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Banking Transactions without Plastic Cards and How It Reflects To Common Man

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Abstract:

Nowadays people are more calmed by the physical and less likely to put all of their confidence in banks and other financial institutions because of the global blow off and continuing downfall in the financial service industry. This study shows the upgrade in technology especially in banking sector. Due to the boom of internet in 2000 plastic cards came into force. After 20 years the time came to prohibit the plastic cards due to the better environment and hole in ozone layer government banned plastic. The plastic cards include debit and credit cards. Now what about abolish of these plastic money. Since now only people well versed in using ATMs but now the plastic money is wipe off., lets this study shows the internet banking and its latest advantage.

KEY WORDS: ***Customer Perception, E-banking, Private and Public, plastic cards, ATM.***

INTRODUCTION:

Online banking allows customers to make financial transactions on a secure website operated through their bank. On-line banking solutions have many features and capabilities in common, but traditionally also have specific applications. Almost all the banks in the world are providing the online facility that ranges from day to day transactions to account opening, issuing credit cards, paying and getting the loans and debts and providing customers facilities to shop online. Some banks are also providing the facilities to draw cash from their bank accounts online and they can pay their bills online

The term "Internet Banking" or "e-banking" refers to the use of the Internet as a remote delivery channel for banking services. In other words and according to some resources, internet banking is an umbrella term for the process by which a customer may perform banking transactions electronically without visiting bank branches. Such systems should enable banks' customers to access their accounts, obtain information on financial products, transfer money and utilize other offerings

Advantages of online banking without debit cards

1. Nonpayment of commission for using debit cards
2. Avoiding the salary for third-party to load money in ATM's
3. Reduce the cost in technology which has been updated in ATM's
4. Cost cut in ATM outlets whose land is not owned by bank.
5. Avoid man power to utilize in this process and bank can save huge amount and generate more revenue

Disadvantages in online banking without debit cards:

1. Only educated persons can utilize this system since this also like a demonetization
2. Lack of awareness and knowledge of using computer technologies
3. Online fraud threats and mismatching concepts with Hawala transactions
4. E-resources wastage will generate more and it spoil the environment

Objectives of the study:

1. To study the customers technology knowledge for transactions in banking
2. To analyze all financial transactions in online mode
3. To encourage the illiterates to use online payments for day to day activities
4. To study the recent development in banking fund transfer applications

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Reasons for ban plastic cards:

In today's scenario banks are the most unsafe sector for customers and investors but it is the best sector for employees. As per latest budget prescribe by Mrs.NirmalaSitaraman (FM) all nationalized banks will be merged by 6 top market capitalization banks. They are SBI, PNB, BOB, CANARA BANK. At first SBI merged all its subsidiary branches with it due to that it is the India's first high capital bank in listed companies of banking in stock exchange. Even the merge of SBI it attracts the huge investors and foreign institution investors now all nationalized banks are going to merged in 6 banks. Due to the reason behind is generate high capital, employment reduction, gives quick attention to customers.

Banks generate more money but at the same time it has a plenty of expenses that too which are not related to generate profits in their own end. Since ATM cards are created by only 2 companies at initial stage they are master cards and visa cards. At present Rupay cards. Every customer in bank have a valid debit card with their account so for every transactions which are related to cards the bank must pay 0.5% to that respective companies so to that that kind of third party cost banks are promoting online transactions to minimize the cost and also enrich the customers in HI-FI level.

Recent amendments in banking sector:

According to section 77 of companies act, 2013 banking companies must have to generate 300 CRORES in first 3years of its incorporation which is promoted by 40% of promoters and the rest 20% is by FII and the balance part is free float shares. This provision was appreciated by many new business persons and also all banking companies which gives a new fresh motivation by the ministry of finance. The Act also gives advantage to NPA's for those who is an defaulters in respective bankers. Since at present 1,85,000crores of money in default so that the IBC,2016 save the defaulters and bankers.

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Benefits of online transactions

Now a days most of the consumers having bank accounts are using smart phones due to advance technology and free internet data every smart phone has at least one bank application with Google pay or phone pay paytm .users not only use this application to fulfill their transactions but also they get rewards like cash payback, voucher coupons, etc. this online transactions on very popular after the demonetization which has been undergone on nov 2016 once the customer uses this kind of online transactions without debit cards and with the use of mobile number which has been registered in bank account.on the other hand banks are not responsible by the customers who are using third party fund transfer applications to transfer funds or online shopping or any kind of financial transaction in case the bank default government are responsible to increase the market capitalization or paid up capital but in third party fund transfer application defaults the customer may or may not get back the cash that to 7 to 14 days of period in the mean period the third Party company must not pay any interest to the customers this is the guidelines provided by the RBI under (IBC)insolvency and bankruptcy code,2016.

How the common man deals with online banking:

As per Indian statistical report ,2011 they provide information of 72.5%in India are educated but only 50% of Indians are youngers and who are capable to use smart phones with updated technology rest 50% of Indian are uneducated and also very low knowledge in computer system while these peoples are used the banking technology with the help of other people especially with the bank key persons. Even most of the educated people are also not aware of technology with the base of inferior technology which are developed in recent year in 2000's.I n recent survey conducted by times of India as on 2019 most of the customers in bank is not aware about how to use the technology in smart phones because many people have fear about default in payment,hacking ,spissfing,etc..

Once the common man started using the online banking for account transaction checking,previous month accounts statement,ECS options everything goes online even apply for cheque is available in online banking .it can reduce the physical visit by a customer to the bank indirectly it saves the time of customer and also the bank person. The recent regulations passed by RBI the online transactions will get 0.025% of cash back to every customer it is an initative to start the customers to go online.

The bank can save the cost of below operating expenses

1.ATM room space(the land is rented /leased)

2.CCTV camera's in atm outlets

3.Personnels in atm outlets (salary to the persons who are maintain the atm's)

4.Avoid third party payments (bank have to pay minimum amount to third persons who are load the cash in atm)

Conclusion

Banks are the primary source to the gentralpuplic and also the government who are in need of money bank provides the money with proper physical verification it may take time the other party may not get the amount on time but this will be avoid in online banking since in online banking it automatically linked with customers aadhar card so one can get the fund in short time and also it develops the countrys eco system through online banking is the 1st step for reaching the our hon'ble prime minister Narendra dhomodharadosmodi to go country entirely in digital transactions which makes the India and also the Indians to be proud in globel economy with other countries.

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