

Technological Changes in Indian Banking Sector

Kamal Kumar Modi¹

¹*Asst. Professor, Acharya Kalu Kanya Mahavidyalaya, Jain Vishva Bharati Institute, Ladnun-341306*

Abstract

Bank is the growth Engine of any country. Indian Banking goes through a long Journey. From Initial time to till now there are lots of technical changes. But after 1991 Indian banking sector are more keen to focus on technology driven services and innovation by which more number of people are get benefited because technology helps banks to provide better quality service with more efficiency. Internet banking mobile banking, digital payment, UPI (united payment Interface), wallet payment (Digital, Cashless) make it easy for customer to do banking from anywhere. Both public and private banks started common facilities like ATM, debit card, mobile banking, E- banking etc. Now a day's banks are focusing on providing number of financial services under their roof. There are tough competitions among banks to grab maximum market share according to their strengths.

Objectives of the study

- To study how these innovation helps the Indian banking
- To study upcoming challenges for Indian Banks.

Innovation in banking sector

Changes are unchangeable things and banks are not a different story. Indian banking gives through a number of changes in their journey. Now most of the banks adopted innovative approaches for their banking to grab more customer far their banks. These

innovations are helped by information technology which provides opportunities to banks to design and develop many new products for banking industry. Information technology creates a bridge. By which banks can reach the maximum number of people as their customers. From a long queue in a bank to, bank in your hand. This transformation takes a long time. Competitiveness, challenging environment and tough competition creates more innovation in their product, process and methodology. Now a days e-wallet, digital and online payment make this system very

simple but caution must be their in each process.

Technological changes in Indian banking system

- Card based payment (late 1980s and early 1990s)
- Electronic fund transfer in early 2000's
- RTGS introduced in more 2004
- NEFT in Mid 2005
- IMPS in 2010
- UPI in 2016

Year	Transaction Amount (tens of billion Rupees)	Growth
2016	0.894053	-
2017	56.76170	6248.81

The objective of this unified system is to offer an to architecture to facilitate next generation online immediate payment cover aging trends such as increasing Smartphone adoption, Indian language Interfaces and universal access to internet and data it's promoting cashless India and digital payment. UPI address is also called VPA (visual Payment Address) is a unique Identifier which can use to send and accept money.

Plastic money (debit and credit card)

Use of these financial instrument increase the technological parented service in this

UPI (united payment interface)

UPI is an instant real time payment system developed by national payment corporation of India facilitating interbank transaction. This is regulated by RBI and works by instantly transferring funds between two bank accounts on a mobile platform.

- BHIM (Bharat Interface for Money) is a APP based on UPI. It's Revolutionary step in digital payment.

sector credit card was innovated in America, 1950 and In India this facility was initially started by control bank of India by control Bank of India with the association of Master card. By the credit card, card holder buy goods and service because credit is given by the issuers on holder's promise to pay for these goods and services this card combine payment services with intensions of credit.

Debit card is a plastic payment card that can be used instead of cash when making purchases. These cards use as instant withdrawal of cash, acting as an ATM card for withdrawing cash. All the ATM cards are now ATM cum debit card. When we are