

Information Technology on Andhra Bank = A Case Study of ANU Campus

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ABSTRACT

Electronic banking is generally an extension of traditional banking, using the internet as an electric delivery channel for banking products and services. The banking today is redefined and re-engineered with the use of IT and it is sure that the future of banking will offer more sophisticated services to customers with the continuous product and process innovations. Thus there is a paradigm shift from seller's market to buyer's market. So banks also change their approach from "Conventional Banking to Convenience Banking" and "Mass banking to Class Banking". The study examines various relevant issues relating to role of IT in banking and recommends ensuring privacy and confidentiality of data's, implement IT and other Cyber laws properly. This will ensure the developmental role of IT in the banking industry. Government of India encourages people to move towards Cashless Economy. This can be achieved by use of Debit, Credit cards, electronic payment gateway systems such as National electronic funds transfer (NEFT) and Real time gross settlement (RTGS) etc. in India. Also increase in Internet, mobile adoption, new channels like websites, social media and mobile App provides new way for consumers to access financial transactions. The study of this paper is to find role of E-Banking services in Digital India. The objectives of study are to identify Drivers of Digital Banking Transformation, contribution of Indian banks towards Digital India, facilities provided by Indian banks to make India cashless, Key barriers of Digital payment and to identify Threat for Indian bank. Technology has become a tool that facilitates banks' organizational structures, business strategies, customer services and related functions. Digitalization changes face of branch banking.

Keywords: E-Banking, Digital Payments, National electronic funds transfer (NEFT) and Real time gross settlement (RTGS), Services, Innovation, Challenges.

1.1 Introduction

Information Technology

Information technology is the design and implementation of computer networks for data processing and communication. This includes designing the hardware for processing information and connecting separate components, and developing software that can efficiently and faultlessly analyze and distribute this data

Information Technology enables sophisticated product development, better market infrastructure, implementation of reliable

techniques for control of risks and helps the financial intermediaries to reach geographically distant and diversified markets. Internet has significantly influenced delivery channels of the banks. Internet has emerged as an important medium for delivery of banking products and services. The customers can view the accounts; get account statements, transfer funds and purchase drafts by just punching on few keys. The smart card's i.e., cards with micro processor chip have added new dimension to the scenario. An introduction of 'Cyber Cash' the exchange of cash takes place entirely through 'Cyber-books'. Collection of Electricity bills and telephone bills has become easy. The upgradeability and flexibility of internet technology after unprecedented opportunities for the banks to reach out to its customers. No doubt banking services have undergone drastic changes and so also the expectation of customers from the banks has increased greater.

Andhra Bank

Andhra Bank is a medium-sized public sector bank (PSB) of India, with a network of 2803 branches, 4 extension counters, 38 satellite offices and 3636 automated teller machines (ATMs) as of 31 Mar 2016. During 2011–12, the bank entered the states of Tripura and Himachal Pradesh. The bank now operates in 25 states and three Union Territories. Andhra Bank has its headquarters in Hyderabad, Telangana, India.

Bhogaraju Pattabhi Sitaramayya founded Andhra Bank in 1923 in Machilipatnam, Andhra Pradesh. The bank was registered on 20 November 1923 and commenced business on 28 November 1923 with a paid up capital of 100,000 (US\$1,500) and an authorized capital of 1 million (US\$15,000) in 1956, linguistic division of States was promulgated and Hyderabad was made the capital of Andhra Pradesh. The registered office of the bank was subsequently shifted to Andhra Bank Buildings, Sultan Bazar, and Hyderabad. In the second phase of nationalization of commercial banks commenced in April 1980, the bank became a wholly owned Government bank. In 1964, the bank merged with Bharat Lakshmi Bank and further consolidated its position in Andhra Pradesh.

Operational Definitions



Bank: A bank is a profit-seeking business firm, dealing in money and credit. It is a financial institution dealing in money in the sense that it accepts deposits of money from public to keep them in its custody for safety.

Information Technology: The development, installation, and implementation of computer systems and applications.

Organizational learning: Organizational learning is an area of knowledge within organizational theory that studies models and theories about the way an organization learns and adapts.

Public Sector Banks: Public Sector Banks include the State Bank group and the 27 nationalized banks in India.

Private Sector Banks: The 22 old Private Sector Banks excluding the newly formed Private Sector Banks.

Selected Banks: The six banks are selected from the Public Sector Banks as sample for the purpose of the study, (Andhra Bank)

Employee Respondents: The employee respondents of the selected public sector banks in the sample banks.

Customer Respondents: The customer respondents of the selected public sector banks in the sample banks.

Electronic banking is an umbrella term for the process by which a customer may perform banking transactions electronically without visiting a brick-and-mortar institution.

PC banking is a form of online banking that enables customers to execute bank transactions from a PC via a modem. In most PC banking ventures, the bank offers the customer a proprietary financial software program that allows the customer to perform financial transactions from his or her home computer. The customer then dials into the bank with his or her modem, downloads data, and runs the programs that are resident on the customer's computer. Currently, many banks offer PC banking systems that allow customers to obtain account balances and credit card statements, pay bills, and transfer funds between accounts.

Internet banking sometimes called online banking is an outgrowth of PC banking. Internet banking uses the Internet as the delivery channel by which to conduct banking activity, for example, transferring funds, paying bills, viewing checking and savings account balances, paying mortgages, and purchasing financial instruments and certificates of deposit.

Electronic funds transfer (EFT): is the electronic exchange, transfer of money from one account to another, either within a single financial institution or across multiple institutions, through computer-based systems.

Real time gross settlement systems (RTGS): Real time gross settlement systems are funds transfer systems where transfer of money or securities takes place from one bank to another on a "real time" and on "gross" basis.

Electronic Clearing Houses: ECS is an electronic mode of funds transfer from one bank account to another. It can be used by institutions for making payments such as distribution of dividend, interest, salary, pension, among others. It can also be used to pay bills and other charges such as telephone, electricity, water or for making equated monthly installments payments on loans as well as SIP investments. ECS can be used for both credit and debit purposes.

Mobile banking: Mobile banking is a system that allows customers of a financial institution to conduct a number of financial transactions through a mobile device such as a mobile phone or personal digital assistant.

IT Service: Means of delivering value to the customer by facilitating the outcomes customer want to achieve, without the ownership of specific costs and risks.

Cloud computing: Cloud computing is a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

Prepaid payment instruments: Prepaid payment instruments are pre-loaded with a value so that

they can be used to buy goods and services. These come in the form of magnetic strip cards, smart cards, Internet accounts and wallets, mobile accounts and wallets and vouchers, among others and are offered by banks and non-banking finance entities.

Automated Clearing House: Automated Clearing House (ACH) is an electronic network for financial transactions. ACH processes large volumes of credit and debit transactions in batches. ACH credit transfers include direct deposit payroll and vendor payments.

Prepaid Card: A positive balance is loaded into an account associated with a card and drawn down through purchase activity.

Andhra Bank introduced Internet Banking Facility to all customers of cluster linked branches. Rail Ticket Booking Facility is made available to all debit card holders as well as to internet banking customers through IRCTC Website through a separate gateway. Corporate Website is available in English, Hindi and Telugu Languages communicating Bank's image and information. Bank has been given 'BEST BANK AWARD' a banking technology award by IDRBT, Hyderabad for extensive use of IT in Semi Urban and Rural Areas on 2 September 2006. IBA Jointly with TFCI has conferred the Joint Runner-up Award to the Bank in the Best Payments initiative category in recognition of outstanding achievement of the Bank in promoting ATM Channel.

Banking environment has become highly competitive today. To be able to survive and grow in the changing market environment banks are going for the latest technologies, which is being perceived as an 'enabling resource' that can help in developing learner and more flexible structure that can respond quickly to the dynamics of a fast changing market scenario. It is also viewed as an instrument of cost reduction and effective communication with people and institutions associated with the banking business.

Customer service is the service provided in support of a bank's core products. Customer service often includes answering questions; handling complaints. Customer service can occur on site (as when an onstage employee helps a customer or answers a question) or it can occur over the phone or the Internet. Quality customer service is essential to building cordial customer relationship. Banking being a service industry, a lot depends on efficient and prompt customer service. Customer service is the most important duty of the banking operations. Prompt and

efficient service with smile will develop good public relations reduce complaints and increase business

The ten key areas of customer's services to be attended timely and regularly are:

1. Submission of statement of A/Cs to customers
2. Updating of savings pass books.
3. Teller system efficiency.
4. Cleanliness and Upkeep of premises.
5. Intermediate Credit for institution cheques/land bills.
6. Advance intimation to customers for rewards of Term Deposits Receipts on maturity.
7. Advance for Debit/credit to accounts.
8. Punctuality of staff.
9. Handling of complaint register.
10. Maintain a complaint register.

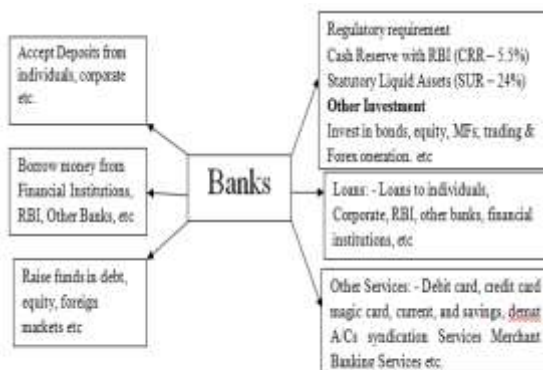
Customer's dissatisfaction in the banking industry is neither recent nor unknown. This is mainly due to delays in handling transactions across the counter in collections, update of passbooks supply of statements of accounts, etc. Failure to provide prompt and efficient customer service is likely to lead to reduction in the number of customers and they may have to face closure. To event such situation the following improvements in the customer services may be carried out:

1. Personal relations of the bank employee with customers will improve customer satisfaction. Service with smile should be the motto of every bank employee.
2. Rapid customer services should be provided through automation of work and simplification of procedures.
3. ATM's may be introduced in all the branches of the banks, based upon the volume of transactions. This shall facilitate non-stop banking.
4. Credit Cards Services, Debit Card Services, which should be provided to the customers, must a link service with all the banks and branches if possible to facilitate the customer and the business organizations.
5. E-mail service made freely available at all banking centers.
6. Foreign Exchange transactions are to be extended to all the branches to facilitate trade and industries.

7. All the customers are not homogenous in their needs. Hence need based schemes may be introduced.
8. Totally deregulated interest rate structure should be there.
9. The banking staff must be trained to understand the customer's psychology, so they may provide customer service in a qualified manner.
10. Educating the customers will increase better utilization of banking services

Andhra Bank Services in customers

The Andhra bank offers products like deposit schemes in which savings account, current account, and term deposits are covered, Retail loans in which housing loans, vehicle loans, mortgage loans and personal loans are covered, Agriculture loans in which all kinds of loans related to agriculture are covered. The Andhra Bank offers services like Corporate Banking and NRI Banking also. The Andhra Bank also offers Mobile Banking services, Multi City Cheque facility, Online tax accounting system, Real time gross settlement, Instant funds transfer, ATM services, any Branch Banking, Electronic Clearing Service and National Electronic Funds Transfer services. The Andhra Bank has its network of branches and ATMs all over in India.



1.5 Methodology of the Study

Data Collection

For the purpose of collecting primary data from the customers of Andhra Bank, a structured questionnaire is designed and administered on sample respondents of the bank customers. Apart from questionnaire method and observation techniques are adopted to elicit adequate information from the respondents. For the purpose of obtaining the data relating to the Andhra bank in Acharya Nagarjuna University Campus.

Data Analysis

The study will be based mainly on primary data generated from the responses from Andhra Bank customers from the questions relating to customers expectations and their perceptions towards service performance. In order to quantify these responses, scaling techniques will be adopted. For measuring service quality, Likert type five point scale with the rating-strongly disagree, disagree, neutral agree, strongly agree and yes or no will be used. Suitable score values will be assigned to the responses obtained for each point. Similarly, to assess the perceptions and expectations in the Information Technology in Andhra Bank Services.

Chapter – 3

IT Services in Andhra Bank Customers

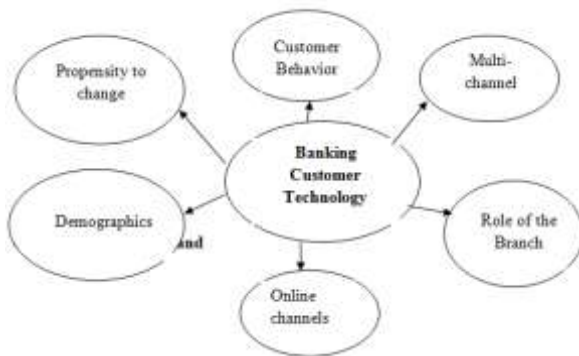
Section – 1:- Bank and Customer Relationship in Banking Services

Bank – Customer Relationship

Banking is a trust-based relationship. There are numerous kinds of relationship between the bank and the customer. The relationship between a banker and a customer depends on the type of transaction. Thus the relationship is based on contract, and on certain terms and conditions. These relationships confer certain rights and obligations both on the part of the banker and on the customer. However, the personal relationship between the bank and its customers is the long lasting relationship. Some banks even say that they have generation-to-generation banking relationship with their customers. Dawood Musba (2010) discussed about the banker customer relationship is fiducially relationship. The terms and conditions governing the relationship is not be leaked by the banker to a third party

A customer's deposit is a debt given to a bank for the bank's use, repayable on demand. The bank becomes the customer's debtor and the customer becomes the unsecured creditor with no claim over the bank assets as security. When the customer takes a loan he/she becomes the bank's debtor. As the bank normally obtains security for the loan it gives, the bank becomes a secured creditor for the customer.

When the customer deposits securities or other valuables with the bank for safe custody, the bank becomes the trustee of these assets. The customer remains the owner. When the bank buys or sells securities on behalf of the customer or pays the utility bills of the customer, it acts as the customer's agent. Such services are rendered for the convenience of the customer.



Classification of Bank and Customer Relationship:

The relationship between a bank and its customers can be broadly categorized into General Relationship and Special Relationship. If we look at **Sec 5(b)** of Banking Regulation Act, we would notice that bank's business hovers around accepting of deposits for the purposes of lending. Thus the relationship arising out of these two main activities are known as General Relationship. In addition to these two activities banks also undertake other activities mentioned in Sec.6 of Banking Regulation Act. Relationship arising out of the activities mentioned in Sec.6 of the act is termed as special relationship.

General Relationship

Debtor-Creditor: When a 'customer' opens an account with a bank, he fills in and signs the account opening form. By signing the form he enters into an agreement/contract with the bank. When customer deposits money in his account the bank becomes a debtor of the customer and customer a creditor. The money so deposited by customer becomes bank's property and bank has a right to use the money as it likes. The bank is not bound to inform the depositor the manner of utilization of funds deposited by him. Bank does not give any security to the depositor i.e. debtor. The bank has borrowed money and it is only when the depositor demands, banker pays. Bimil Jalan (2002) told about relationship debtors and creditors in Bank's position are quite different from normal debtors. Banker does not pay money on its own, as banker is not required to repay the debt voluntarily. The demand is to be made at the branch where the account exists and in a proper manner and during working days and working hours.

The debtor has to follow the terms and conditions of bank said to have been mentioned in the account opening form. Though the terms and conditions are not mentioned in the account opening form, but the account opening form contains a declaration that the terms and conditions have been read and understood or has been explained. In fact the terms and conditions are mentioned in the passbook, which is issued to the customer only after the account has been opened. In the past while opening account some of the banks had the practice of giving a printed handbill containing the terms and conditions of account along with

the account are opening form. This practice has since been discontinued. For convenience and information of prospective customers a few banks have uploaded the account opening form, terms and conditions for opening account, rate charge in respect of various services provided by the bank etc., on their web site. While issuing Demand Draft, Mail / Telegraphic Transfer, bank becomes a debtor as it owns money to the payee/ beneficiary.

Creditor-Debtor: Lending money is the most important activities of a bank. The resources mobilized by banks are utilized for lending operations. Customer who borrows money from bank owns money to the bank. In the case of any loan/advances account, the banker is the creditor and the customer is the debtor. The relationship in the first case when person deposits money with the bank reverses when he borrows money from the bank. Borrower executes documents and offer security to the bank before utilizing the credit facility.

Special Relationship:

Bank as a Trustee: As per **Sec. 3** of Indian Trust Act, 1882 'A "trust" is an obligation annexed to the ownership of property, and arising out of a confidence reposed in and accepted by the owner, or declared and accepted by him, for the benefit of another, or of another and the owner.' Thus trustee is the holder of property on behalf of a beneficiary.

As per **Sec. 15** of the 'Indian Trust Act, 1882 'A trustee is bound to deal with the trust-property as carefully as a man of ordinary prudence would deal with such property if it were his own; and, in the absence of a contract to the contrary, a trustee so dealing is not responsible for the loss, destruction or deterioration of the trust-property.' A trustee has the right to reimbursement of expenses (Sec.32 of Indian Trust Act.).

In case of trust banker customer relationship is a special contract. When a person entrusts valuable items with another person with an intention that such items would be returned on demand to the keeper the relationship becomes of a trustee and trustier. Customers keep certain valuables or securities with the bank for safekeeping or deposit certain money for a specific purpose (Escrow accounts) the banker in such cases acts as a trustee. Banks charge fee for safekeeping valuables **Bailee – Bailor:** Sec.148 of Indian Contract Act, 1872, defines "Bailment" "bailor" and "bailee". A "bailment" is the delivery of goods by one person to another for some purpose, upon a contract that they shall, when the purpose is accomplished, be returned or otherwise disposed of according to the directions of the person delivering them. The person delivering the goods is called the "bailor". The person to whom they are delivered is called, the "bailee".

Banks secure their advances by obtaining tangible securities. In some cases physical possession of securities goods (Pledge), valuables, bonds etc., are taken. While

taking physical possession of securities the bank becomes bailee and the customer bailor. Banks also keeps articles, valuables, securities etc., of its customers in Safe Custody and acts as a Bailee. As a bailee the bank is required to take care of the goods bailed.

Lessor and Lessee: Sec.105 of 'Transfer of property Act 1882' defines lease, Lessor, lessee, premium and rent. As per the section "A lease of immovable property is a transfer of a right to enjoy such property, made for a certain time, express or implied, or in perpetuity, in consideration of a price paid or promised, or of money, a share of crops, service or any other thing of value, to be rendered periodically or on specified occasions to the transferor by the transferee, who accepts the transfer on such terms."

Definition of Lessor, lessee, premium and rent:

- The transferor is called the lessor,
- The transferee is called the lessee,
- The price is called the premium, and
- The money, share, service or other thing to be so rendered is called the rent."

Providing safe deposit lockers is as an ancillary service provided by banks to customers. While providing Safe Deposit Vault/locker facility to their customers bank enters into an agreement with the customer. The agreement is known as "Memorandum of letting" and attracts stamp duty.

The relationship between the bank and the customer is that of lessor and lessee. Banks lease (hire lockers to their customers) their immovable property to the customer and give them the right to enjoy such property during the specified period i.e. during the office/ banking hours and charge rentals. Bank has the right to break-open the locker in case the locker holder defaults in payment of rent. Banks do not assume any liability or responsibility in case of any damage to the contents kept in the locker. Banks do not insure the contents kept in the lockers by customers.

Agent and Principal: Sec.182 of 'The Indian Contract Act, 1872' defines "an agent" as a person employed to do any act for another or to represent another in dealings with third persons. The person for whom such act is done or who is so represented is called "the Principal". Thus an agent is a person, who acts for and on behalf of the principal and under the latter's express or implied authority and the acts done within such authority are binding on his principal and, the principal is liable to the party for the acts of the agent.

Banks collect cheques, bills, and makes payment to various authorities' viz., rent, telephone bills, insurance premium etc., on behalf of customers. . Banks also abides by the standing instructions given by its customers. In all such cases bank acts as an agent of its customer, and charges for these services. As per Indian contract Act agent is entitled to charges. No charges are levied in collection of local cheques through clearing house. Charges are levied in only when the cheque is returned in the clearinghouse.

As a Custodian: A custodian is a person who acts as a caretaker of something. Banks take legal responsibility for a customer's securities. While opening a dmat account bank becomes a custodian.

As a Guarantor: Banks give guarantee on behalf of their customers and enter in to their shoes. Guarantee is a contingent contract. As per sec 31, of Indian contract Act guarantee is a "contingent contract ". Contingent contract is a contract to do or not to do something, if some event, collateral to such contract, does or does not happen

Online Services in Andhra Bank

3.2.1 Immediate Payment Service (IMPS): Merchant payment through IMPS: We are pleased to inform that our Bank has gone live on, from 26th March 2013 as an Issuer on Immediate Payment service (IMPS) Merchant Payments (P2M) Push and Pull transactions. This service is provided by National Payments Corporation of India (NPCI) in collaboration with Member Banks. IMPS Merchant Payments (P2M - Person-to-merchant) service allows customers to make instant, 24*7, payments to IMPS enabled merchants or enterprises via mobile phone. IMPS (P2M) enables mobile banking users a facility to make payment to merchants and enterprises, through various access channels such as mobile Internet and SMS For IMPS P2M PUSH transaction initiated through SMS, transaction limit is Rs 5,000/- per day and for transactions initiated through mobile banking application, transaction limit is Rs 50,000/- per day. There are two ways in which IMPS merchant payments (P2M - Person-to-Merchant) transaction can be performed

Key Features of IMPS

- Instant Interbank Fund Transfer
- Send money to anyone using their mobile number 📱
- Recipient gets instant credit
- Receive money instantly from anyone without sharing your account number
- Available 24X7X365
- Absolutely free of cost
- Confirmation of Debits & Credits
- Time & Cost saving
- Simple & easy to use
- Safe & Secure

Advantages of IMPS

Instant: Credit of funds happens instantly, as soon as an IMPS transfer is executed.

Anytime: IMPS is available round the clock, 24x7 including weekends and holidays.

Anywhere: IMPS transfers can be executed on the go, on your mobile phone, using mPAY Mobile.

Simple: All you need for executing an IMPS transfer are the beneficiary's mobile number and 7-digit MMID.

Interbank: You can transfer funds and receive funds from more than 46 other banks via IMPS Network.

Secure: The service ensures that only people who are registered with the application will receive money. And while crediting, system will check the beneficiary mobile number and generated MMID.

IMPS Transaction Charges: Charges applicable on IMPS fund transfers to other bank accounts as below:

IMPS Charges	
Transaction Amount Range	Charges
Rs 1 To Up to Rs 2500	Nil
Above Rs 2500 To Rs 10,000	Rs 2.50 + GST
Above Rs 10,000 To Rs 1 Lakh	Rs 5 + GST
Above Rs 1 Lakh	Rs 10 + GST

3.2.2 Customer Initiated Transaction (P2M PUSH):

When a customer initiates a merchant transaction using our bank mobile banking –m PAY using Application or SMS facility provided by the Bank it is known as Customer initiated transaction (P2M PUSH). The Bank offers ‘IMPS merchant payments’ form in the mobile banking application (this form is available in ‘Immediate Payment Service → Using MMID → IMPS Merchant Payment’ menu on the main menu of mobile application) or SMS syntax for performing P2M PUSH transaction. Customer needs to enter the following parameters:

- Merchant mobile number
- Merchant MMID
- Amount
- M PIN
- Payment Reference

Payment Reference is an optional 50 characters field provided. This field will be used to enter the unique reference for the payment, and identifies the transaction to the merchant.

- For insurance premium payment, customer may need to enter policy number in the payment reference field
- For electricity bill payment, it may be consumer number.

The syntax and information to be input in the payment reference field will be decided by merchant, and communication of the same will be merchant ownership.

3.2.3 SMS mode syntax - P2M PUSH transaction: MIMPS ‘Merchant mobile number’ ‘Merchant MMID’ ‘Amount’ ‘M-PIN’ ‘Payment Reference’ and send to 9223173924 On initiating transaction as above, customer receives the confirmation SMS with status of transaction shortly.

3.2.4 Merchant initiated transaction (P2M PULL): In Merchant Initiated transaction (P2M PULL), the transaction is initiated through Merchant such as Merchant website,

WAP site and mobile application. The typical steps to follow for making transaction through P2M PULL are as follows:

- a. Visit merchant web site, mobile application, or WAP site
- b. Select product / service for which payment is to be made
- c. In the payment options available, choose IMPS
- d. Enter credentials as follows:
 - i. Customer mobile number
 - ii. Customer MMID
 - iii. OTP (One-Time Password)
- e. The transaction status is displayed on the screen

3.2.5 Tele Banking: ANDHRA BANK is operating 24×7 Call Center from 01/08/2016. This facility will be operated with Interactive Voice Response System (IVRS) available round-the-clock on all the days. Through the IVRS facility, the Bank offers facilities like balance inquiry, last five transactions, account statement request, term deposit account details like data of opening, principal amount, interest rate, date of maturity and maturity amount and loan account details like original loan amount, installment amount and due date, loan interest rate, last installment amount and payment date. The customer can also learn about the various products and schemes of the bank through the call centre agents. Interested persons can avail the facility by registering themselves through toll free number 1800-425-1515.

Tele-banking is a system of providing specified services on phone. The customer gets a password from the bank to use this service. After giving the password, the customer is required to press desired buttons as the computer generated voice from the bank’s machine gives him the option. It is embedded in a card that allows the reading the data over the phone. From the banks providing Tele- banking services, the customer can get information about his current like statement or conduct specified transactions. In some banks, the facility of sending statement of account on a given fax number is available. The Tele- banking is provided at a nominal charge.

Information provided by bank under phone banking:

Besides delivering information relating to the customer’s account, 281 banks also provide the following information under phone banking service.

Balance in Account: This system is generally automated by most of the banks. Once the customer establishes contact over a special number he has to give his code number and account number. The system then gives out the balance in the account 282.

Status enquiry: The customer can find out the status of his cheques issued by him or Cheque deposit for credit of his account.

Request for cheque books: The customer can also request for issue of cheque books for his account. The bank later send the cheque by courier or requests the customer to

collect the cheque book later, depending upon the relationship with the customer.

Request of statement of account: The customer can also request for statement of account which is generally mailed to the customer. In case the customer has a fax cum phone the statement can be faxed to him immediately.

Cash withdrawal: This facility can be made to the customer on a very selective basis by few of the banks. This facility is made available on a specific phone number of the bank. The customer makes a request to the bank for withdrawal of cash and has to give the amount to be withdrawn along with his identification code. The customer is also required to issue a cheque for the amount and the cheque number is conveyed over the phone. Later the bank arranges to deliver the cash through the staff/courier who obtains the cheque for the amount.

3.2.6 Blocking ATM/Debit cards:

DO'S

- Please change the PIN number as and when received by you first time.
- Memorize you PIN.
- Whenever card is used at merchant location, please ensure to swipe the card in your presence.
- Upon loss of card intimate immediately to the Branch where account is maintained and to the toll free number 1800 425 2910.
- Obtain and preserve charge slip copies from the merchants for purchase and cancellation of transactions and reconcile the same through your account.
- Preserve the customer receipts of ATM transactions and reconcile your account.

DONT'S

- Never choose a pin number corresponding to your birth date, vehicle number.
- Do not write pin number on the card.
- Do not leave the card lying around the house or on your desk at work.
- Never give the card to a third party for ATM operations.
- Do not keep card and pin number together.

3.2.7 Credit card Services

- Customer can link their Andhra bank credit card in ABTEJ app and make dues payment online.
- Customers can view their past card statements and also unbilled transaction details.
- Card block & Pin reset options also available.
- Enable/Disable international transaction & standing instruction facility also available.

3.2.8 Internet Banking: On-line banking is also called "internet banking". On-line banking facility on an essential prerequisite for "virtual banking" where customers are serviced exclusively through electronic channels. Most of the Indian banks have recently begun offering on-line

banking services as an alternative delivery channel to the traditional services. Any customer having access to internet can do a banking activity on-line. Particularly when the customers are not located near branches, on line banking providers a great deal of value addition both the banks and the customers. Any customer having access to internet can do a given banking activity on-line. On-line banking facility provides a number of functional improvements such as summary screen which shows a customer's current balances for various accounts, terms deposits, loans and mortgages. By clicking on any of these balances, the customer can access a transaction history that span several years. On-line applications for various banking products and services are also on the online.

On line or Internet banking has many features both for banks and for customers and Banks

Banks have number of benefits by introducing I-Banking:

1. Greater reach to customers,
2. Quicker time to market,
3. Ability to introduce new products and services quickly and successfully,
4. Ability to understand its customers' needs, and
5. Greater customer loyalty.

Customers:

- a. View account balance and download statements,
- b. Transfer funds between accounts in same bank or other banks,
- c. Make payment/receive payments through RTGS,
- d. Create fixed deposits,
- e. Request for Demand Draft,
- f. Order for cheque book,
- g. Request debit card,
- h. Refill a prepaid mobile card or pay post paid mobile bills,
- i. Make investment, purchase or sale of securities, and
- j. Make payments of utility bills.

Internet Banking Feature: Internet banking is the latest and the cheapest technology introduced in the banking industry. It is acknowledged that the Internet has already and a profound effect on delivery of financial services and this likely to bring more radical changes. Internet is a network of networks. It is not a single network, but a global interconnected network of networks providing free exchange of information²³⁰. At the basic level, internet banking can mean the

setting up of a web-page by a bank to give information about its products and services 231. At an advance level, it involves provision of facilities such as accessing accounts, fund transfer, and buying financial products or services online. This is called “Transactional Online Banking”.

According to Michael Karlin, the President and Chief Operation Officer of the world’s first virtual bank Security First Network Bank228, the idea of Internet Banking is as follows:

- (i) You do not have to purchase any software, store any data on your computer, and back up any information, since all transaction occur on the bank server over the infrastructure of the Internet.
- (ii) You will be able to conduct your banking services anywhere you like but you need to have a computer and a modem, no matter where you are (e.g., at home, at office, or in a place outside the country).
- (iii) You can use the banking services 24 hours a day, 7 day a week, 365 days a year. You no longer have to reconcile a bank statement or manually track your ATM and paper cheques.

Development of Internet Banking in India

In India internet was made available to the public from 1996 onwards only. Videsh Sanchar Nigam Ltd (VSNL) is the sole service provider of the internet in India. Apart from this the internet could be accessed either through the dial-up lines or leased lines. Department of Telecommunication (DOT) is the sole provider of telephone lines (carriers) in the country. Private and foreign banks have been the early adopters of ibanking while the Public sector banks are also beginning to hold on to the competition. ICICI Bank and HDFC Bank have taken a lead in introducing i-banking in India. Reserve Bank of India had set up a “Working Group on Internet Banking” 17th October 2000 to examine different aspects of Internet Banking (I-banking). The Group had focused on three major areas of I-banking, i.e, (i) technology and security issues, (ii) legal issues and (iii) regulatory and supervisory issues. A copy of the Groups report is enclosed. RBI has accepted the recommendations of the Group to be implemented in a phased manner

Types of Internet banking: Internet banking sites offer financial services products to customer in three basic formats. These are: Informational, Communicative and Transactional.

Informational (Websites) - This has been identified as the first level of internet banking. Typically the bank has the marketing information about the bank’s products and services on a standalone server. The risk is very low as informational systems typically have no path between the server and the bank’s internal network.

Communicative/Simple transactional (Websites) – This type of internet banking allows some interaction between the bank’s systems and the customer. The interaction is limited to e-mail, account inquiry, loan application or static file updates (name and address). It does not permit any funds transfers.

Transactional (Websites) - This level of Internet banking allows customers to execute transactions. Since a path typically exists between the server and the bank or outsourcer’s internal network, this is the highest risk architecture and must have the strongest controls. Customer transactions can include accessing accounts, paying bills, transferring funds.

When it was introduced for the first time, internet banking was used mainly as an information presentation medium in which banks marketed their products and services on their web sites with the development of asynchronous technologies and secured electronic transitions technologies, however more banks have come forward to use internet banking both as a transactional as well as an informational medium. Popularity which Internet banking has won among customers, owing to its speed, convenience and round-the-clock access they offer, is likely to increase in the future. That’s why Internet banking is a successful strategic weapon for banks to remain profitable in volatile and competitive marketplace of today. Banks are in a position to led consumers views, as well as to cater to existing demands. Clearly, despites of all the threats in banking industry, there is an enormous opportunity for farsighted banks to reap the rewards available from Internet banking. Internet banking is going to develop much faster than most people imagine²⁴⁷. Keeping track of the ever changing banking industry and the latest update in Internet technology, banks need to equip themselves for the competition

Transactional Features:

These may include: Performing financial transactions like Transfer of funds, payment of utility bills, apply for loan, investment sale and purchase.

Non-Transactional Features:

- a. Account balance.
- b. Observation and checking of account transactions for specified period.
- c. Banks statements.
- d. Check links, co browsing, chat.
- e. Sending receiving mails about banking services.
- f. Instructions for financial products.

The list is not exhaustive. It is growing day by day. For availing Internet banking facilities there are certain pre-requisites.

The customers should have following:

- a. A bank account in which internet banking facility is activated.
- b. User ID (This ID is provided by the bank after the account has been opened by the customer).
- c. Bank issues two Pass words one for transactional purposes and second for non- transactional purposes.

- d. Internet connection for accessing the Bank's Website.
- e. Internet operations can be done with the help of user ID and Password. The customers access to internet banking services by logging on to his/her account by entering the user ID and Password and perform banking transactions.

Benefits of Internet Banking:

- a. It removes the traditional geographical barriers as it could reach out to customers of different locations.
- b. Its real time and gives details on customers' account.
- c. Does not require customers to visit the bank branch and stand in queues.
- d. It is easy, quick and saves time.
- e. It is a secured service.
- f. Unlike your bank branch, internet banking sites never close, they are available round the clock, seven days a week and are only a mouse click away.
- g. Geographical freedom: If you are out of station, state or even country and are in need of money you can log on and take care of your needs.
- h. Online bank sites are quicker to execute your transactions.
- i. In case of need all accounts of a customer can be managed through internet banking.
- j. With advanced technology one can manage to use sophisticated tools, including account aggregation, stock quotes, rate alerts, portfolio management etc.

Safety Measures for Internet Banking:

- a. Customers should not share their user ID or Password with anyone.
- b. Customers must care that their passwords are not based on their name, spouse's name or the likes as they are easy to guess.
- c. The password should always be a combination of alphanumeric with special characters.
- d. It is important that the password is changed frequently.
- e. Any suspected misappropriation in the account of a customer must be reported to the bank without loss of any time.

3.2.9 Mobile Banking: Andhra bank offers banking solution with a whole new and exciting range of services & features taking complete advantage of the latest technologies in the market. Now manage your money on the move and around the clock with our secure new mobile banking app. Simplify life & enjoy intrusive user experience with completely paperless & signature less banking. Access your account, profile and other useful financial information in the safest & fastest way.

There is an increasing demand for mobile banking services. Mobile banking is emerging as the customer touch point that is providing banking services at the customer's fingertips "here and now". As customers and their banking business become more international, mobility and availability of services is becoming essential for

customers. Mobile banking and mobile brokerage along with the facility to make payments using mobile devices are three distinctive service offerings that can enhance the customer's value proposition as follows:

- Control and timing of content to the "pull" customer.
- Direct access to banking services "here and now," e.g., real-time customer support functionality with a bank advisor through Chat and SMS.
- Innovative banking services combining mobile telephone functionality and third-party offerings, e.g., cash point and branch locator, ticketing, loyalty rewards, automatic phone top-ups, local currency exchange rates.
- Flexibility through mobile and near-field payment services at the point of purchase; from mobile phone to mobile wallet.
- Enhanced customer experience wherever the customer is located.

Pre – Requisite

- Mobile number to be registered for SMS Alerts.
- Customer must have active Debit/ATM card.
- Smart Phone with Android version 4.2 & above or I Phone with iOS 7 & above. Windows app will be available soon.

Limits:

- Per day limit is Rs 2, 00,000/- through App including all type of transaction done through application.
- Rs 5000/- per transaction for quick pay.

Registration:

- Customer has to download the App from Google Play Store for Android Mobile and Apple store for iOS mobiles.
- Install the application on your mobile handset.
- Select New User option to register.
- App will prompt to send SMS from the registered mobile number.
- SIM selection will be available in case of dual SIMs for android 5.1 & above. User has to select the Mobile Number registered for SMS alert with the Bank.
- Once SMS verification is completed, Debit card & PIN has to be entered.
- Once details are successfully validated, customer has to set a four digit App password and confirm the same.
- In case of multiple accounts, customer will get an option to select Primary account on first log in.

- Once customer is registered, their name will be displayed with an option to enter four digit app passwords.

Facilities/Options available under Andhra Bank Mobile Banking: Balance Inquiry -Customers can view the account balance, lien Amount, funds in Clearing, float Balance and effective Available balance of the account. Mini Statement - Last 10 transactions (both credit and debit legs) in the registered account can be viewed using this option

Types

- **Own** – Customer can transfer within their own accounts.
- **Within** – Customer can transfer to other Andhra Bank account using A/c No or Mobile no. For using Mobile to Mobile fund transfer facility, beneficiary should be a registered for mobile banking
- **NEFT**– Customer can transfer to other Bank accounts through this option within NEFT working hours.
- **IMPS** – Customer can do IMPS transfer to other banks accounts through this option. Customer can do P2A (Person to account) using account number & IFSC or P2P (Person to Person) using mobile number & MMID to other bank customers.
- **MMID** (Mobile Money Identifier) is a seven digit code issued by the banks to their customers for availing IMPS services.

Manage Beneficiary – Customer can view all added beneficiary under this option. Add

- **Account Details** - Under this option customer can view the details like branch code, IFSC, mode of operation, account status, account opening date, Sharing of Account details like Account name, Account number & IFSC etc. through SMS/Email/Watsapp also available. Nominee/Joint/Co –obligant details can be viewed by clicking on more info option.
- **My Accounts** - Change Primary Account/ Link Delink Accounts/ Deregister
- **Deposit Opening/Closure** - Customer can open fixed deposit, reinvestment & recurring deposits through this option. Deposits are opened instantly in the same branch of selected debit account. Closure option is also available to enter a request to close the deposit & is applicable only for deposits account opened online. All deposits

details can be inquired through inquiry option available.

Type of beneficiary to be selected. For e.g. within Bank, Other Bank, MMID etc.

- Account Number to be entered and confirmed.
- Mobile number & MMID to be entered in case of IMPS person to person (P2P) transfers.
- IFSC details to be entered in case of other bank beneficiary. IFSC search option also available.
- Nick Name to be entered.
- Fund transfer limit to be entered for each beneficiary.
- Fund transfer for amount more than the limit set will not be allowed.
- Customer will validate beneficiary addition transaction with OTP which will be sent over SMS to registered mobile number.
- Payee will be activated after three hours of addition.
- All Registered & validated payee will be displayed with a green band on left side. Grey band will be for payee added but OTP validation not completed.
- Customer can view beneficiary details by clicking on nick name displayed in list.
- Edit option also available – Customer can only edit fund transfer limit and same will be validated with OTP.
- In case of addition/any modification, beneficiary will be available for fund transfer only after cooling period is completed which is 3 hours.
- Delete option is available to delete any added beneficiary. Once a beneficiary is deleted, same will no longer be available in the beneficiary list.

Payments

Mobile Recharge /DTH

- Customer can recharge any prepaid number or DTH.
- 10 digit mobile number/customer id for DTH is to be entered, same can be selected from contacts.
- Operator details & amount is to be entered. List of plans/packs as per state selection will be displayed.
- Transaction will be validated with OTP and status of transaction will be displayed.

Utility Bill Payments

- Customer can now pay bills through these options for various merchants listed in this option. For e.g. Electricity bill payment, Mutual Fund, Insurance etc.

- Customer has an option to add biller which is frequently used to make the future payments easier.
- Bill payment history is available to track your bill payments.
- Instant Bill payment facility is also available to make bill payments without adding the biller.

The M-banking services can be broadly categorized as:

- **Account Information** - Mini-statements and checking of account history, Alerts on account activity or passing of set thresholds etc
- **Payments & Transfers** - Domestic and international fund transfers, Micro-payment handling.
- **Investments** - Portfolio management services, Real-time stock quotes etc.
- **Support** - Status of requests for credit, including mortgage approval, and insurance coverage, cheque book and card requests etc.
- **Content Services** - General information such as weather updates, news, Loyalty-related

Development of Mobile Banking in India: The banks are required to have a system of registration before commencing mobile based payment services to a customer. To encourage the use of mobile phones as a channel of payment, India has adopted a bank-led mobile payment model. In October 2008, the RBI came out with guidelines for mobile payments in India for regulating mobile banking to ensure appropriate safeguards and security of financial transactions. Banks that have already started offering mobile payment services are required to review their position and comply with the guidelines within three months of the notification of the guidelines. However, mobile alerts for credits and debit, balance enquiries and other services in the nature of providing information can be continued. As at end-March 2012, 49 banks with a customer base of Rs. 13 million provided mobile banking service in India. During the year 2011-12, Rs. 25.6 million mobile banking transactions valued at Rs.18.2 billion were transacted, thus registering a growth of 198 per cent and 174 per cent, respectively, over the previous year.

Benefits of Mobile Banking To Customers and To Bankers

To customers:

- Customers need not stand in the bank counters/front offices for various enquiries about his account.
- Customer can save his valuable time in banking transactions and save in travel cost reaching the bank branch etc.
- It is a mobile banking to have information of all the 365 days at anytime anywhere about his account²⁷³.

- Customer can pay his utility bills in time and save paying penalties, since alerts are received from the bank²⁷⁴.

- Cheque book requests can be made sitting in his work place.

To Bankers:

- M-banking helps banks in saving crores of rupees by way of reduced transaction costs. Govt. incurs a cost of Rs. 12- 13 for every Rs.100. Mobile banking helps it reduce the cost to a mere Rs.2.

- Banks can utilize the time saved for expansion of business, marketing and sales activities by channel migration of customers to mobile banking.

- Banks can take advantage of profits by way of commission for cellular companies by selling prepaid talk time through ATMs.

- Banks providing mobile banking service can have competitive advantage on those banks, which are not providing this service.

In the end mobile banking not only helps a bank to reduce costs but also helps it to retain its valuable customers. And as far as customers are concerned, this facility enables the customer to bank anywhere, at anytime and in any condition, definitely a boon if a customer is stuck in the middle of nowhere and requires banking services as soon as possible. Thus mobile banking helps both, the customer as well as the bank, to lighten the burden of today's world and to save time, money and energy which is greatly required and appreciated.

3.2.10 ATM or ANYTIME BANKING:

Banking service available 24 hours a day and 365 days a year. Such facility is made available to the customers through the Automated Teller Machines (ATMs). Banking being a service industry is primarily driven by customer needs. Any customer is willing to pay a price for the services provided it is made available to him when he wants and where he wants. The concept of banking hours have been changed from the fixed 4 hours to 24 hours. This has been made possible through use of ATMs. Where some banks

have not introduced the ATMs, even under the manual service banks have started to extend the service from the traditional 4 hours to 5 hours and even upto 12 hours say from 8 AM to 8 PM. Some banks have introduced the practice of Sunday Banking or Holiday Banking.

ATM means neither "avoids traveling with money" nor "any time money," but certainly implies both. **ATMs** were the first well-known machines to provide electronic access to customers. With advent of Automatic Teller Machines (ATM), banks are able to serve customers outside the

banking hall. ATM is designed to perform the most important function of bank. It is operated by plastic card with its special features. The plastic card is replacing cheque, personal attendance of the customer, banking hour's restrictions and paper based verification. ATMs have made hard cash just seconds away all throughout the day at every corner of the globe. The customer can operate the ATM card with a personal identification number issued by the financial institution.

Functions of ATM: The functions of ATM differ from Bank to Bank. ATM allows a number of banking functions. The following features are available in the ATM of all the banks.

Fast cash: when customer want to do the only activity of drawing cash in predetermined amounts like Rs.500, Rs. 1,000, Rs. 2,000, Rs.5,000 etc. customer can use this option.

Normal cash withdrawal: Every bank has fixed a maximum limit of cash withdrawal per account per day. It ranges between Rs. 10,000-15000. While in some banks the maximum amount may be drawn in one shot (HDFC, ICICI) and in some other banks it should be drawn in lots (Syndicate Bank, State bank of India).

Balance Enquiry & PIN change.

Mini statement of account: customer can get detail of last 5-10 transactions.

Cash Deposit: Varied procedures exist. Here special covers are available in the ATM wherein the client has to fill up the window opens wherein the cover containing the cash has to be dropped. At the end of the day, officials of the branch to which the ATM is attached, would open the machine, take the difference between the amount fed and the actual cash in the cover, the decision of the bank is final.

Transfer transactions: If customer wants to transfer funds within the bank i.e. from one account to another at same branch or at different branch, customer can use this option.

Types of ATM

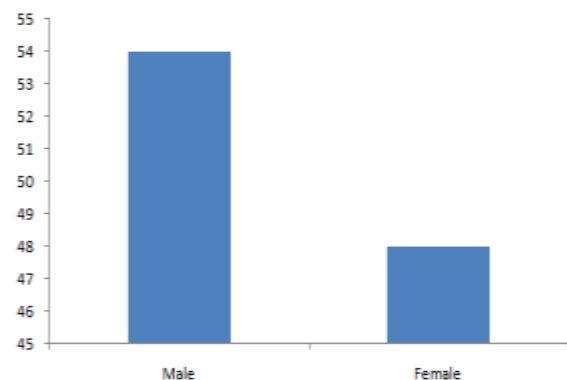
There are two types of ATMs, one is On-Site and another is Off-Site ATMs.

On-Site ATMs: ATMs which are located within the premises of the Bank's Branch. Which has installed it is referred as On-Site ATMs.

Off-Site ATMs: ATMs which are located at public places are Off-Site ATMs. ATMs Located at Food Worlds, Railway Stations, Petrol Bunks, Airports are examples of off-Site ATMs.

4.2 Total no of customers' respondent of survey

	Total No of customers	Total No of Customers Percentage
Male	54	53
Female	48	47
Total	102	100

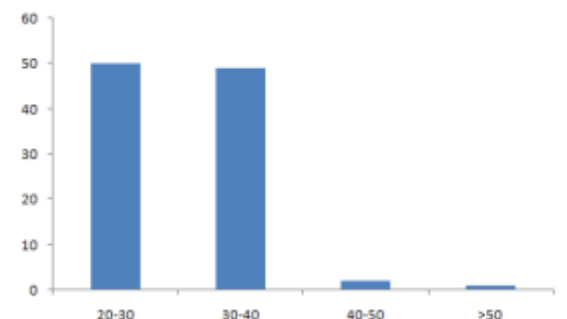


Interpretation:

Total no of customers respondent are 102 out of them, 53 Percent of the customers are male, 47 Percent of the customers are Female.

4.3. Total no of customers' respondent of survey age wise

	Total No of customers	Total No of Customers Percentage
20-30	50	49
30-40	49	48
40-50	2	2
>50	1	1
Total	102	100

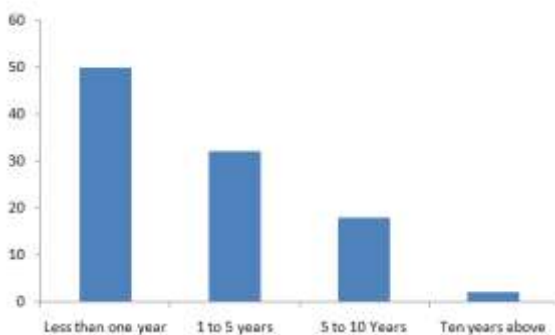


Interpretation:

Total no of customers respondent are 102 out of them, 49 Percent of the customers 20-30 age wise 48 Percent of the customers 30-40 age wise 2 Percent of the customers 40- 50 age wise 1 Percent of the customer are above 50 age.

4.4. Qualification of Customers

	Total No of customers	Total No of Customers Percentage
Inter	9	9
Graduate	46	45
Post Graduate	47	46
Total	102	100

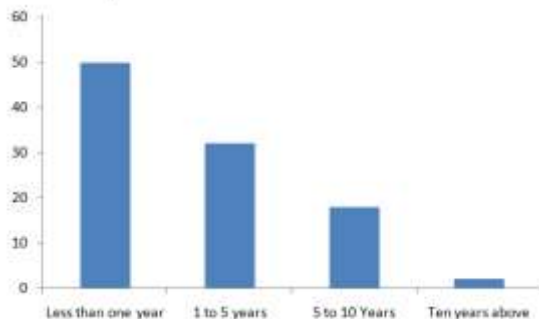


Interpretation:

Total no of customers respondent in Qualification are 102 out of them, 9 Percent of the customers Inter, 45 Percent of the customers graduate and 46 Percent of the post graduate. Respondent of survey of highly of graduate and post graduate.

4.5. For the past how many years you have account with this bank.

	Total No of customers	Total No of Customers Percentage
Less than one year	50	49
1 to 5 years	32	31
5 to 10 Years	18	18
Ten years above	2	2
Total	102	100



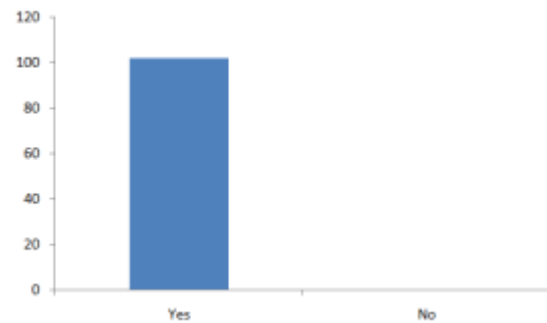
Interpretation:

Total no of customers respondent are 102 out of them, account opening of less than one year 49 Percent, one to five years 31 Percent, five to ten years 18 Percent and ten

years above 2 Percent. Highly respondent of customer less than one year opening account in bank.

4.6. Online facility available in your bank?

	Total No of customers	Total No of Customers Percentage
Yes	102	100
No	0	0
Total	102	100

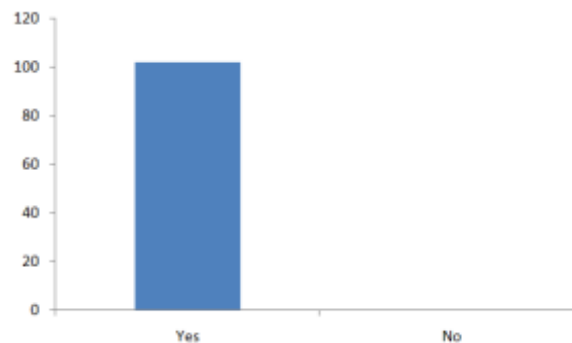


Interpretation:

Total no of customers respondent are 102 out of them, 100 Percent of the customers online facility in Andhra Bank in Acharya Nagarjuna University Branch.

4.7. Is there any A.T.M. facility in the branch?

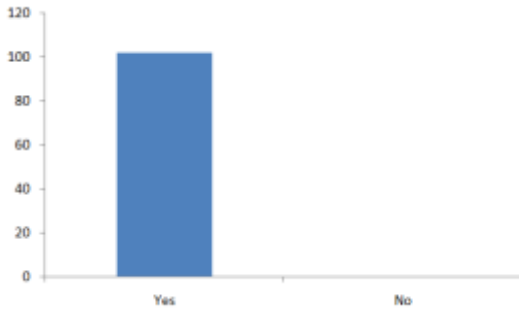
	Total No of customers	Total No of Customers Percentage
Yes	102	100
No	0	0
Total	102	100



Interpretation:

Total no of customers respondent are 102 out of them, 100 Percent of the customers ATM facility in Andhra Bank in Acharya Nagarjuna University Branch.

4.17. Do you think mobile banking system is safe?

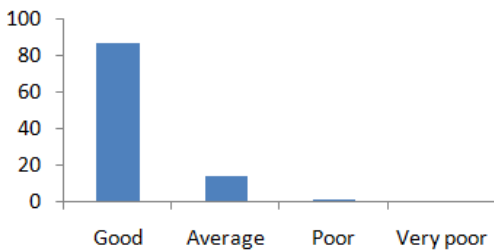


Interpretation:

Total no of customers respondent are 102 out of them, 100 Percent of the customers safe in mobile banking system.

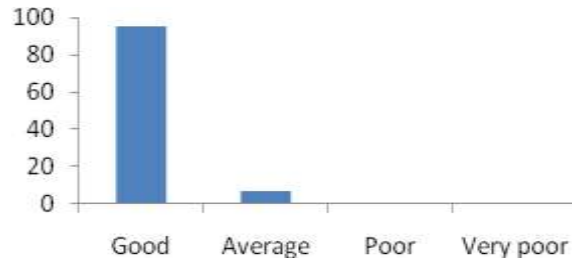
4.18. What do you think about the Balance Enquiry Facility Provided by Mobile Banking System?

	Total No of customers	Total No of Customers Percentage
Good	87	85
Average	14	14
Poor	1	1
Very poor	0	0
Total	102	100



4.19. The contribution of new technology to the success of banks in your opinion is

	Total No of customers	Total No of Customers Percentage
Good	95	93
Average	7	7
Poor	0	0
Very poor	0	0
Total	102	100



Interpretation:

Total no of customers respondent are 102 out of them, technology of the bank 93 Percent of the customers good and 7 Percent of the customers are average.

4.20. How frequently do you use an Automated Teller Machine (ATM) per month?



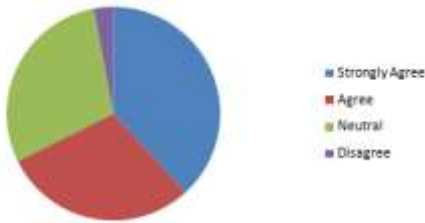
4.21. d. Due installment enquiry

	Total No of customers	Total No of Customers Percentage
Strongly Agree	30	29
Agree	42	41
Neutral	27	26
Disagree	3	3
Total	102	100



4.21. e. Statement request (by email, fax, mail)

	Total No of customers	Total No of Customers Percentage
Strongly Agree	39	38
Agree	30	30
Neutral	30	29
Disagree	3	3
Total	102	100



Total no of customers respondent are 102 out of them above tables Internet banking god for: accounting information and balance enquiry 96percent strongly agree 4 Percent agree. E- Payment 56strongly agree 44Percent agree. Account to Account transfer 42 percent strongly agree 47 Percent agree 11 Percent neutral. Installment enquiry 29 Percent strongly agree 41 Percent agree 26 Percent neutral 3 Percent disagree. Statement request (email, fax) 38 Percent strongly agree 30 Percent agree 29 Percent neutral 3 Percent disagree in the survey.

4.22. Telephone Banking Services are good for
4.22. a. Pleasant musical background

	Total No of customers	Total No of Customers Percentage
Strongly Agree	71	70
Agree	26	25
Neutral	3	3
Disagree	2	2
Total	102	100



4.22. b. Reasonable number of voice prompts

	Total No of customers	Total No of Customers Percentage
Strongly Agree	14	14
Agree	81	79
Neutral	6	6
Disagree	1	1
Total	102	100



Total no of customers respondent are 102 out of them above tables Telephone Banking Services god for pleasant musical background 70 Percent strongly agree 25 Percent agree 3 Percent neutral 2 Percent disagree, Reasonable number of voice performance 14 Percent strongly agree 79 Percent agree 6 Percent neutral 1 Percent disagree, clear instructions 14 Percent strongly agree 52 Percent agree 34 Percent neutral, voice directions/online directions for new

users 18 Percent strongly agree 37 Percent agree 41 Percent neutral 4 Percent disagree and provide additional options 17 Percent strongly agree 37 Percent agree 38 Percent neutral 8 Percent disagree in survey.

4.23. Mobile Banking services are good for
4.23. a. Regular SMS alerts specify

	Total No of customers	Total No of Customers Percentage
Strongly Agree	72	71
Agree	24	24
Neutral	6	6
Disagree	0	0
Total	102	100



4.23. b. Give Reward points

	Total No of customers	Total No of Customers Percentage
Strongly Agree	8	8
Agree	79	77
Neutral	13	12
Disagree	2	2
Total	102	100



4.23. c. Security risk

	Total No of customers	Total No of Customers Percentage
Strongly Agree	8	8
Agree	56	55
Neutral	37	36
Disagree	1	1
Total	102	100



4.23. d. Are Expensive

	Total No of customers	Total No of Customers Percentage
Strongly Agree	12	12
Agree	55	54
Neutral	26	25
Disagree	9	9
Total	102	100

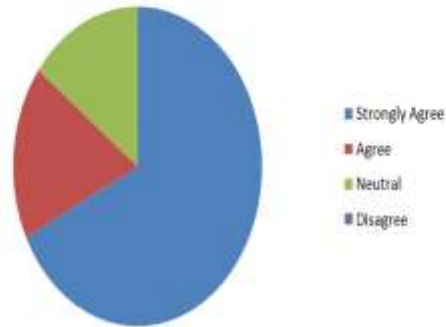


Total no of customers respondent are 102 out of them above tables mobile banking services good for regular SMS alerts specify 71 Percent strongly agree 24 Percent agree 0 Percent neutral, Give reward points 8 Percent strongly agree 77 Percent agree 12 Percent neutral 2 Percent disagree, Security risk 8 Percent strongly agree 55 Percent agree 36 Percent neutral 1 Percent disagree, Are expensive 12 Percent strongly agree 54 Percent agree 25 Percent neutral 9 Percent disagree.

4.24. Efficiency of services

4.24. a. Faster log – facility

	Total No of customers	Total No of Customers Percentage
Strongly Agree	69	68
Agree	18	18
Neutral	15	14
Disagree	0	0
Total	102	100



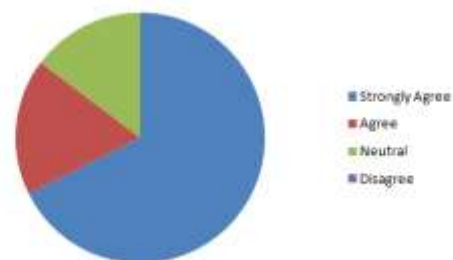
Interpretation:

Total no of customers respondent are 102 out of them above tables Efficiency of services Faster login – facility 71 Percent strongly agree 24 Percent agree 0 Percent neutral, Faster Transfer Funds (NEFT, RTGS) 13 Percent strongly agree 68 Percent agree 19 Percent neutral 19Percent disagree, Faster Clearing Services (ECS- Credit/Debit) 20 Percent strongly agree 42 Percent agree 35 Percent neutral 3Percent disagree.

4.24. Efficiency of services

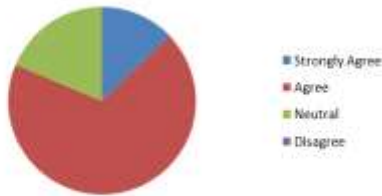
4.24. a. Faster log – facility

	Total No of customers	Total No of Customers Percentage
Strongly Agree	69	68
Agree	18	18
Neutral	15	14
Disagree	0	0
Total	102	100



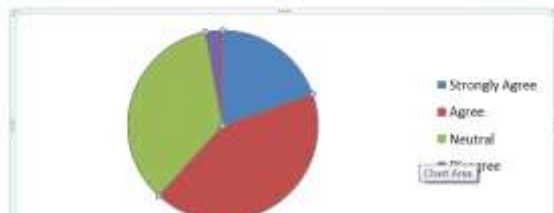
4.25. How much satisfied are you with Andhra Banking Services?

4.24. b. Faster Transfer of Funds (NEFT, RTGS)



4.24. c. Faster Clearing Services (ECS – Credit Debit)

	Total No of customers	Total No of Customers Percentage
Strongly Agree	13	13
Agree	70	68
Neutral	19	19
Disagree	0	0
Total	102	100



	Total No of customers	Total No of Customers Percentage
0	0	0
<50	2	2
50	20	20
100	80	78
Total	102	100



Interpretation:

Total no of customers respondent are 102 out of them above table satisfied with Andhra Bank services less than 50 of customers satisfaction 2 percent 50 of customers satisfaction 20 percent 100 of customers satisfaction 78

percent. Overall Andhra Bank services 80 percent customer’s satisfaction.

- experience in the branch through technology-led enhancement.
- Technology-led integration of data analytics, business intelligence, and capabilities across all channels.

SUGGESTIONS

- From the analysis most of the customers maintain savings account, which implies that the respondents are mostly businessmen have their accounts in Andhra bank. It is suggested the it will be good if public sector banks can encourage the businessmen by providing the services amicable to the business sector customers as well.
- From the analysis it was found that 20% of the respondents feel that they are charged unnecessarily for not maintaining minimum balance in their account however due to high end technology that we have banking personnel can provide prior intimation to them before taking an action so that the dissatisfaction levels can be reduced.
- Though respondents are happy with the services provided by the bank, still there are certain areas which are to be taken care of like living up to the promises made by the bank authorities to their customers, providing proper water facilities, employee behavior towards their customers, improved employee knowledge levels, paying individual attention to the customers to meet their personal requirements etc. This will build trust, confidence and sense of belongingness in the minds of its customers.
- Andhra Bank has to revise its strategies in certain areas viz. ATM facilities, attending to customer needs, customer care centre operations, provision of recreation facilities etc. for better customer satisfaction

As per the above discussion, we can say that the biggest challenge for banking industry is to service the information technology of India. Companies have shifted their focus from product to customer. The better we understand our customers, the more successful we will be in



meeting their needs. In order to mitigate above mentioned challenges Indian banks must cut their cost of their services. Another aspect to encounter the challenges is product differentiation. Apart from traditional banking services, Indian banks must adopt some product innovation so that they can compete in gamut of competition. Technology up gradation is an inevitable aspect to face challenges. Expansion of branch size in order to increase market share is another tool to combat competitors. Therefore, Indian nationalized and private sector banks must spread their wings towards global markets as some of them have already done it. Indian banks are trustworthy brands in Indian market; therefore, these banks must utilize their brand equity as it is a valuable asset for them.

CONCLUSION

The banking industry has implemented information technology for improving different areas like customer services and CRM, managing its operation, house-keeping, monitoring and controlling, risk management, managing its human resource etc. The transformation in banking services is providing various advantages to customers with anytime, anywhere access to their accounts as well as power to operate their accounts. Although the change is good but still banks in India are required to address the important issues to get the full benefits of information technology implementation.

Information technology has resulted in a major attitudinal change by revolutionizing the treatment of customers of the banks. Inspire of geographical distances, the customer can be treated as a customer of the bank and not as a customer of the branch. This is only possible due to usage of IT on a large scale where database are possible in a bank with decentralized access. Banks need to constantly look for innovative services which offer the convenience of transacting from anywhere and at anytime by using suitable delivery channels for them. Information technology is the frontier which would add value to the services of which increases the customer base- a strong foundation to the super structure Managing customers is one

of the main issues faced by banks. The demands and expectations of the customers grow at a much faster rate than the banks can equip themselves to be with them.

If the service levels or the product levels are not up to the customer satisfaction, there is always a danger that the customer might shift his transactions elsewhere. In banking, as the products can be copied very fast, it is the customer service levels that really matter. The latest techno-savvy products coupled with excellent customer relationship will increase the level of customer satisfaction. The CRM has to be updated and upgraded. Techno savvy products will only benefit and respond to the ever changing demands of the customers. The major challenges stirring the banker in India relate to the need to introduce innovative, customer – friendly products and services for which newer technologies are needed to be brought in multiple areas to reduce the overall transaction cost for the benefits of the customers.

Technology has been one of the most important factors for the development of mankind. Information and communication technology is the major advent in the field of technology which is used for access, process, storage and dissemination of information electronically. Banking industry is fast growing with the use of technology in the form of ATMs. On-line banking, Telephone banking, Mobile banking etc., plastic card is one of the banking products that cater to the needs of retail segment whose drastic growth is observed in the geometric progression of recent years. This growth has been strongly supported by the development of in the field of technology, without which this could not have been possible. Thus, the technological advancement has transfigured the banking sector the world over with changing lifestyle of customers.

Today's increased regulations and competitive challenges are forcing banks to deleverage and identify alternative sources of value. Enter digital banking. New digital models steer banks in the direction of customer relationships that present new sources of value. The focus is on engaging

customers and building trust in the key activities of digital banking: Marketing and sales; customer on boarding; and account opening and servicing. Computers are getting more sophisticated. They have given banks a potential they could only dream about and have given bank customers high expectations. The changes that new technologies have brought to banking are enormous in their impact on officers, employees, and customers of banks. Advances in technology are allowing for delivery of banking products and services more conveniently and effectively than ever before - thus creating new bases of competition. Rapid access to critical information and the ability to act quickly and effectively will distinguish the successful banks of the future. The bank gains a vital competitive advantage by having a technological development at customer service and business processes.

The techno-led innovations in banks were preferred by the customers as completion of business activities through computerization at various channels had become simple. However, the development in banks with technology emphasizes only when there is complete security, upgrades and also awareness to customers of banks.

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