

E- BANKING

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E-banking



Banking



E -BANKING
PROBLEMS AND CHALLENGES



DEFINITION

- E –banking can be defined as
.....the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communicative channels.
- E banking is a generic term making use of electronic channels through telephones, mobile phones ,internet etc.....for delivery of banking services and products

Two approaches E-banking

1 Dial-in Approach:

Requires users to have a separate finance software, so that they can do all the process offline and connect to the bank just for transactions.



2 Internet Approach:

Users directly log on to their bank website and complete all their work online.





TWO APPROACHES TO E-BANKING

DIAL -IN-APPROACH

- It requires users to have a separate finance software, so that they can do all the process offline and connect to the bank just for transactions

INTERNET APPROACH

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E- banking Devices

- Personal computers (Pcs)
- Personal digital assistants (PDAs)
- Cellular and smart phone
- Atomated teller machines (ATMs)

TRADITIONAL BANKING Vs E-BANKING

Traditional banking

- More conservative
- Practices will be employed in smaller banks
- Through the visit of branch of the bank
- Very slow
- It is an Art

E-banking

- more flexible
- can be found in the larger banks
- Through Pc or Laptop
- very fast and efficient.
- It is a science

E- banking in India

- 1990- Starting of non-branch banking services
- Credit goes to ICICI bank
- Initiatives for the development of E- banking taken by Govt of India & RBI
- Govt of India enacted the IT Act, 2000
- A high level committee appointed under the chairmanship of Dr. K.C .Chakrabarthy



Benefits of E-Banking

- Reduction in cost of transaction
- Time saving
- Better cash management
- Convenient
- Any time banking , any where banking
- Quick and continuous acces information
- Online purchases
- Cash withdrawl From any branch

Challenges and Indicators

- Infrastructural barriers
- Start up cost
- Legal issues
- Security issues
- Lack of skilled personnel
- Technical problems
- Knowledge barriers
- Economic issues



Suggestions

- huge investment for building infrastructure
- Full security of customer funds
- Special technical training
- Seminars & workshops
- Awareness among the people

THANK YOU

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