are open 24 hours.

Exposure to theft:-Phasing scams & sophisticated computer hackers have put a new threat towards online wealth management. A popular device from would be thieves is to send internet banking customers email that are strikingly similar in style to the banks masthead, complete with official logos. These emails as customers to verify their account by sending account information. PIN numbers, social security numbers or any other information that can allow a thief to gain access to funds. Most online banks will offer advice & education on how to recognize & avoid these scams.

Use of computer in Banking:-Computers are used in banks for a variety of reasons. They help bank personnel operate more efficiently & effectively. Computers are used to track certain transitions & they help process other customer information as well. Without computers it would be very hard for a bank to offer good customer service day in & day out. Computers help a bank save time & money & can be used as an aid to generate profits.

Customer Information:-Banks use computers to track customer information such as name, address, phone numbers, date of birth, social security numbers, Nominee of customer & place

of employment etc. This information is used to day in touch with customers & notifies them of any change in bank policy. A customer's address is needed to send out statement on a monthly basis. Is also stored. A customers account number is also stored I the computer.

Products:- The number of products & services a customer has is also stored in computers. Bank personnel will periodically call customers at home& office to offers them a product / services. Customer already has before any new products are offered, without the use of computers. It would be difficult to keep track of this information.

Report & Profit:-With a computer banks can analyze aging report & track the customers who have checks returned due to nonsufficient funds. This report can be used by the sales associates to call these customers & offers them a product called overdraft protection. Which prevents a customer form over drafting their account? Computers help bank personnel generate income by targeting certain customers for sales activity.

Transactions & Goals:-Computers help tellers keep a record of all transactions for the day. When customers make deposits & withdrawals, cash checks, open checking accounts/apply for mortgage loans, A computer will store & track all of the information once a teller/bank employee keys it into the system. After tabulating all of the information, branch manager can print the report at the end of the day to see if the branch hits its goals & objectives. Branches have goals for lending & new accounts.

Credit Applications:-A bank can use computers for new loan application & credit card application. Check systems verification & opening new accounts such as checking savings/ certificate of deposit account.

Miscellaneous:- Computers can keep a record of all communications that a bank employee may have with a bank customer including collection activity. A bank can also use a computer to see which safety deposit boxes are available & they can keep a record of customers who have safety deposit boxes.

New Technology use in Banking

- 1) Electronic Banking(E-Banking):-Electronic Fund transfer Act 1978 Schedule 90.3 (6) start in banking sectors in 1995
- 2) Automated teller machine (ATM):- 24 Hours & 365 Days service.
- 3) Credit Card System:-
- 4) Debit Card System:-
- 5) Tele Banking system:-
- 6) Mobile Banking system:- Service Start from 1999.

- 7) Net Banking System:-
- 8) Society for world wide interbank financial telecommunication :-(SWIFT):-SWIFT service Start in Beljiyam (Brussels) form 1973.
- 9) Core banking System:-
- 10) 10) Real time gross settlement (RTGS):-RTGS service Start in India form 2004.

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