**PROJECT REPORT**

**Submitted for the Degree of B. Com. Honours in Accounting &**

**Finance under**

**ONLINE BANKING**

**Submitted by**

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**Month & Year of Submission:May 2023**

**ACKNOWLEDGEMENT**

I am thankful to all faculty members, providing their valuable time and guidance elaborating view of studying the project details and getting the right vision for its implementation.

I pay my immense gratitude to Prof. Moumita Sarkar (Samanta) faculty of Bangabasi Morning College for his continuous and deliberate discussion on the topic and indeterminable burden taken by him in helping me throughout conducting the project.

Last but not the least I am grateful to all our family members and friends for being our side always. Without their help and motivation it would have been impossible to complete this project

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Annexure-II

**Supervisor’s Certificate**

This is to certify that Mr. Sanjib Kumar Ram student of B.Com Honours in Accounting & Finance of Bangabasi morning college under the University of Calcutta has worked under my supervision and guidance for her Project Work and prepared a Project Report with the title “A Project on Online Banking in India”.

The project report which she is submitting is her genuine and original work to the best of my knowledge.

Place: Kolkata Signature:

 Date: May 2023 Name: Prof. MOUMITA SARKAR(SAMANTA)

 Designation: Assistant Professor

**Annexure-III**

***Student’s Declaration***

I hereby declare that the Project Work with the title “Online Banking in India” submitted by me for the partial fulfillment of the degree of B.Com. Honours in Accounting & Finance under the University of Calcutta is my original work and has not been submitted earlier to any other University/Institution for the fulfillment of the requirement for any course of study.

I also declare that no chapter of this manuscript in whole or in part has been incorporated in this report from any earlier work done by others or by me. However, extracts of my literature which has been used for this report has been duly acknowledged providing details of such literature in the references.

 Signature:

Place: Kolkata Name: SANJIB KUMAR RAM Date: May 2023 Address: 11/A Dr S.S ROAD KOL-14

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***CHAPTER : 1 INTRODUCTION***

***1.1 Background of Study:-***

The internet banking is changing the banking industry and is having the major effects on banking relationships. Even the Morgan Stanley dean witter internet research emphasized that web is more important for retail financial services then for many other industries. Internet banking involves use of internet for delivery of banking products & services. It falls into four main categories, from Level 1 – minimum functionality sites that offer only access to deposit account data – to Level 4 sites – highly sophisticated offering enabling integrated sales of additional products and access to other financial services – such as investment and insurance. In other words a successful internet banking solution offers – • Exceptional rates on savings, CDs, and IRAs.

* Checking with no monthly fee, free bill payment and rebates on ATM surcharges. •

Credit cards with low rates

* Easy online applications for all accounts, including personal loans and mortgages. • 24 hour account access.
* Quality customer service with personal attention

***Purpose of the Study:-***

The main purpose of this study to get an overview of the internet banking sector in The Indian economy and study as to how it has helped change the banking habits of various individuals.

***1.2-Literature Review:-***

* **Dannenberg and Kellner (1998),** in their study, overviewed the opportunities for effective utilization of the Internet with regard to the banking industry. The authors evaluated that

appropriate application of today’s cutting edge technology could ensure

the success of banks in the competitive market. They valuated the services of banks via internet as websites provide sophisticated line of products and services at low price. The authors analyzed that transactions via internet reduce the risk of data loss to customers, chance to cut down expenses, higher flexibility for bank employees, re-shaping the banks’ image into an innovative an technologically leading institute, etc. The researchers found that banks could move one step further by entering into a strategic alliance with internet service provider. So the bank of tomorrow stands to be feasible with today’s technology.

* **Daniel (1999),** in his research paper, described e-banking as the newest delivery channel offered by the retail banks in many developing counties. The objective of the study was to

analyze the current provision of electronic services of major retail banking organization in the UK. The researcher thought a questionnaire found that 25% in the UK were those already providing e-banking services, 50% banks were testing or developing such services while 25% were not providing any e-banking services. Electronic channels, PC, digital TV and all these provide greater accessibility and services at lower price. To make services more adaptable, customers should provided maximum choice and convenience. Restriction and limitation within organization to operate the services and its market share or strength were viewed as important to decide and operate the e-banking services.

* **Sureshchander and Rajendran (2003),**  in their paper, focused on investigating the important factors of customers’ perceived quality in banks of developing economy like

India. The authors had taken 15 public sector banks, 14 private banks and 14 foreign banks for the period under study. The researcher found that there seems to be a great variation in respect of services offered by three groups of banks. They used core services such as human element, systemization of services, tangibility of services and social responsibility as critical factors. They analyzed that three groups of banks in India seem to vary significantly in terms of service quality factors but from the customers perception of service quality, it could be acceptable only if could be acceptable only if customers’ need could be satisfied at the right time in a right manner.

* **Slam (2006),** in his study observe that the effects of electronic banking on the profitability of Jordanian banks. The study investigated the reasons behind providing electronic banking service through internet, their impact on banking service in general, and banks profitability

in particular. The result of the study revealed that electronic infrastructure, cost of training to employees and also the cost involved in creation of environment where the banks can operate smoothly. However, these services had a positive impact in the long run on the profitability of banks. The researcher recommended that banks need to carry out awareness and promotion campaigns to educate clients aware them of feasibility through reduce time, cost, effort and also to hold training courses for employees to understand the e-banking business strategies. ★ **Kautish (2008),** describe the paradigm shift of banking sector from traditional banking to online banking. The objective of the paper was to discuss the derivation of value added tool of online banking system which was used to attract new customers and retain the existing

ones. It helped the banks to acquire more business from existing customers. People preferred to use online banking because of its availability, better performance, ubiquity, speed and its effectiveness. Further, the author discussed two bank models integrated banking model where the banks provide internet banking service as an extension to their basic services like ATM and mobile banking. So, it is a kind of hybrid approach and the other was stand alone internet banking model, where the banks totally rely on the channel. To improve the service through e-banking, banks should think from the customers’ perspective and there should be creativity and innovation in designing and implementation of e-banking was a relatively new concept in the global banking scenario so the best of this

concept was yet to come.

1. ***Research Gap:-***

The research into adoption of new technology domain has attracted many researchers and practitioners as well. Internet banking is one of the most important information technology applications. A review of the literature indicated that past studies dealt with the internet banking issue from many angle every researcher has provided the factors that influence behavioral intension from his or her point of view. The majority of the past studies focused on exploring factors that affect the adoption or intension to accept internet banking services for ex: convenience of internet banking transactions, internet experience (Awamleh, 2005), bank’s web design and transaction speed (Yoon, 2010), switch caused , offline loyalty and offline trust (lee , Tsai and lanting,2011).however, several studies have investigated the effect of internet banking service quality on adoption .for ex: Broderick and Vachirapornpuk (2002), Joseph and stone (2003) ,Khan and Mahapatra (2009), Zarei (2010) indicated that the internet banking service quality play a significant role in influencing the adoption of internet banking services . At the same time, other previous studies have paid attention to security and perceived risk.

Base on the researcher knowledge, there has been no study that investigated the relationship between individual technology readiness and their intention toward the adoption of internet banking services. The technology readiness refers to “people’s propensity to embrace and use new technology for accomplishing goals in home life and at work”. Technology readinessreflect an overall state of mind; it is not a measure of competence, it describes a person not the technology.

As far as the researcher knowledge there is no internet banking study that focuses on the irrational dimension (i.e. Innovativeness, optimism, discomfort and insecurity) in the past studies. Furthermore the reviews of the existing literature of technology readiness have also rebuild that there is no previous study conducted into technology readiness in the domain of internet banking therefore there is an opportunity for the researcher to conduct research and bridge this gap in the internet banking research field. Moreover, findings from previous models about the influences of difference variables on individual intension to accept new technology are inconsistent . There is a contradiction between previous technology models , which one model includes some variables, whereas other models omitted them out for ex: UTAUT ignored attitude , while other theories (TRA, TAM, TPB and DTPB) considered it as one of the most important variable.

One major criticism of the technology acceptance theories/model is that they have not taken into account irrational dimension influence. The research to date has tended to focus on specific factors (i.e. attitude, subjective norms and perceived behavioral control) rather than irrational/emotional dimension(i.e. optimism, innovativeness, skepticism and discomfort) that significantly technology readiness , which in term has significant role in influencing individual intension to accept to reject a new technology (Chen and li, 2010, Berndt, Saunders and petzer ,2010;Chan and lin ,2010).

1. ***Objectives of the Study:***

Objectives of a project tell us why project has been taken under study. It helps us to know more

about the topic that is being undertaken and helps us to explore future prospects of thetopic. Basically it tells what all have been studied while making the project.

The various research objectives of the study are:

1. To study the internet banking facilities offered by the banks to its customers

 2. To study as to how much internet banking has penetrated in the minds of

the customers

1. To gain insights about functioning of internet banking.
2. To explore the future prospects of internet banking.
3. To study the benefits that are provided to the individual under internet banking
4. ***Research Methodology*:-**

The study is confined to Indian Banking Industry. Hence, the study is banking industry of India. The performance is analyzed on bank, bank group and industry level. Four bank groups and further four banks from each bank group have been selected for the study. The study is descriptive and empirical in nature where secondary and primary data is used to address the objectives. The Indian banking industry was divided into four major bank groups for the purpose of the required analysis:

Public Sector Banks

(SBI and its Associates-7 and Nationalized Banks - 19) (26 Banks) Old Private Sector banks (15 Banks) New Private Sector banks (07 Banks) Foreign Banks (32 Banks)

1. **Limitation of Study:-**

The major Limitation of the study are:

* A small sample size respondent is taken to primary data analysis. So I cannot draw proper inferences about the respondent from this sample size
* I have not used modern statistical tools to analysis the data.
* Due to shortage of time I have not been able to make a depth study.
* I could not collect data from out site of new market.
* This study is based on the prevailing respondents’ satisfaction. But their satisfaction may change according to time, fashion need etc.
1. **Chapter Plan:-**

The study is divided into six chapters with reference:

**Chapter-1** Introduction **Chapter-2** Conceptual Framework

**Chapter-3** Presentation of Data, Analysis and Findings **Chapter -4** Conclusion

**Chapter-5** Bibliography

**Chapter-6** Annexures

***CHAPTER: 2 CONCEPTUAL FRAMEWORK* 2.1**

***Concept (Definition, advantages & disadvantages). Definition:***

* Online banking is an electronic payment system that enables customer of a financial institution to conduct financial transaction on a website operated by the institution, such as a retail bank, virtual bank, credit union or building society. Online banking is also referred

as internet banking, e-banking, virtual banking and by other terms.

* Online banking or E-banking is an umbrella term for the process by which a customer may perform banking transaction electronically without visiting a brick-and-mortar institution. • Online banking is the practice of making bank transaction or paying bills via the internet. Thanks to technology, and the internet in particular, people no longer have to leave the house to shop, communicate, or even do their banking.

***Advantages:***

To the customer:

 Anywhere banking no matter wherever the customer is in the world. Balance enquiry, request for services, issuing instructions etc., from anywhere in the world is possible. Anytime Banking-Managing funds in real time and most importantly, 24 hours a day, 7 days a week.

 Brings down “Cost of Banking” to the customer over a period of time. Cash withdrawal

from any bank/ATM.

 On-line purchase of goods and services including online payment for the same.

To the Banks:

 Innovative, scheme, address competition and present the bank as technology driven in the

banking sector market.

 Reduces customer visits to the branch and thereby human intervention.

 Inter-branch reconciliation is immediate thereby reducing chances of fraud and

misappropriation.

 On-line banking is an effective medium of promotion of various schemes of the bank, a

marketing tool indeed.

 Integrated customer data paves way for individualized and customized services.

Disadvantages:

 A customer may have to face some risky transactions and frauds.

 Failure or interruption of power supply cause to break down in e-banking.

Financial loss of heavy income at times of settlement of higher magnitude.

Cost to be incurred for training the staff may not be profitable.

1. ***Industrial Profile***

Without a sound and effective banking system in India it cannot have a healthy economy. The banking system of India should not only be hassle free but it should be able to meet new challenges posed by the technology and any other external and internal factors.

For the past three decades India’s banking system has several outstanding achievements to It’s credit. The most striking is its extensive reach. It is no longer confined to only metropolitans or cosmopolitans in India. In fact, Indian banking system has reached even to the remote corners of

the country. This is one of the main reasons of India’s growth process.

The government regular policy for Indian bank since 1969 has paid rich dividends with the nationalization of 14 major private bank of India.Not a long ago, an account holder had to wait for hours at the bank countries for getting a draft or for withdrawing his own money. Today, he has a choice. Gone are days when most efficient bank transferred money from one branch to another in two days. Now it is simple as instant messaging or dial a pizza. Money have become the order of the day.

The first bank in India, though conservative, was established in1786 till today, the journey of Indian Banking System can be segregated into three distinct phases. They are as mentioned Below:

* Early phase from 1786 to 1969 of Indian Banks.
* Nationalization of Indian Banks and upto 1991 prior to Indian banking sector reforms.
* New phase of Indian Banking System with the advent of Indian Financial & BankingSector Reforms after 1991.

The General Bank of India was set up in the year 1786. Next came Bank of Hindustan and Bengal Bank. The East India Company established Bank of Bengal(1809), Bank of Bombay(1840) and Bank of Madras(1843) as independent units and called it Presidency Banks. These three banks were amalgamated in1920 and imperial bank of India was established which Started as private shareholders banks, mostly European shareholders.

In 1865 Allahabad bank was established and first time exclusively by Indians , Punjab National Banks Ltd. was set up in 1894 with headquarters at Lahore.Between1906 and 1913, Bank of India, Central Bank of India, Bank of Baroda, Canara Bank,Indian Bank and Bank of Mysore were set up. Reserve Bank of India came in 1935.During the first phase of growth was very slow and banks also experienced periodic failures between 1913 and 1948. There were approximately 1100 banks, mostly small. To streamline the functioning and activities of commercial banks, the government of India came up with TheBanking Companies Act, 1949 which was later changed to Banking Regulation Act 1949 as per Amending Act of, 1965(Act No.23 of 1965). Reserve Bank of India was vested with extensive powers for the supervision of banking in India as the Central Bank Authority.Government took major steps in this Indian Banking Sector Reform after independence. In 1955,It nationalized imperial bank of India with extensive banking facilities on a large scale especially In rural and semi urban are.It formed State Bank of India to act as the principal agent of RBI and to handle banking transactions of the Union and State Governments all over the country.Seven banks forming subsidiary of State Bank of India was nationalized in 1960 on 19th july,1969. 14 major commercial banks in the country was nationalized. This phase has introduced many more products and facilities in the banking sector in its reforms , in 1991 , a committee set up by his name which worked for liberalization of banking practices.The country is flooded with foreign banks and their ATM stations. Efforts are being put to give a satisfactory service to customers .phone banking and net banking is introduced . the entire system became more convenient and swift . time is given more importance then money. The financial system of India has shown a great deal of resilience . it is sheltered from any Crisis triggered by any external macroeconomics shock as other East Asian countries suffered . this is all due to a flexible exchange rate regime , the foregin reserves are high , the capital account is not yet fully convertible , and

banks and theur customers have limited faregin exchange exposure.

1. ***Company Profile***:
* In early 1990’s more than 7000 branches were using traditional manual procedures. • Thesemanual procedures wereinherited from the imperial bank.
* Traditionalprocedureswereevolved over decades.
* Very few changes were brought in those procedures as per the need of time. • In that time, mainframe or mini computers were used for MIS,RECONCILLATION& FUND SETTLEMENT PROCESS, or we can say that for backhand operations purpose.

***Changes brought in information Technology by ALLADHABAD BANK:-*** •

In the next decades internet facility was provided for individuals

* All ALLADHABAD BANK branches were connected and ATM’S were launch • 2001- KMPG appointed consultant for preparing IT Plan for the bank.
* Later on Core banking proposed by the IT consultancy company.
* All ALLABAD BANK branches were connected and ATM’S were launch •

2001 – KMPH appointed IT Plan for the bank.

* Later on Core banking proposed by the IT consultancy company. • 2002 – All branches computerized but on decentralized system , there the initiative of core Banking took place
* 2008 –more than 6500 branches (95%Of business ) on Core Banking solution (CBS)
* Internet Banking facility for corporate customers were also launched in early 2008 • More Interfaces developed with e- Commerce &other sites through alternate channels like ATM&Online Banking
* All Foreign Offices were brought on centralized Solution
* Large Network is playing the role of backbone for connectivity across the country • Multiple service providers are providing the links –BSNL, MTNL, Reliance,Tata& Reliance which are making the system errorless and provide high speed. • Multiple technologies to support the networking infrastructure-Leased lines, Dialup, CDMA & VSAT
1. ***NATIONAL SCENARIO OF ONLINE BANKING***

Internet banking has become an integral part of banking system in India. The concept of e-banking is of fairly recent origin in India. Till the early 90’s traditional model of banking i.e. branch based banking was prevalent, but after that non-branch banking services were started. The Indian Government enacted the IT Act, 2000, with effect from the 17th October 2000. To examine different aspects of internet banking RBI set up a committee on Internet Banking. The committee has focused on three major area of Internet Banking, Technology and security issues, legal issues and regulatory and supervisory issues. RBI had accepted the suggestions and recommendations of the working committee and accordingly issued guidelines to banks to implement internet banking in India. The old manual systems which were prevalent in Indian Banking for centuries seem to replace by modern technologies. Table no. 1,2 and 3exhibit a few facts and figures related to internet/electronic banking to present its current scenario. Table 1

Shows evidence for ATM, POS (Point of sale) and electronic cards

(credit& debit cards) deployed and issued by the schedule commercial bank(SCBs) in India as on December 2014. It also provides evidence of growing statistics of mobile banking users in India. According to it, currently 1,76,410 ATM,10,58,642 Point of sale devices,20.36 million credit cards and 500 million debit cards are working in India and 35.5 million bank customers are using mobile banking .Table also shows growth rate of these banking channels and it seems to be great in Indian context. Table no. 2 shows current transaction statistics performed through these banking delivery channels. As high as 6090.98 million transactions are electronically done through ATM s. Table no. 3 shows NEFT and RTGS transactions performed in the current financial year 2014-15. Table no. 4 shows the

increasing growth interest users.

**Table no. 1**

|  |  |  |
| --- | --- | --- |
| **Type of** **internet/electronic**  | **No. of channels**  | **Growth in %**  |

|  |  |  |
| --- | --- | --- |
| **Channels**  | **Year**  |  |
| **2010**  | **2014**  |
| **No. of ATM deployed (In actual Figure)**  | **60,153**  | **1,76,410**  | **193.27**  |
| **No. of POS deployed in (In actual Figure)**  | **5,95,958**  | **10,58,642**  | **77.64**  |
| **No. of CREDIT CARDS issued (In Millions)**  | **18.33**  | **20.36**  | **11.07**  |

|  |  |  |  |
| --- | --- | --- | --- |
| **No. of DEBIT CARDS issued (In Millions)**  | **181.97**  | **500.08**  | **174.81**  |
| **No. of MOBILE BANKING users (In Million)**  | **5.96**  | **35.5**  | **495.64**  |

***Table no. 2***

***TRANSACTIONS THROUGH INTERNET / ELECTRONIC BANKING DELIVERY CHANNELS***

|  |  |  |
| --- | --- | --- |
| **Transaction through**  | **No. of transaction (In Million)**  | **Growth in %**  |
| **Transaction through**  | **No. of transaction (In Million)**  | **Growth in %**  |
| **Years\***  |
| **2011-12**  | **2013-14**  |
| **ATM**  | **5086.17**  | **6090.98**  | **19.76**  |
| **POS**  | **645.76**  | **1128.12**  | **74.7**  |
| **CREDIT CARD**  | **320.42**  | **511.99**  | **59.79**  |
| **DEBIT CARD**  | **5409.45**  | **6707.1**  | **23.99**  |
| **MOBILE BANKING**  | **25.55**  | **94.6**  | **270.25**  |

**Table no.3**

**NEFT AND RTGS TRANSACTIONS**

|  |  |  |
| --- | --- | --- |
| **Transaction Type**  | **No. of Transactions (In Millions)**  | **Growth in %**  |
| **Years\***  |
| **2010-11 2014-15**  |
| **NEFT**  | **132**  | **927.55**  | **602.69**  |
| **RTGS**  | **49**  | **92.75**  | **89.29**  |

**Source: compiled from Bank wise ATM/POS/CARD STATISTICS, Reserve Bank of**

**India and Report on Trends and Progress of Banking in India 2010-11 and RBI website**

**Table no. 4**

**INCREASING INTEREST USER IN INDIA**

|  |  |
| --- | --- |
| **Users**  | **Years**  |
| **2010**  | **2011**  | **2012**  | **2013**  | **2014**  |
| **Internet users**  | **90,421,849**  | **122,970,441**  | **155,575,944**  | **213,339,324**  | **243,198,922**  |
| **New users**  | **19,486,779**  | **32,548,593**  | **32,605,503**  | **57,763,380**  | **29,859,598**  |
| **Average**  |  |  | **36,452,770**  |  |  |
| **Growth**  | **0%**  | **36%**  | **72%**  | **136%**  | **168%**  |

***Source: Internet Live Stats (www.internetlivestats.com)***

Internet Banking offers different online services in India. According to a report

published by RBI there are three different levels of banking services offered through internet banking.

* The first level i.e. Basic Level Services: It is basically about website which

disseminates information about different services and products offered by banks.

It generally includes receiving and replying to customers’ queries through email. • The next level i.e. Simple Transactional Website: It allows customers to submit their instructions applications for different services, queries about their account balance, etc. but do not allow any fund-based transactions on their accounts.

* The third level i.e. Fully Transactional Website: It allows customers to manage their accounts, facility of fund transfer, bills payment, ticket booking, avail facility of other banking products and services and trading in securities etc.

To sustain in the growing competition, commercial banks in India have adopted several initiatives to improve banking services and to gain competitive advantage.

 Bank of India recently launched its card-less cash withdrawal services. This facility helps customers to send money to anyone using internet banking or by using ATM, with the help of receiver’s mobile number.

 ICICI Bank launched 24\*7 electronic banking, which is a non-stop for all banking transaction. It offers facilities such as cheque deposit machine and an electronic kiosk through which customers can be accessed internet banking services. ICICI Bank has also introduced E-Locker for its customers. It is a virtual locker, which can be accessed through ICICI internet banking which do46cuments, agreements, policies and various

important certificates.

 The banks are making their presence on social media like Facebook and

Twitter for targeting huge customer base as well as potential customers,there will be round-the-clock tweets and comments on the banks’ products and services.

1. ***International scenario***

The advent of Internet has initiated an electronic revolution in the global banking sector. The dynamic and flexible nature of this communication channel as well as its ubiquitous reach has helped in leveraging a variety of banking activities. New banking intermediaries offering entirely new type of banking services have emerged as a result of innovative e-business models. The Internet has emerged as one of the major distribution channels of banking products and has advent of internet has initiated an electronic revolution in the services, for the banks in US and in the European countries. Initially, banks promoted their core capabilities i.e. products, services and advice through internet. Then, they entered the e-commerce market as providers/ distributors of their own products and services. More recently, due to advances in internet security and the advent of relevant protocols, banks have discovered that they can play their primary role as financial intermediate’s and facilitators of complete commercial transactions via electronic networks especially through the internet. Some banks have chosen a route of establishing a direct web presence while others have opted for either being participants of a nonfinancial services centric electronic market place. The trends towards electronic delivery of banking products and services

is occurring partly as a result of consumer demand and partly because of the increasing competitive environment in the global banking industry.The internet has changed the customer’ behaviors who are demanding more customized products/services at a lower price. Moreover, new competition from pure online banks has put the profitability of even established brick and mortar banks under pressure. However, very few banks have been successful in developing effective strategies for fully exploiting the opportunities offered by the internet.

1. ***SWOT/SWOC ANALYSIS:-***

***STRENGTH:***

* Greater reach to customers.
* Quicker time to market.
* Ability to introduce new products and services quickly and successfully. •

Ability to understand its customers’ needs.

* Customers are given access to information easily across any location.
* Greater customer loyalty.
* Easy online application for all accounts, including personal loans and mortgage. • 24 hours account access.
* Quality customer service with personal attention **Weaknesses:**
* Lack of awareness among the existing customers regarding online banking. • Obsolesce of technology take place very soon specially in terms of security on internet. • Procedure for applying for ID and password for using service related to online banking takes time
* Lack of knowledge is found regarding in online banking in employees of SBI • Implementation of newer technology is little bit complicated
* Employees needs training to obtain knowledge regarding internet – banking.

**Opportunities:**

* Approximately 75% of customers are not using internet banking.
* Core competency can be achieved in terms of banking if focus is made on awareness of internet banking.
* Can become 1st virtual bank of India.
	+ - Concentration of various services should be made using internet banking **Challenges:**
	+ Maintaining Business Edge over competitors in the context of sameness in IT infrastructure
* Multiple vender support is necessary for working of highly complex technology • Maintaining secured IT infrastructure for business operations
* Alternative must be there in case of failure of system.

***Chapter-3 PRESENTATION OF DATA, ANALYSIS AND FINDINGS***

**Customers perspection on Online Banking and Traditional Banking**

A survey was conducted on online banking in India for the primary data among 25 people. The analysis of this survey or data is as follows:-

**Q1. Do you think online banking is better than traditional Banking?**

NO

* 28%

YES

72%

**POLL out of 25**: Yes – 72%; No- 28%

**FINDINGS:** The people understand that online banking is better than the traditional banking because of its nature.

**Q2. Overall, how satisfied are you with our online banking service?**

very satisfied

satisfied neutral

unsatisfied

**POLL OUT OF 25:**very satisfied- 28%; satisfied-40%; neutral-20%; unsatisfied-12% **FINDINGS:**Majority of peoples are satisfied with online banking but some peoples are also very satisfied, neutral, unsatisfied.

**Q3. Is Bank –a –net easy to use?**

yes

* no

**POLL OUT OF 25:** yes-60%; No-40%

**FINDINGS:** Majority of people understand that online banking is easy to use because they can

save their time.

**Q4. Do you trust the security of online banking service?**

* 52%

* + 51%

* 50%

* 49%

* 48%

* 47%

* 46%

 YES NO

**Poll out of 25:** Yes –52%; No – 48%;

**FINDINGS:** Majority of the people think that their Account is secured, but not all. Their security

concern should be eradicated. This will attract customers. **Q5. How often do you use online banking?**

* 50%

* 45%

* 40%

* 35%

* 30%

* 25%

* 20%

* 15%

* 10%

* + 5%

* + - 0%

WEEKLY MONTHLY REGULARLY RARELY

**POLLoutof25**: Weekly – 20%; Monthly – 44%; Regularly – 8%; Rarely – 28%

**FINDINGS:** Most of the people do not need the services of banks regularly or maybe there is no need. They may transact with the bank on monthly basis for most of the time.

**Q6. What type of transaction do you make in online banking?**

* + 50%

* + 45%

* + 40%

* + 35%

* + 30%

* + 25%

* + 20%

* + 15%

* + 10%

* + - 5%

* + - 0%

* TRANSFER OF CHECK FUNDS BALANCES PAYMENTS

OTHER

**POLL out of 25:** Check balances – 44%; Payments – 28%; Transfer of fund – 8%;other -20% **FINDINGS:** The utility of the online banking is service is not used to the extent is should be and it is being majorly used for the purpose of checking the balance in the account. The reason for this is the low volume of transactions among the people.

**Q7.Are you aware of net banking services offered by the banks?**

**Awareness of internet**

**banking services**

* No

* 12%

Yes

* 88%

**POLL out of 25**: Yes-88%; No-12%

**FINDINGS:** Itis good for the banks as most of the respondents were aware of the internet banking and all the services provided under internet banking.

**Q8.In which bank do you have your Acccount?**

**Account in the respective bank**

Others

* SBI 16% 40%





HDFC

* 20%

 PNB

* 24%

**POLL out of 25:** HDFC banks-20%; PNB-24%; SBI-40%; Others-16%

**FINDINGS:**It was witnessed that today public sector bank State bank of India has the

largest customer base but the private banks are also catching up and after State Bank of India, PNB and HDFC has the highest customer base .Multi-national banks are also making their presence noticeable in the Indian scenario.

**Q9.Are you aware of the methods which can be undertaken to make any kind of fraud?**

**Awareness of methods of**

**fraud**

Yes

32%

* No

* + 68%

**POLL out of 25**: Yes-32%; No-68%

**FINDINGS**:It’s pretty tragic but most of the respondents are unaware of the techniques which can be taken up for any type of fraud.

**Q10.Does your bank educate you about the internet banking services being offered?**

**Educating about internet banking**

* No

* 40%

Yes

* 60%

**POLL out of 25:** Yes-60%; No-40%

**FINDINGS:** Most of the respondents felt that they are not properly educated of internet banking and its benefits to them.

**Q11. What benefits do you see in internet banking?**

**benefits seen by**

**customers**

* 16%

Time

* 10% Speed

* + 21%

Transparency 53% Convenience

**POLL out of 25**: Convenience-16%; Speed-21%; Transparency-53%; Time-10% **FINDINGS:**.Most of the respondents felt that the transparency provided by internet

banking is the highest motivating factor for an individual to use internet banking; rest speed convenience and time are also the other motivating factors.

**Q12.Would you prefer using net banking instead of visiting your bank every now and then?**

**Prefer using net**



**banking**

* + No
* 12%

Yes

* 88%

**Poll out of 25:** Yes-88%; No-12%

**Findings:**  It was witnessed that most of the respondents preferred using internet

banking over there conventional banking system. Thus, internet banking has a bright

future ahead.

**Q13.Are you aware of the benefits of net banking which are available?**

**Benefits of Internet banking**

* + No

* 12%

Yes

* 88%

 **Poll Out of 25:** Yes-88%; No-12%

**Findings:** It is pretty amazing to see that most of the respondents are aware of the benefits of internet banking.

**Q14.What are main disadvantages of online banking?**

online

online banking System banking System 32%

No

Disadvantage Lack of assistance 40%

Lack of assistance

Overall Difficulty of using Overall Difficulty of using Security Concerns 8% No Disadvantage

20%

Security Concerns

**Poll Out of 25:** Overall difficulty of using online banking System-32%; Lack of assistance-8% ; Security Concerns-20%; No Disadvantage-40%

**Findings:**Most of the respondents felt that no disadvantage provided by internet

banking but some people also face problem like Overall difficulty of using online banking system,Lack of assistance, Security Concerns.

**15Q. Are you started to use more net banking after demonetization?**

100%

* 90%

* 80%

* 70%

* 60%

* 50%

* 40%

* + 30%

* 20%

* 10%



0%

yes no

**Poll out of 25:** Yes-12%; No-88%

**Findings:**Most of the people who are not starting online Banking after demonetization

***CHAPTER: 4 CONCLUSION***

From all of these, we have learnt that information technology has empowered customers and businesses with information needed to make better investment decisions. At the time, technology is allowing banks to offers new products, operate more efficiently, raise productivity, expand geographically and compete globally. A more efficient, productive banking industry is providing services of greater quality and value.

 E-Banking is a generic term for delivery of banking services and products through electronic channels, such as the telephone, the internet, the cell phone, etc. The concept and the scope of e- banking is still evolving. It facilitates an effective payment and accounting system thereby enhancing the speed of delivery of banking services considerably. While E-Banking has improved efficiency and convenience, it has also posed severe challenges to the regulator and supervisors. Several initiative taken by the government of India, as well as the RBI, have facilitated the development of e-banking in India. The government of India enacted the IT Act, 2000, which provides legal recognition to electronic transactions and other means of electronic commerce. The RBI has been preparing to upgrade itself as a regulator and supervisor of the technologically dominated financial system. It issued guidelines on risks and control in computer and telecommunication system to all banks, advising them to evaluate the risks inherent in the system and put in place adequate control mechanism to address the risks. The existing regulatory framework over banks has also been extended to E-Banking. It covers various issues that fall within the framework of technology, security standards, and legal and regulatory issues.

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***ANNEXURES***

**QUESTIONNAIRE** Dear Respondent,

I am a student of BANGABASI MORNING College; I am doing this research to compare different services provided by bank to its clients.

1. In which company bank do you have your account?

 (a)PNB Bank

(b)State Bank of India

(c)HDFC BANK

(d)Others Bank

1. Do you think online banking is better than traditional banking?

 (a)Yes

 (b)No

1. Overall, how satisfied are you with our online banking service?
2. Very satisfied
3. Satisfied

 (c)Neutral

(d) Unsatisfied

1. Is Bank-a-net easy to use? (a)Yes (b)No
2. Do you trust the security of online banking service? (a) Yes
3. No
4. How often do you use online banking? (a)Weekly

(b)Monthly

(c)Regularly

(d) Rarely

1. What types of transaction do you make in online banking ? (a) Check balance

 (b)Payment

1. Transfer of fund
2. Other
3. Are you aware of Net Banking services offered by the banks?
	1. Yes
	2. No
4. Are you aware of the methods which can be undertaken to make any kind of fraud? (a) Yes

(b) No

1. Does your bank educate you about the Net Banking services being offered? (a) Yes

(b) No

1. What benefits do you see in Internet banking?
2. Convenience
3. Speed
4. Transparency
5. Time
6. Would you prefer using net banking instead of visiting your bank every now and then? a) Yes

b) No

13.Are you aware of the benefits of net banking which are available?

1. Yes
2. No

Q14. What are main disadvantages of online banking? (a)Overall difficulty of using online banking System (b) Lack of assistance

1. Security Concerns
2. No Disadvantage

 Q15. Are you started to use more net banking after demonetization?

* 1. Yes
1. No