



Impact Factor: 4.081

Application of E-Banking in the Selected Co-Operative Banks of North Gujarat

Dr. Jayshri S. Datta

Smt. S.B. Patel Institute of Business Management Sankalchand Patel University,

Visnagar Mobile: +91 9825872106 Email ID: dutta_jayshri@yahoo.com

ABSTRACT

E-Banking is increasingly becoming an invaluable and powerful tool driving economic development of a nation. Corporate entities around the world are considering it as a powerful tool of improving customer service quality, reducing cost of operation, better management of risk and security, reaching global market, increasing productivity and enhancing competitiveness. Worldwide, banking sector had adopted e-banking in all its areas of operations. Indian banking sector is not lagging behind in adoption of e-banking. Indian Banking sector is front runner in adoption of e-banking. The robust growth of Indian banking sector can be attributed to adoption of e-banking. E-banking had helped the Indian banking sector to offer value added as well as quality service to customers, reducing cost of operation, better management of risk and security and offering innovative products to customers. Indian commercial banks were able to adopt e-banking and were successful in revolutionizing the banking sector. But, the Co-operative banking system in the country found to be lagging behind in adoption of e-banking. This has encouraged the researchers to take up the present study. The study aims to find out the awareness level among management of Co-operative banks about the e-banking practices do adopted by them. The study reveals that Co-operative Banks have computerized their branches and each bank had designed its website. The banks have also taken security measures by installing the CCTVs in their branches. It was found that the banks were offering Phone-in-link services such as Inquiry on product and services, Change of accounts address, Stop cheque instruction, Status inquires on remittance, bank balance, etc.

INTRODUCTION

Managing an account division is considered as spine of economy of any nation. The USA and Japan had accomplished financial advancement because of strong development in managing an account division. The strong development in managing an account segment is credited to selection of E-banking by banks. Consequently, e-banking money has turned into a key component in financial improvement and a spine of keeping money area. It was seen that the Co-operative keeping money framework in the nation observed to linger behind in selection of e-managing an account. Data and Communication Technology offers open doors for Co-operative banks to jump prior phases of advancement. It is likewise imperative to take note of that the Co-operative banks need to receive e-banking an account rehearses, else, they may fall encourage behind and the hole they have with the commercial banks could get more extensive. Along these lines, the need of great importance is that Co-operative saving

money framework in the nation need to receive e-banking forcefully to benefit the urban and rural India. 60 percent of rural India even today relies upon Co-operative banks for their saving money needs. The Co-operative banks have requirement of making country clients a computer skilled.

KEY WORDS: E-banking, Co-operative Banks

REVIEW OF LITERATURE

¹ Presently multi day's interest for budgetary administrations is transmuting quickly and department of clients in regards to these administrations is withal going to transmute quickly. Thus, it is necessary for the managing an account division furthermore that in lieu of the conventional saving money it ought to embrace electronic saving money and some early techniques with the end goal to charge and hold subsisting also beginning clients. E-banking is the most spearheading pattern among the clients in the present time of push for more speedy and anchored monetary administrations. The exchange from the conventional managing an account to e-keeping money has been a lifting alteration in saving money dealings. Developed rivalry, the progression of data and correspondence innovation, and transmuting business condition and so on are the weighty worries that have pressured keeping money administrations to transmute. This specific study tries to investigate the different online client administrations given by the managing an account industry in India and moreover talked about the amplification rate and future prospects of the e-saving money administrations given by the Indian banks in such manner. To measure the advancement of sundry online administrations given by the banks, information has been amassed from 2003 onwards from the site of the Reserve Bank of India. Amplification (development) rate and compound yearly amplification (development) rate is used for investigation. After outwardly seeing the development rate of e-saving money administrations it tends to be verbalized that e-managing an account is acknowledged in the saving money area and a plenitude of work should be possible in this division to make it more development, protected and more speedy convenience supplier in back segment.

²The banking sector to be assumes an essential part in the improvement of one nation's economy conditions. The development of keeping money area relies on the administrations given by them to the clients in different viewpoints. The developing pattern of managing account administrations is discovered critical after the new financial changes in India. Today, India has a genuinely very much created managing an account framework with various classes of banks – open part banks, remote banks, private area banks – both old and new age, territorial provincial banks and co-agent keeps money with the Reserve Bank of India as the well spring Head of the framework. These days keeping money division goes about as a spine of Indian

¹ Reeta and Manju Asht, E-banking in India: Current and future prospects, IJABER, Vol. 14, No.7, 2016, pg01-13

² S. Praveen Kumar ,J. Pavithra, Recent Trends in Indian Banking Sectors, International Journal of Pure and Applied Mathematics, Vol- 116 Issue No. 18, 2017, ISSN: 1314-3395, pg-529-533.

economy which reflects as a supporter amid the time of blast and retreat. From 1991 different patterns and advancements in saving money part are credited. It additionally mirrors the different changes were caused to enhance their administrations to fulfill the clients.

³Recent developments in the field of e-banking have created new opportunities for enhancing both the operations and competitiveness within the banking sector. The application of contemporary e-banking based solutions has resulted in significant changes in the traditional banking business, through the involvement of brand new approaches in the process of distribution of banking products and services to customers. As a part of the services offered by any modern bank, e-banking has become a synonym for an efficient system aimed at delivering traditional banking services through electronic communications channels, available to anybody, anywhere and anytime. The goal of the paper is to perform an empirical analysis of the current situation regarding the level of customer usage and satisfaction with e-banking services in the Republic of Macedonia. The study will enable us to determine which variables affect the level of adoption and satisfaction with e-banking services. The study is fully based on the statistical data analysis of the responses gathered from a representative sample of e-banking customers.

⁴The research focused on the key factors of customer reliability and loyalty with customer satisfaction with help of e-banking. The key factors of Customer loyalty are: customer retention; Consumer safety and Virtual Banking; and Technology offensive. Customer Retention rises as a vital factor affecting customer Loyalty with most elevated Eigen esteem and it clarifies greatest variety. This is trailed by Security and Virtual Banking; and Technology attack. Consumer loyalty is contained ten things. The examination moves further to decide the connection between the two. Consumer loyalty is the reliant variable. customer dependability is related decidedly with Confidence, Technology Adoption, Technical Expertise of staff, Personal Services, Account data, Channel Activity and Ease of Use from the develop of consumer loyalty. The model clarifies 85.8 percent of variety. In this manner, a fulfilled online client can be held by upgrading consumer loyalty

OBJECTIVES OF THE STUDY

The study had been undertaken with the following objectives:

- 1) To find out the awareness level among staff of Co-operative banks about the e-banking practices do adopted by commercial banks in the North Gujarat.
- 2) To study various E-Banking services and its functions espoused by Co-operative banks.
- 2) To study and analyze the how and when technology was adopted by Co-operative banking sector in the North Gujarat.

³ Meri Boshkoska , Kosta Sotiroski , An empirical study of customer usage and satisfaction with e-banking services in the Republic of Macedonia, Croatian Review of Economic, Business and Social Statistics (CREBSS), Volu,04,2018, pg-1-13.

⁴ Ms. Navneet Kaur¹ and Prof. (Ms) Ravi Kiran, Customer Satisfaction and Customer Loyalty in E-Banking in India: The Intricacies of Relationship, IOSR Journal of Business and Management, Volu-16, Issus

3) To study the progress of technology development done by Co-operative banking industry in North Gujarat.

RESEARCH METHODOLOGY:

The data required for the study has been collected from secondary such as articles, website of sample banks, research reports and journals. The data was also collected from primary sources. The telephonic interview was taken from sample banks.

Development and Emergence of E-Banking in India

In current time, managing an account involves a huge place in the monetary structure in entire world. Saving money framework is a back conceived of any economy to give monetary guides. After mid of 80s the idea of saving money framework has moved after monetary "huge explosion" in the U.S.A and the U.K. Managing an account in India started in the most recent many years of the eighteenth century. In 1786 "The General Bank of India" was the principal bank began in India; State Bank of India is the most seasoned bank in presence in India, which started with the name of the Bank of Calcutta in June 1806.

Novel insurgency in data innovation in IT field has been impacted numerous ventures. Managing an account industry was one of the ventures which have been extraordinarily influenced by this insurgency. Data innovation has empowered banks industry to do managing an account work all the more successfully. IT additionally empowered banks to offer some of saving money benefits through self-service technologies (SSTs). While the customary administrations are conveyed to the clients through the most conventional bank channel, i.e. branch office by the bank staff, the electronic administrations are normally offered to clients by means of electronic channels. In this way, new IT made E-Banking. E-Banking makes conceivable a fruitful and powerful installment and bookkeeping framework in saving money administrations. It expands speed and conveyance of managing an account administrations. While E-Banking has accommodation for clients and staff and improved banks framework effectiveness, it has likewise made new difficulties in the framework. These difficulties are especially more in zone of control and supervision of banks. Indian Banking and Financial Sector have likewise confronted a few basic phases of changes in saving money activity. After advancement of direction in activity of managing an account framework residential players had expanded rivalry with remote players.

Automation in Banking Industry

In 1950s the advancement of initial two business models, UNIVAC-1 and model-650 of International Business Machines (IBM) and the business world had embrace that improvement. PCs were presented for first time in USA. Initial two banks who turned out with PC framework in the in keeping money industry were "The Bank of America" and the "Principal National City Bank" of New York. The reception of the PCs in the banks was a major basic change for saving money part; saving money activities were to the presence of PC as a critical hierarchical apparatus.

Computerization in Indian Banking Industry

The issue of computerization in the keeping money segment is firmly identified with the significant development of the modern enhancement of exercises. Before nationalization of fourteen the banks, Indian banks were rest E-Banking to urban and business centers. In 1969 fourteen banks were nationalized to create economy and for social upliftment of the general public.

The idea of saving money has experienced a fast change in business improvement, broadening and expanding social strategy. Aside from broad development on the money related part, managing an account industry has found a way to meet necessities and done different changes, computerization was a noteworthy change in keeping money division. Computerization was the most major manner by which innovation has changed the substance of the Indian managing an account division. While new private area banks and outside banks have an edge in such manner, open part banks have been putting resources into overhauling their activities by method for computerization.

Development of E-Banking in India

In the course of the most recent decades Indian Banking division saw a quantities of changes. Principles and direction of banks tasks has changed altogether as per changes and the requirements, advancement approach of 1991 and rivalry from both household and remote banks was expanded. Execution of Information Technology had occurred in the managing an account segment in 1990s. It began from back office robotization, which was intended for gigantic number of information, in chaque clearing and computerization process in the front work area to expand proficiency of keeping money activity among all branches. Correspondence mechanical and electronic saving money improvement together made keeping money part more viable and cost slicing in everyday tasks of betting on India. The certainties of the advancement of E-Banking administrations in India are given as pursues:

E-Banking: Products and Services

Keeping money industry turns into an innovation concentrated industry alongside the aircraft business. Innovation has made an "outlook change" in the customer benefits and has prompted reengineering of managing an account task and process. The monetary changes that were started in the mid 1990s and opening up to the more extensive universe of globalization and progression have acquired a totally new working condition to this division in India.

India is pre-overwhelmingly a money economy. Money is the main type of exchanges for around 40% of populace in India. In any case, there is a developing number of white collar class and their salaries are consistently rising. There are likewise sizeable phony notes circling in India which are around 3 to 6 percent. The open door for non-money installment strategies is significant. Indian saving money framework, thusly, can spread its appendages in such zones by methods for giving E-Banking administrations. In the accompanying segments of this part we will clarify how banks in India right now are putting forth imaginative and appealing innovation based administrations and items. ATM , Credit Card, Internet Banking, Mobile banking,

Phone Banking, Tele Banking, Utility Bill Payment and other regular periodical payment facilities, Electronic Fund Transfer (NEFT (NATIONAL ELECTRONIC FUND) TRANSFER/ RTGS (REAL TIME GROSS SETTLEMENT)/ MICR), Electronic Clearing Services, E-Commerce Transactions, MICR/OCR Clearing System, Pre-Paid Instruments, and Truncation of Cheques System products and services are part of E-banking in India.

Role of Co-operative Banks

In the historical backdrop of co-operative development there are two principle gatherings, rich and poor or exploiters and misused or ground-breaking and frail. For decency, legitimization, opportunity and equity there was dependably battle in both the gatherings. The class distinction was in charge of financial and political unsettling influence; this circumstance was response of development of co-agent.

The Role of Cooperatives in Economic Development

Cooperatives are network based, established in vote based system, adaptable, and have participatory inclusion, which makes them appropriate for monetary improvement (Gertler, 2001). The way toward creating and managing a helpful includes the procedures of creating and advancing network soul, personality and social association as cooperatives assume an inexorably vital job worldwide in neediness decrease, encouraging employment creation, financial development and social improvement (Gibson, 2005). Cooperatives are seen as imperative instruments for enhancing the living and working states of the two ladies and men. Since the clients of the administrations they give claimed them, cooperatives settle on choices that equalization the requirement for gainfulness with the welfare of their individuals and the network, which they serve. As cooperatives encourage economies of degree and scale, they increment the bartering intensity of their individuals giving them, among others benefits, higher wage and social assurance. Henceforth, cooperatives accord individuals opportunity, security and strengthening - fundamental components in elevating them from debasement and destitution (Somavia, 2002). As governments around the globe cut administrations and pull back from directing markets, cooperatives are being viewed as helpful components to oversee chance for individuals and keep markets proficient (Henehan, 1997).

In various ways, cooperatives assume essential job in worldwide and national financial and social improvement. With respect to monetary and social improvement, cooperatives advance the "fullest investment surprisingly" and encourage a more evenhanded dispersion of the advantages of globalization. They add to feasible human improvement and have a vital task to carry out in battling social rejection. In this manner the advancement of cooperatives ought to be considered as one of the mainstays of national and global monetary and social improvement (Levin, 2002). Notwithstanding the immediate advantages they give to individuals, cooperatives reinforce the networks in which they work. As per Somavia (2002) cooperatives are particularly observed as critical apparatuses for the making of not too bad employments and for the activation of assets for money age. Numerous cooperatives give employments and make good on nearby government obligations since they work

in particular geological areas. As indicated by Wikipedia (2006) and Levin (2002) it is evaluated that cooperatives utilize in excess of 100 million people around the world. In Nigeria, cooperatives can give privately required administrations, business, course cash locally and add to a feeling of network or social attachment. They can furnish their representatives with the chances to update their aptitudes through workshops and courses and offer youth in their base networks short and long haul business positions. Understudies could likewise be utilized on easygoing arrangement premise amid long excursions. Through these, cooperatives will add to monetary improvement.

Application of E-Banking in Co-operative Banks in North Gujarat

Sr.No	Bank Name	E-banking
1	Gujarat State Co-operative agriculture & development Bank	No
2	Mehsana Nagrik Sahakari Bank Ltd.	No
3	The Mehsana District Central Co-operative Bank Ltd.	No
4	Sarvoday Com. Co-operative Bank Ltd.	No
5	Mehsana Urban Co-operative Bank Ltd.	Yes Full-fledged E-Banking
6	Shree Laxmi Mahila Sahakari Bank Ltd.	No
7	Mehsana Jilla Panchayat Karm. Co-op. Bank Ltd.	No Only RTGS/NEFT
8	Kukarwada Nagrik Sahakari Bank Ltd.	No
9	The Gozariya Nagrik Sahakari Bank Ltd.	No
10	Vijapur Nagrik Sahakari Bank Ltd.	No
11	Kadi Nagrik Sahakari Bank Ltd.	No Only M-banking
12	Gandhinagar urban Co-operative bank ltd	No M-banking
13	Gandhinagar Nagarik Sahkari Bank Ltd.	No Limited M-banking
14	The Ranuja Nagarik Sahkari Bank Ltd	No
15	Patan Nagrik Sahakari Bank Ltd.	No
16	Unjha Nagrik Sahakari Bank Ltd.	Yes
17	The Banaskantha District Central co-operative bank ltd	Yes
18	The Sabarkantha District Central Co-operative Bank	NO Only M-Banking
19	Idar Nagarik Sahkari Bank	No Only RTGS/NEFT
20	Malpur Nagarik Sahkari Bank	No

Conclusion

The examination uncovers that aside from the representatives and administration group of all Co-operative Banks were very little mindful of accessibility of saving money and correspondence innovation in the market.

The banks have modernized their branches and were having web network. Be that as it may, few banks had structured its site. The banks have additionally taken safety efforts by introducing the CCTVs in their branches. It was discovered that few banks were putting forth Phone-in-interface administrations, for example, Inquiry on item and administrations, Change of records address, Stop check guidance, Status asks on settlement, bank balance, and so on. Client needs to do manual application for their demand.

In North Gujarat not very many Co-operative Banks are putting forth the ATM, SMS alarms and portable managing an account administrations to its clients. In any case, lion's share of respondents of the Co-operative banks were ignorant about these administrations aside from ATM benefit.

Greater part of banks knew about the tele-keeping money benefits yet few of banks offered this administration.

None of the respondents of the banks knew about Online Banking, Electronic store exchange, online interest draft, Credit cards, online record opening office, E-passbook and Biometric ATM benefits as the banks were not offering such administrations. Just a single bank named by Mehsana Urban Co-operative Bank Ltd. which gives all administrations of e-banking an account.

The investigation uncovered that mind-boggling expense of innovation, constrained land zone and restricted business tasks; Convenience keeping money was the prime explanations behind non-selection of E-banking an account by banks.

Bibliography:

1. Business Today (2014, April 5), "Now, Access Your SBI Account via Twitter", Accessed January 12, 2015,
2. <http://businesstoday.intoday.in/story/now-access-your-sbi-account-via-twitter/1/204918.html>.
3. January 20, 2015, <http://www.iba.org.in/oltas.asp>.
4. Kamath, K. V.. "Indian banking sector: Challenges and opportunities." *Vikalpa* 28.3 (2003): 83-100.
5. Meri Boshkoska , Kosta Sotiroski , An empirical study of customer usage and satisfaction with e-banking services in the Republic of Macedonia, *Croatian Review of Economic, Business and Social Statistics (CREBSS)*, Volu,04,2018, pg-1-13.
6. Ms. Navneet Kaur¹ and Prof. (Ms) Ravi Kiran, Customer Satisfaction and Customer Loyalty in E-Banking in India: The Intricacies of Relationship, *IOSR Journal of Business and Management*, Volu-16, Issus
7. Reeta and Manju Asht, E-banking in India: Current and future prospects, *IJABER*, Vol. 14, No.7, 2016, pg01-13
8. S. Praveen Kumar ,J. Pavithra, Recent Trends in Indian Banking Sectors, *International Journal of Pure and Applied Mathematics*, Vol- 116 Issue No. 18, 2017, ISSN: 1314-3395, pg-529-533.
9. Singh P, "An exploratory study on internet banking uses in semi urban areas in India", *International Journal of Scientific and Research Publications*, Vol. 3, No. 8, (2013): pp. 1-5.