

## **Project Report**

### **“Detail study of E-Banking and its Risks”**

Submitted to:

**DMSR**

**G.S. College of Commerce and Economics, Nagpur  
(An Autonomous Institution)**

In partial fulfilment for the award of the degree of  
**Master of Business Administration**

Submitted by:

**SAKSHI S. RAUT**

Under the Guidance of:

**Dr. KAMLESH THOTE**

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**Department of Management Sciences and Research,  
G.S. College of Commerce & Economics, Nagpur  
NAAC Accredited “A” Grade Institution**



**Academic Year 2022-2023**

**Department of Management Sciences and Research,  
G.S. College of Commerce & Economics, Nagpur  
NAAC Accredited "A" Grade Institution**



**Academic Year 2022-2023**

**CERTIFICATE**

This is to certify that **SAKSHI S. RAUT** has submitted the project report titled, **DETAILS STUDY OF E-BANKING AND ITS RISK** towards the partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he has ingeniously completed his project as prescribed by **DMSR, G. S. College of Commerce and Economics, Nagpur, (NAAC Reaccredited "A" Grade Autonomous Institution)** affiliated to **Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.**

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**Department of Management Sciences and Research,  
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NAAC Accredited “A” Grade Institution**



**Academic Year 2022-2023**

**DECLARATION**

I here-by declare that the project with title “**DETAILS STUDY OF E-BANKING AND ITS RISK**” has been completed by main partial fulfilment of **MASTER OF BUSINESS ADMINISTRATION** degree examination as prescribed by **DMSR, G. S. College of Commerce and Economics, Nagpur, (NAAC Reaccredited "A" Grade Autonomous Institution)** affiliated to Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

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**Academic Year 2022-2023**

**ACKNOWLEDGEMENT**

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to **Dr. Swati Kathaley**, Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide **Dr. Kamlesh Thote** for his guidance throughout the project. I tender my sincere regards to the Coordinator, **Dr. Sonali Gadekar** for giving me guidance, suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful.

**SAKSHI S. RAUT**

**Place: Nagpur**

**Date:**

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# CHAPTER 1

# **INTRODUCTION**

## 1.1 INTRODUCTION

Now a day's information technology plays a vital role in banking sector. Day by day increasing change in technology world, it leads to improve E-Banking services of various banks. In banking industry in the past, large queues could be observed for payment utility bills or for cash withdrawals/deposits. The banks are succeeded to reduce this queue through uses of latest technology, but still busy common people are demanding less time methods for banking transactions. In this regard, banks are going utilize internet facility for customer's transactions. This method will reduce paper work, and will give quick response to customer while they remain in their office or at home. It provides various advantages to customers of various banks. Now a days people are educated more than older days, today human lives become machine oriented and they don't have enough time to visit bank branch than even before.

E-Banking means providing banking products and services through electronic delivery channels like ATM, internet banking, telephone banking and other electronic delivery channels. Internet banking highly useful to the customer one who have computer with internet connection, they need not visit bank branch for their business transactions. Simply they can transact anywhere, anytime if they have internet connection. by dialing the telebanking number customer can get various facilities like cheque book request, balance enquiry etc...E-Banking includes the system that enables the financial institution customers, individual or business, to access accounts, transact business, or obtain information on financial products and services through a public or private network, including the internet. Customers access E- Banking services using an intelligent electronic device, such as personal computer (PC), automated teller machine (ATM), kiosk or mobile phone.

Electronic banking is a high-order construct, which consists of several distribution channels. It should be noted that electronic banking is a bigger platform than just banking via the internet. The term electronic banking can be described in many ways. In a very simple form, it can mean the provision of information or services by a bank to its customers, via a computer, television, telephone, or mobile phone (Daniel, 1999). Electronic banking has different types of delivery channels: telephone, PC, mobile and the internet. Moreover, Personal Computer allow customer to use all E-Banking facility at home without go to bank. It gives customers a variety of services so they

can move money between accounts, pay bills, check balances, and buy and sell mutual funds, securities and also submit electronic loan applications through PC Banking. A mobile banking service is the newest service in electronic banking Customers can check their balance and make adjustments between accounts, account transactions, payments etc. Internet is the interconnection of computer communication networks which enable the customer to perform all the banking activities over the internet.it is the latest wave in the information technology. The NET is changing everything, from the way of conduct commerce and the way of distribution of information. Several benefits of strong electronic service have also been identified as including satisfied and retained customers, attraction of new customers, development of customer relationships, increased sales and market shares, enhanced corporate image, reduced costs and increased profit margins and business performance.

The main advantage regarding E-Banking is that is availability 24 hours a day and 7 days a week. Customer's perception and life style plays important role in growth of E-Banking system.

The fact is that the customers are even not using all of E-Banking products and services offered by the bank. So there arise the necessity for the study of customer's awareness and perception towards E-Banking services.



## **1.2 ELECTRONIC BANKING**

### Meaning

E-banking also known as internet banking, online banking or virtual banking is an Electronic payment system that enables customers of a bank or other financial institution to conduct a range of financial transactions through the financial institution's website. To access a financial institution's online facility, a customer with internet access would need to register with the institution for the service, and set up a password and other credentials for the verification. For other E-banking facilities, necessary procedures are to be done according to banker's instructions. For the use of ATM facility, the card must be availed. There are two ways to offer Internet banking. First, an existing bank with physical offices can establish a web site and offer Internet banking in addition to its traditional delivery channels. Second, a bank may be established as a "branch less, Internet only, or virtual bank" without any physical branch.

### **1.3 IMPORTANCE OF E- BANKING IN THE PRESENT INDIA**

E-banking is information technology based banking. Under this system, the banking Services are delivered by a computer-controlled system. In India, E-banking is of fairly recent origin. In this fast moving technological world, every human activity is transforming to technology based, and the human life style also changed with this a lot of. So, a speed and convenient system is necessary in the banking sector also. Here comes the use and effectiveness of e- banking with the present world's requirements. E -banking ensures 24 hours of service to its customers. The cost of transactions and effort for the access is negligibly small compared to the traditional banking system. The Indian government has put a reasonable care to this system and announced various programs and schemes like Digital India, Jan dhan yojana, Adhar linking with bank accounts, cashless economy initiatives etc. It is hopeful that Indian banking sector is fairly mature and also they are trying to make innovations in this sector. The shops keepers are very willing to install the POS swiping facility to simplify the money transactions with customers and dealers.

## **1.4 TOOLS AND SERVICES OF E-BANKING**

### **1.4.1 TOOLS OF E- BANKING**

- **Automated Teller Machine**

The Automated Teller Machines are computerized telecommunication device that provides financial institutions customers a method of financial transactions in a public space without the need for a human clerk or bank teller. These are meant for balance enquiries, cash withdrawals and many other facilities depending upon policies of the bank. This requires a valid Customer Id and password to log in and is therefore safe to be used.

- **Debit Card**

Debit Cards is another advanced technology of the electronic banking. Now-a- days, these cards are the multi-purpose cards and can be used in ATMs for balance enquiry and cash withdrawal or can be used for easy shopping at various counters. Debit Cards ensure the automatic deduction of amount from the account just by scratching it on the machine.

- **Credit Card**

A credit card system is a type of retail transaction settlement and credit system, named after the small plastic card issued to users of the system. In the case of credit cards, the issuer lends money to the consumer. Credit cards become very popular in India with the introduction of foreign banks in the country.

- **Smart Card**

A Smart card is a plastic card used for storing and retrieving personal information. Normally, it is the size of a credit card and contains electronic memory and possibly an embedded integrated circuit.

## 1.4.2

## **E-BANKING SERVICES**

- Online Bill Payment Service

Each bank has tie - ups with various utility companies, service providers and insurance companies, across the country. You can facilitate payment of electricity and telephone bills, mobile phone and insurance premium bills. To pay your bills, all you need to do is complete a simple one-time registration for each biller. You can also set up standing instructions online to pay your recurring bills, automatically. Generally, the bank does not charge customers for online bill payment.

- Fund Transfer

You can transfer any amount from one account to another of the same or any another bank. Customers can send money anywhere in India. Once you login to your account, you need to mention the payee's account number, his bank and the branch.

The transfer will take place in a day or so, whereas in a traditional method, it takes about three working days

## **1.5 Types of E-Banking**

- Internet banking

Internet banking is the use of internet as a delivery channel for the banking services, including traditional services, such as opening an account, or transferring funds among different accounts, as well as new banking services such as electronic bill presentment and payment, which allow the customers to pay and receive the bills on a bank's web site. There are two ways to offer internet banking. First, an existing bank with physical offices can establish a web site and offer internet banking in addition to its traditional delivery channels. Second, a bank may be established as a 'branchless', 'Internet only', or 'virtual' bank. The Reserve Bank of India constituted a working group on Internet Banking.

- Mobile banking

Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct financial transactions remotely using a mobile device such as a smart phone or tablet .it uses software, usually called app, provided by the financial institution for the purpose. It is available on a 24 hour basis.

- SMS banking

It is a form of mobile banking. It is a facility used by some banks or other financial institutions to send messages (also called notifications or alerts) to Customers mobile phones using SMS messaging, or a service provided by them which enables customers to perform some financial transactions using SMS.

- Telephone banking

Telephone banking is one of the most popular banking .it is a service provided by a bank or other financial institution, that enables customers to perform a range of financial transactions over the telephone, without the need to visit a bank branch or ATM . it cannot be used for cash documents (such as Cheques ) for which customers must visit an ATM or bank branch.

# **Risk of E- Banking**

## **What are the Major Risks for Banks?**

Major risks for banks include credit, operational, market, and liquidity risk. Since banks are exposed to a variety of risks, they have well-constructed risk management infrastructures and are required to follow government regulations. Government agencies, such as the Office of Superintendent of Financial Institutions (OSFI) in Canada, set the regulations to counteract risks and protect depositors.

## **Why Do the Risks for Banks Matter?**

Due to the large size of some banks, overexposure to risk can cause bank failure and impact millions of people. By understanding the risks posed to banks, governments can set better regulations to encourage prudent management and decision-making.

The ability of a bank to manage risk also affects investors' decisions. Even if a bank can generate large revenues, lack of risk management can lower profits due to losses on loans. Value investors are more likely to invest in a bank that is able to provide profits and is not at an excessive risk of losing money.

# Types Of Risks

## Credit Risk

Credit risk is the biggest risk for banks. It occurs when borrowers or counterparties fail to meet contractual obligations. An example is when borrowers default on a principle or interest payment of a loan. Defaults can occur on mortgages, credit cards, and fixed income securities. Failure to meet obligational contracts can also occur in areas such as derivatives and guarantees provided.

## Operational Risk

Operational risk is the risk of loss due to errors, interruptions, or damages caused by people, systems, or processes. The operational type of risk is low for simple business operations such as retail banking and asset management, and higher for operations such as sales and trading. Losses that occur due to human error include internal fraud or mistakes made during transactions. An example is when a teller accidentally gives an extra \$50 bill to a customer.

## Market Risk

Market risk mostly occurs from a bank's activities in capital markets. It is due to the unpredictability of equity markets, commodity prices, interest rates, and credit spreads. Banks are more exposed if they are heavily involved in investing in capital markets or sales and trading.

## Liquidity Risk

Liquidity risk refers to the ability of a bank to access cash to meet funding obligations. Obligations include allowing customers to take out their deposits. The inability to provide cash in a timely manner to customers can result in a snowball effect. If a bank delays providing cash for a few of their customer for a day, other depositors may rush to take out their deposits as they lose confidence in the bank. This further lowers the bank's ability to provide funds and leads to a bank run.

## **1.8 SCOPE OF THE STUDY**

1. Today the customer demands the bank's services for 24 hours.
2. Now in the modern age entire banking structure has been changed due to widespread internet technology.
3. Now all businesses like commerce, trade, import, export, purchase and sale of goods is relying upon electronic banking by using advanced electronic technology the banking services are fast and economical.



## **1.9 OBJECTIVES OF THE STUDY**

1. To identify the awareness of E-Banking services.
2. To know the perception towards E-Banking services.
3. To study various services of E-Banking.
4. To understand various problems faced by consumers while using  
E-Banking services.
5. To obtain suggestions for the improvement of E-Banking services.

## Hypothesis

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**H0 : There is no equal preference of the various e-banking services among ICICI Bank.**

**H1: There is equal preference of the various e-banking services among ICICI Bank.**

## **1.10**

## **LIMITATIONS**

1. The study is limited to Nagpur alone.
2. Accuracy of data depends upon the information's provided by the respondent  
Respondents were reluctant to respond.
3. Incomplete information from the respondents.

# CHAPTER 2

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## Chapter 2

### REVIEW OF LITERATURE

#### **2.1 REVIEW OF LITERATURE**

A Few studies had been made which were indirectly helpful to this investigation. Reviews of such studies are presented below:

P. S. PATEL ( 2009) found that Customers perceive the quality of services of Internet banking based on the performance of online delivery systems – not on the processes in which the delivered service is developed and produced. Because customers perceive Internet banking service quality based on relatively standardized outcomes determined by online systems.

PARESH (2010) Conducted the study to know; what are the customer's perceptions about internet banking and what are the drivers that drive consumers. How consumers have accepted internet banking and how to improve the usage rate.

The study revealed that education, gender, income plays an important role in usage of internet banking. . The research states that if skills can be upgraded there will be greater will to use internet banking by consumers.

Janeetal (2014) Stated that Online banki ng requires perhaps the most consumer involvement, as it requires the consumer to maintain and regularly interact with additional technology (a computer and an Internet connection).

Suraj soni (2016) Investigated that the majority of customers in the sample are satisfied or very satisfied with the service and online systems attributes. It appears that companies that offer a wide product portfolio and relevant website content accompanied by prompt and courteous response create satisfaction online.

Srivastva (2016) Found that (1) perceived risk with online shopping, (2) past experience with online shopping, (3) perceived benefits of online shopping, (4) perceived ease of online shopping, and (5) percei ved\ uncertai nty of online shopping are the factors that affect the customer perception regarding E-banking.

Kesseven (2017) Said that the mostly used E-Banking services are inter account transfer, payment to other personal account, transfer to credit card account, recharge mobile phones among others. Comparing demographic variables of the internet banking users to the non-internet banking users, the analysis reveals that there is no significant difference between the two group of users with respect to age group and the education level of the respondents.

Sayar et. All (2017) Discussed that the developments in information technology and the subsequent evolution of internet banking have fundamentally changed the ways in which banks implement their business and consumers conduct their everyday banking activities. The results confirm the influence of internet trust on risk perception and consumer attitudes towards internet banking. Propensity to trust is a determinant not only for interpersonal relationships but also for trust in technological systems. This is not a representative study.

Srinivasan (2007) Investigated that in specified region of Karnataka, channel convenience, channel control and channel security plays an important role in the selection of channels. Some regions still see people who are stuck to branch banking and are not ready for a change in mindset. Across Telebanking was not popular since it was not perceived as a safe and convenient channel.

Uppal R.K (2007) The study concludes that the customers of e banks are satisfied with the different e-channels and their services in the spread of e banking services.

Vardhman (2007) Said Online Banking - The Need of the Modern Professional- Internet Banking has been so popular in the countries it has been implemented in so far due to certain reasons. Online Banking makes the regular transactions for a client

Safeena (2010) Determined the consumer attitude on internet banking adoption. Finding shows that perceived usefulness, perceived ease of use, consumer awareness and perceived risk are the important determinants of online banking adoption and have strong and positive effect on customers to accept the online banking system.

Rao, K. Rama Mohana and Lakew, Tekeste Berhanu (2011) Examines the service quality perceptions of customers of public sector and private sector banks in the city of Visakhapatnam, India. The author reveals that the Reliability and Assurance dimensions of service quality scored the highest ratings while the Tangibles dimension got the lowest score. Moreover, the study found a strong dissimilarity in service quality perceptions between customers of private sector and public sector banks.

Uppal, R.K (2011) Threw light on growth of information technology in various banks. The objective of this research is to analyze the extent of technological developments in various bank groups. Findings shows as compared to new private sector banks and foreign banks, in public sector banks very less IT has taken place. The maximum technology is taking place in new generation private sector banks and foreign.

Dharma lingam, S. Anand Kannan. V. (2012) Evaluated the service quality in retail banking in the Tamil Nadu, based on different levels of customers' perception regarding service quality. Data are collected from Three Private Banks, i.e. IC IC I, AXIS and HDFC Bank. The result indicates that customers' perception is highest in the tangibles area and lowest in the Product Variety area.

Bahl, Sarita, (2013) Determined that security and privacy issues are the big issue in e-banking. If security and privacy issues resolved, the future of electronic banking can be very prosperous.

Dr. Shamsheer Singh (2014) Researched on customer perception of e-banking. This paper has examined the adoption and impact of e-banking among the customers of different banks. The banks in India are racing to use this latest technology to reduce speedy and time efficient with little or no paperwork involved. There is no need for standing in long queues any more for making a deposit or getting a withdrawal. Banking has turned into a 24/7 service with the bank always available to their client their operational costs and increase customer base. E-banking is a term used for performing balance checks, account transactions, payments etc.

R. Elavarasi, Dr. S. T. Surulivel (2014) Examined that mean age of e-banking users were mostly men as compared to women. The major finding is that there is an increasing change in technology world and it leads to improve e-banking services in various banks.

Sunil Kumar (2015) Has done a study on consumer awareness and usage of e - banking services. The result of this research was found to be that, the consumers are not frequently using these services but they have strong desire to use these services in future. The present study is being undertaken to analyze how the banks have been exploring the feasibility of using mobile phones as an alternative channel of delivery of banking services.



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# CHAPTER 3

## **CHAPTER 3 RESEARCH METHODOLOGY**

A research methodology is an approach to systematically take care of the examination issue. It might be comprehended as a learn about concentrating on how lookup is done deductively. In it, we study the one-of-a-kind advances that are frequently obtained through a professional in deliberating his examination issue alongside the intent behind them. The scientist needs to be aware of the exploration strategies/systems yet, besides, the technique.

At the factor when we discuss check out philosophy we discussion of the exploration techniques as properly as reflecting on consideration on the reason in the back of the strategies we use with regards to our examination contemplate and clarify why we are utilizing a unique strategy or machine or why we are now not using others so inquire about effects are geared up for being assessed either through the specialist.

### **• MEANING OF RESEARCH**

Redan & Moy think research as a "systematized exertion to select up information." Few people think that research as the development, the development starting at the known to the unclear or less visible. It is virtually a journey of revelation. All of us have the critical impulse to learn more about something when the difficult to understand went against us, we wonder and to learn more makes nourished and obtain full and greater full ability to understand something of the blurred facts. curiosity is the god of all statistics & the technique, which people make use of for getting the data on anything the less clear facts, can be named as research.

Research is a scholarly motion and as such the period should be well used from a specialized perspective. Research carries description and again thinking issues, defining hypothesis or proposed collecting, cleaning out and getting knowledge or information; making logical and arriving at the outcome, and eventually seriously examining the edge to think and decide if they healthy the analyzing hypothesis. The constraint of situation, ideas or snapshots to adding up to expand, address or verify information, no matter if that information helps in improvement of speculation or by using and employing of a craftsmanship.

## **TYPES OF RESEARCH**

### **● EXPLORATORY RESEARCH**

Exploratory research is sort of research conducting the Problem which hasn't been clearly defined. It determine best research design, data collection method and selection of subjects. It has to attain findings purpose simply with caution. This Research, again and again, relies upon on elective research, For eg, checking on handwriting & moreover information/subjective-methodologies, for eg, normal conversations with customers, labours, the executives or employee, and an increasing number of formal-methodologies via up to the down meeting, middle gathering, project strategies, contextual- analysis. The Internet takes into account to appear into techniques, which are increasingly high sensible in nature.

### **● DESCRIPTIVE RESEARCH**

Descriptive lookup comprises overviews and fact discovering enquiries of more than a few types. The sizeable motive for expressive lookup is the personation of the scenario as it subsists at present. In business enquire that we oftentimes use context Ex post facto inspect for elucidating studies contemplates. The essential trait of this type of approach is that the analyst has no impact on the factors; analysts can simply file whatever has passed off or what is going on. Most of the ex post facto inquire about undertakings used for the spellbinding investigations where the scientist appears to quantify few things like, re-occurrences of shopping, disposition of individuals, or different information that can be compared. This also contain enterprise utilizing analysts to discover motives in any event, whenever they are not in command to control the factors. The techniques for investigating used in such research find out about methods for distinct types, which include relative and correlational strategies.

My Research is Exploratory as well as Descriptive.

### **Sources Of Data**

There are two kinds of sources of statistics collection:-

- **Primary data** : Data that has been gathered from the direct journey is regarded as integral information. Essential facts have not been dispensed at this factor and are regularly reliable, authentic and target based. Important facts have not been modified via people, as a result, its authenticity is more remarkable than secondary information. Techniques for gathering indispensable records are polls, interviews, perception, overviews.

- Secondary Data: Data gathered from a supply that has just been distributed in any shape is known as elective information. The survey of writing in any exploration relies upon optional dataMethods of gathering Such data are web, books, papers, magazines, diaries and different similar periodicals.

In this investigation, Techniques for the data gathered used in this study are:

- Primary Data : Questionnaire approach (poll comprising of 10 inquiries) and Observation method. (For Questionnaire See ANNEXURE A)
- Secondary Data: Internet, Magazines and Newspapers.

## SAMPLING DESIGN

In the hypothesis of constrained populace examining, an inspecting configuration suggests for each conceivable example its probability of being drawn. Numerically, a testing configuration is signified by way of the capacity which gives the possibility of drawing an example

### Sample Size

- around 100 People were given the surveys to find out the examination.

### Sample Area

- Delhi/NCR area has been utilized for gathering the trying outside.

### Testing Instrument

- The questionnaire has been utilized as a trying out the instrument for gathering

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# CHAPTER 4

## **CHAPTER-4**

### **DATA ANALYSIS AND INTERPRETATION**

#### 4.1 Introduction

This chapter deals with the data analysis and interpretation. Data had been collected using questionnaire. Questionnaire had been distributed to random people. Sample had been collected using convenient sampling technique. All the 50 respondents are selected at random.

This chapter is an attempt to analyze the response of people using internet banking. This study also helps to find out the perception of customers towards internet banking.

Table 4.1: Showing age wise classification

Age	Percentage	Count
21-31 years	36	18
31-40 years	50	25
41-50 years	10	5
51 years and above	4	2

Source: primary data

The above table shows 36% of the respondents are from the age group 21-31 years, 50% of them are between 31-40 years, 10% are in between 41-50 years category and only 4% of them are included in the 51 years and above category

Fig 4.1 Showing age wise classification

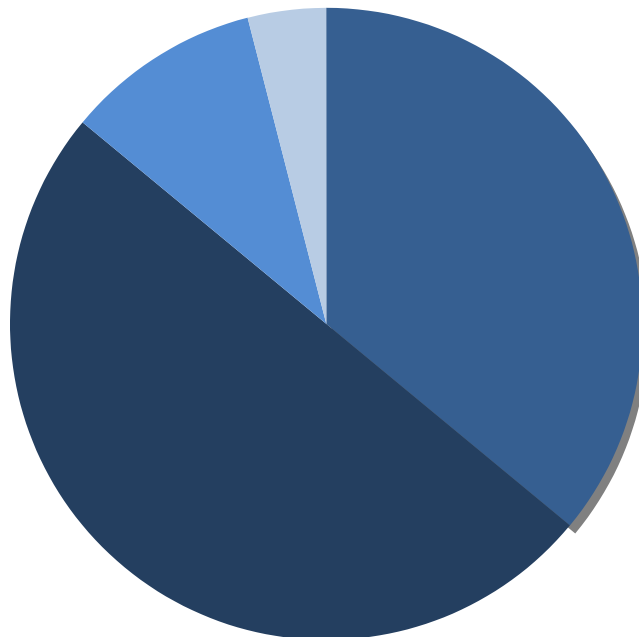


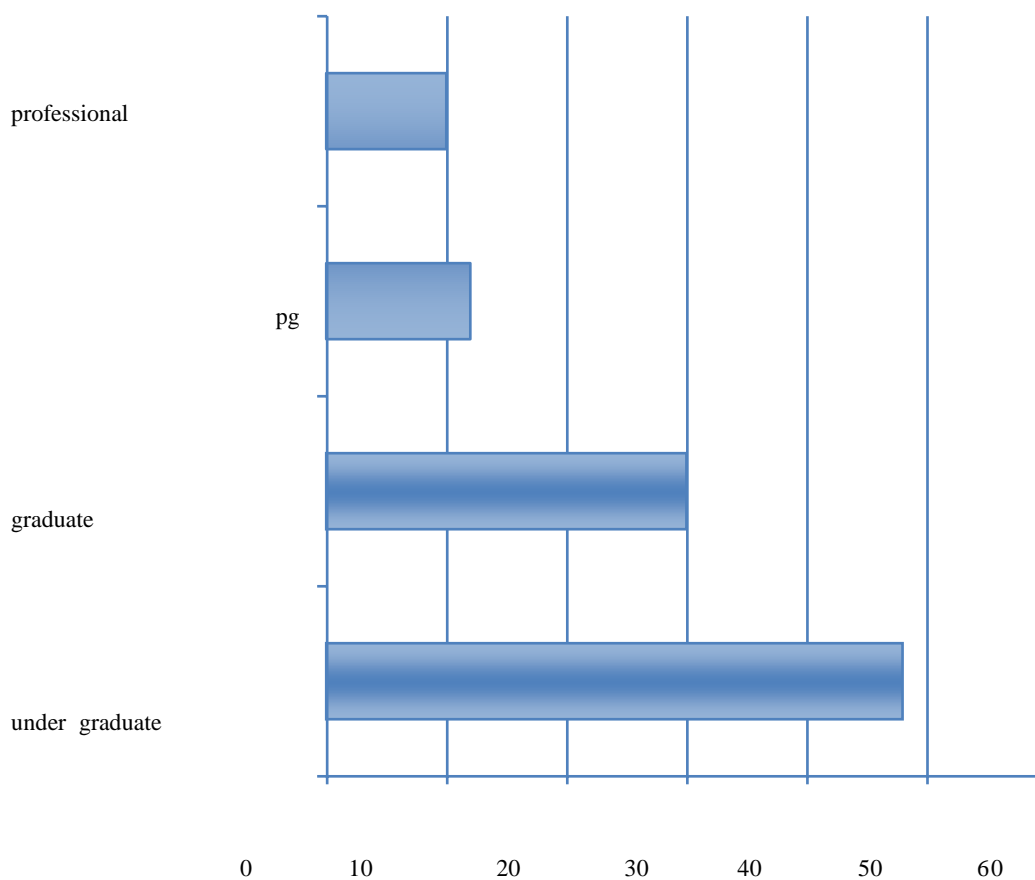
Table 4.2: Showing education

Education	Percentage	Count
Under graduate	48	24
graduate	30	15
PG	12	6
Professional	10	5

Source: primary data

Above table shows 48% of the respondents are under graduates, 30% of them are graduate, 12% of them are pg and 10% of them are professionals.

Fig 4.2 Showing educational classification





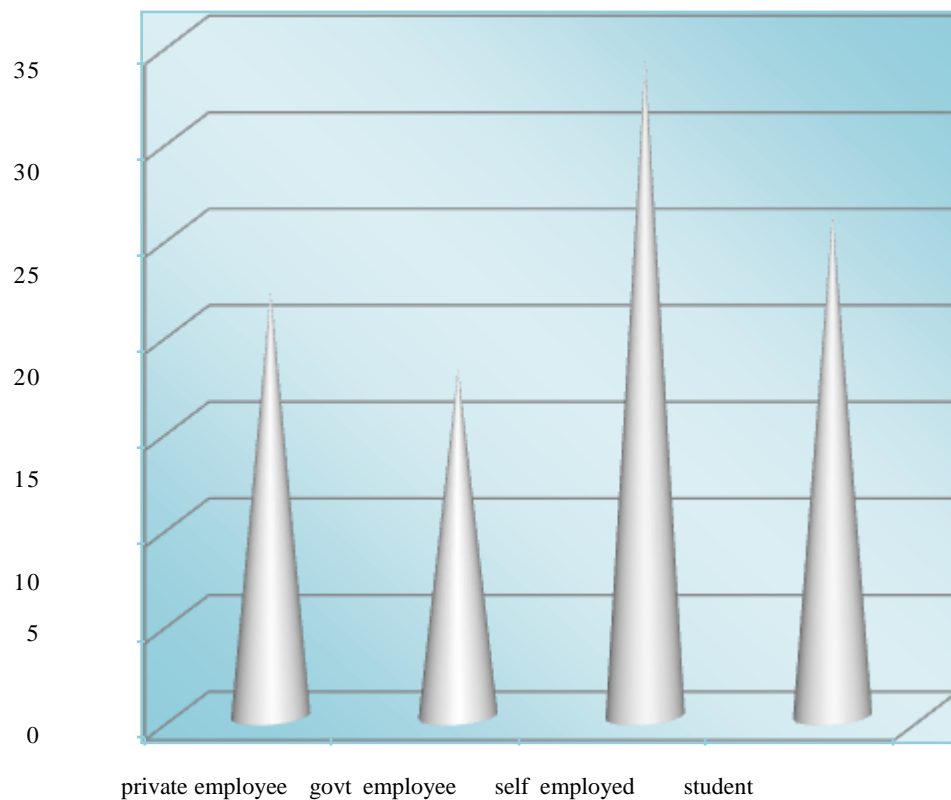
**Table 4.3: Showing occupation**

Occupation	Percentage	count
Private employee	22	11
Government employee	18	9
Self employed	34	17
student	26	13

Source: primary data

Above table shows 22% of the respondents are private employee, 18% of the them are government employee, 34% of them are self-employed, 26% of them are students

**Fig 4.3 Showing occupation**



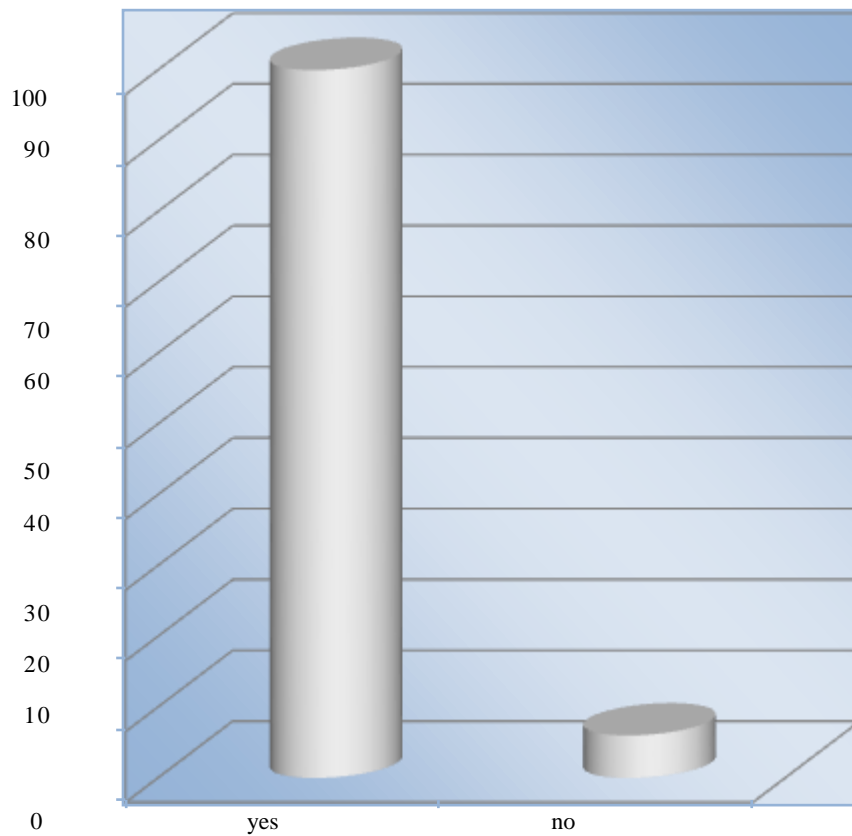
**Table 4.4: Showing the percentage of internet bank users**

Options	Percentage	Count
Yes	100	50
No	0	0

Source primary data

The above table shows that all the respondents are internet banking service users

**Fig 4.4 Showing the percentage of internet bank users**



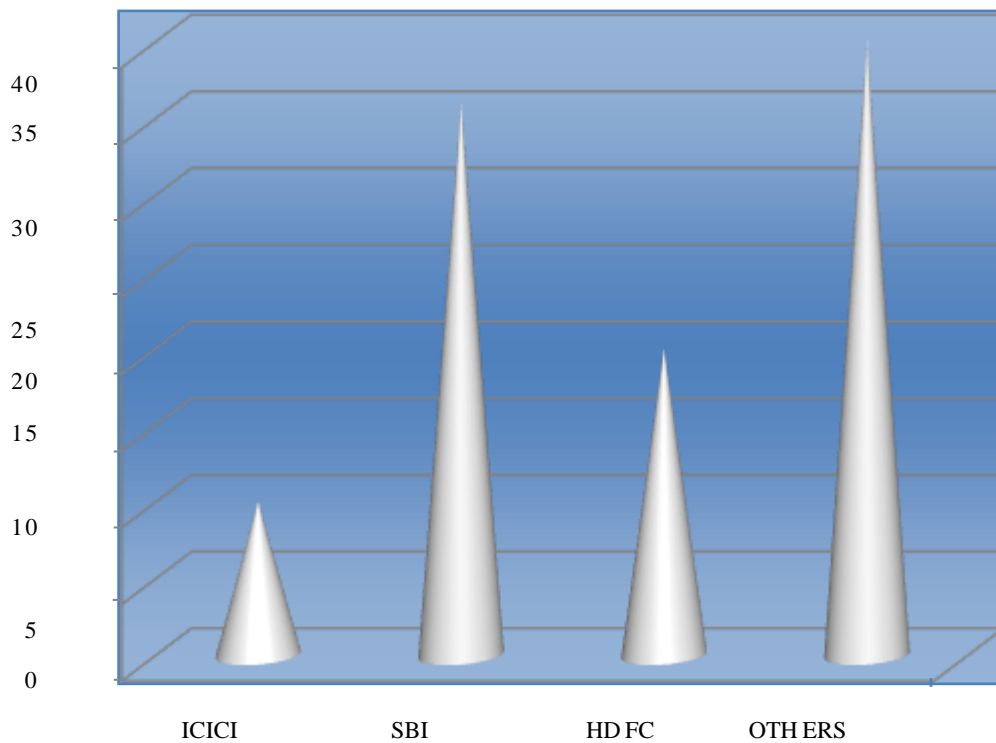
#### 4.5 Table showing the banks preferred by customers

Banks	Percentage	Count
ICICI	10	5
SBI	30	15
HDFC	20	10
Other	40	20

Source: primary data

The above table shows 10% of the population are customers to ICICI bank, 30% of SBI, 20% of HDFC and 40% of other banks

**Fig 4.5 Showing banks preferred by customers**



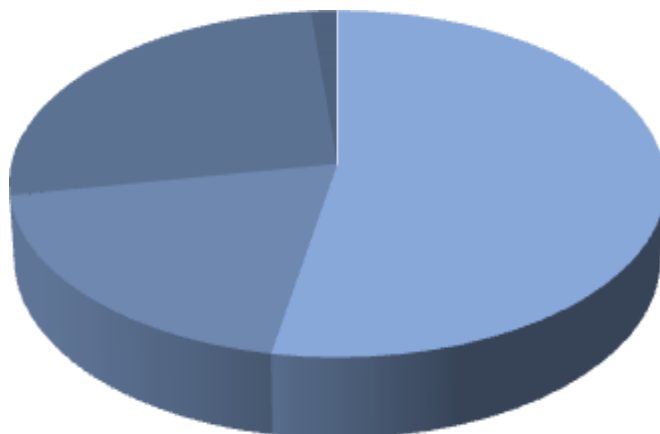
**Table4.6: Table showing the reason for choosing the particular bank**

Options	Percentage	Count
Service is good	44	22
They provide security	16	8
Cheaper service charge	22	11
Brand name of the bank	18	9

Source: primary data

The above table shows the reason for choosing the particular banks by respondents, 44% have opted for better service, 16% for better security, 22% for cheaper service charge and 18% for the brand name of the bank

**Fig 4.6 Showing the reason for choosing the particular bank**



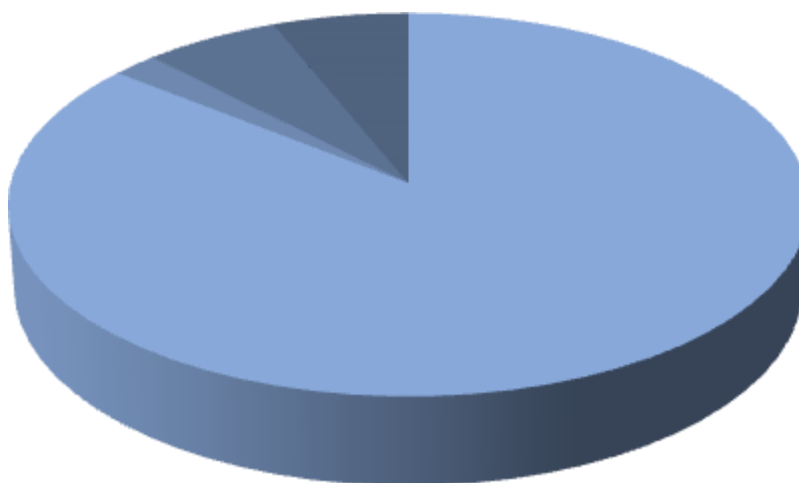
**Table 4.7: Showing the type of account customers hold in the bank**

Type	Percentage	Count
savings	84	42
Loan account	2	1
Fixed account	6	3
Current account	8	4

Source: primary data

The above table shows the type of bank accounts held by customers .it shows 84% of the customers hold savings account, 2% loan accounts, 6% fixed account and 8% current account

**Fig 4.7 Showing the type of account held by customers**



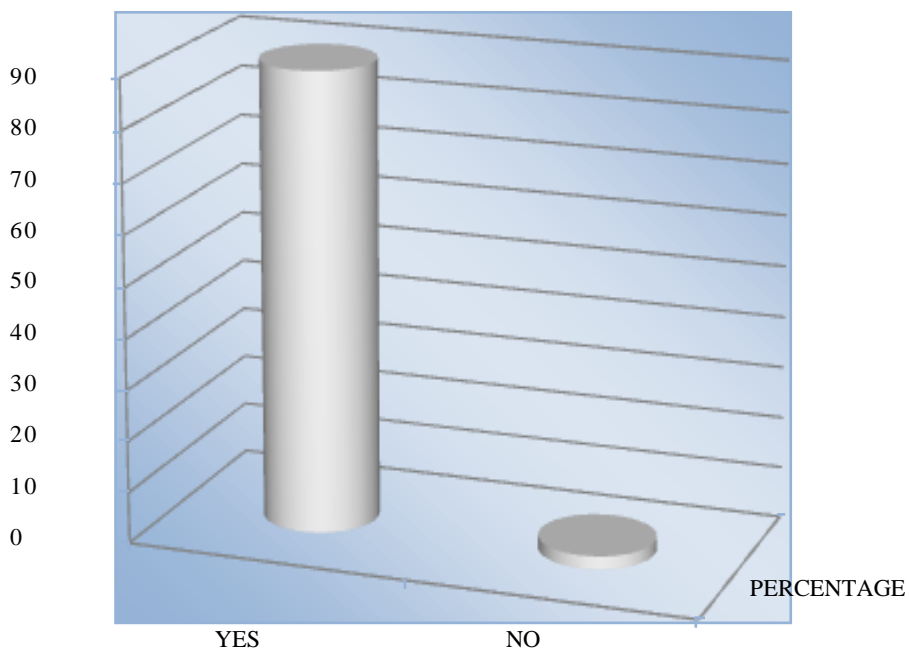
**Table 4.8: Showing the awareness of internet banking service**

Options	Percentage	Count
Yes	90	45
No	10	5

Source: primary data

The above table shows the awareness level of the customers on the various banking services offered online. 90% of them are aware of various services, 10% of them are not aware

**Fig 4.8 Showing the awareness of internet banking service**



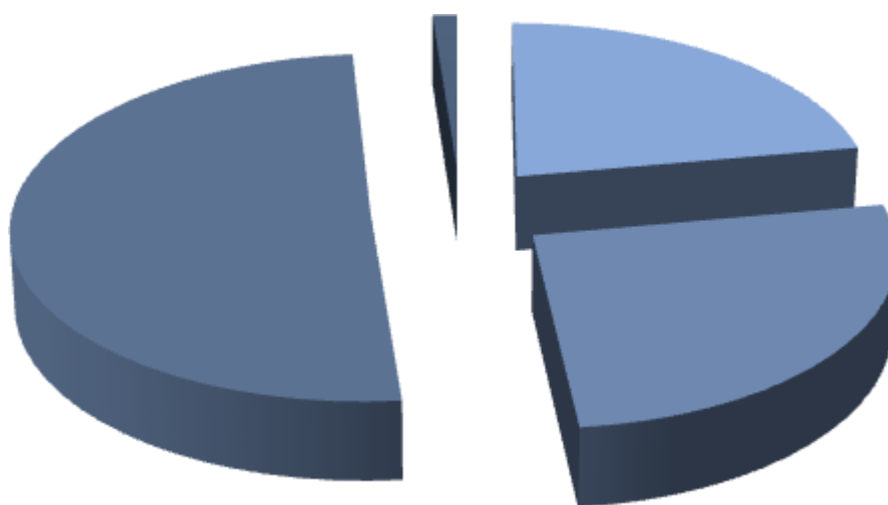
**Table 4.9: Showing the frequency of use of internet banking service**

Frequency	Percentage	Count
Daily	22	11
Weekly	26	13
Monthly	50	25
fortnightly	2	1

Source: primary data

The above table shows the frequency of use of online services. 22% of them are daily users, 26% use it weekly, 50% avail service monthly and the remaining 2% avail fortnightly

**Fig 4.9 Showing frequency of use of internet bankingservice**



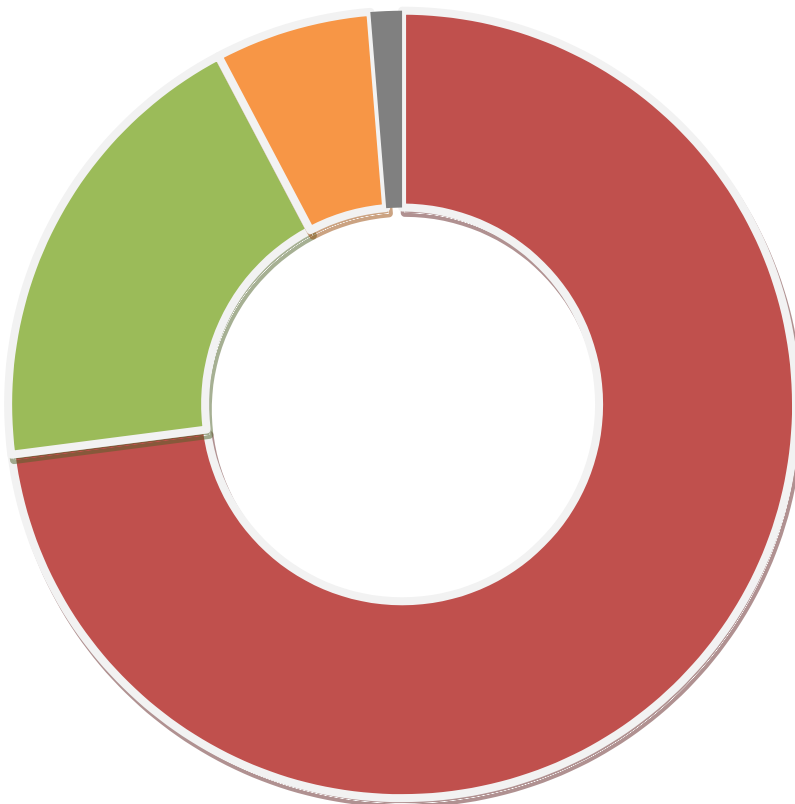
**Table 4.10: Showing the preference of customers using E- banking**

Options	Percentage	Count
Good service	68	34
Cost charges	18	9
People reference	6	3
Other	8	4

Source: primary data

This table shows the preference of the people using internet banking, as we can see 68% of them prefer good service, 18% prefer reduced cost charges, 6% prefer people reference and 8% have other preferences

**Fig 4.10 Showing customer's preference**





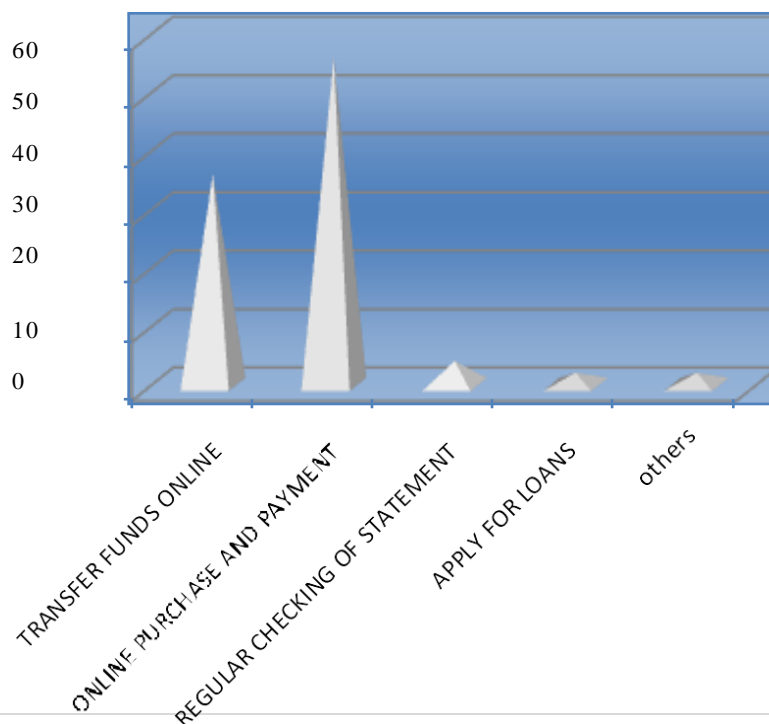
**Table 4.11 Type of E- banking service used by customers**

OPTIONS	PERCENTAGE	COUNT
Transfer funds online	36	18
Online purchase and payment	56	28
Regular checking of bank statement	4	2
Apply for consumer loans	2	1
others	2	1

Source: primary data

The above table shows type of online services used by customers, 36% use it for online fund transfer, 56% use it for online purchase, 4% for statement check and 2% for applying consumer loans and 2% for others.

**Fig 4.11 Type of E-banking services used by customers**



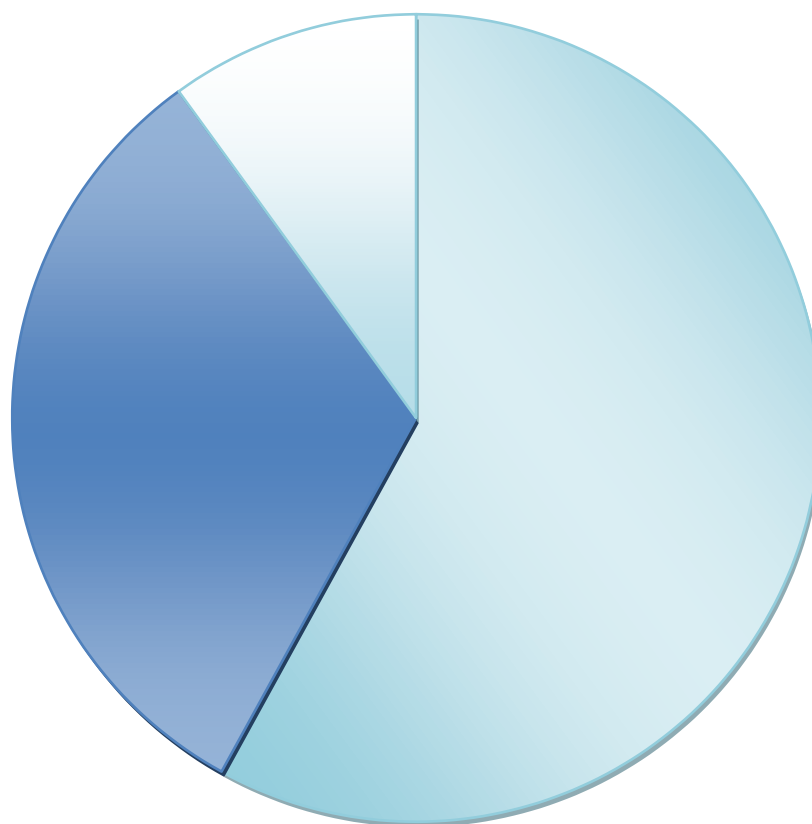
**Table 4.12: What is the most important reason for opting E-banking?**

Options	Percentage	count
Convenience	58	29
Saves time	32	16
Safe and secure	10	5

Source: primary data

The above table shows the important reasons of customers to opt internet banking, majority of them use it for better convenience, 32% of them use it for saving time and 10% use it for a safer transaction

**Fig 4.12 Showing what is the most important reason for E-banking**



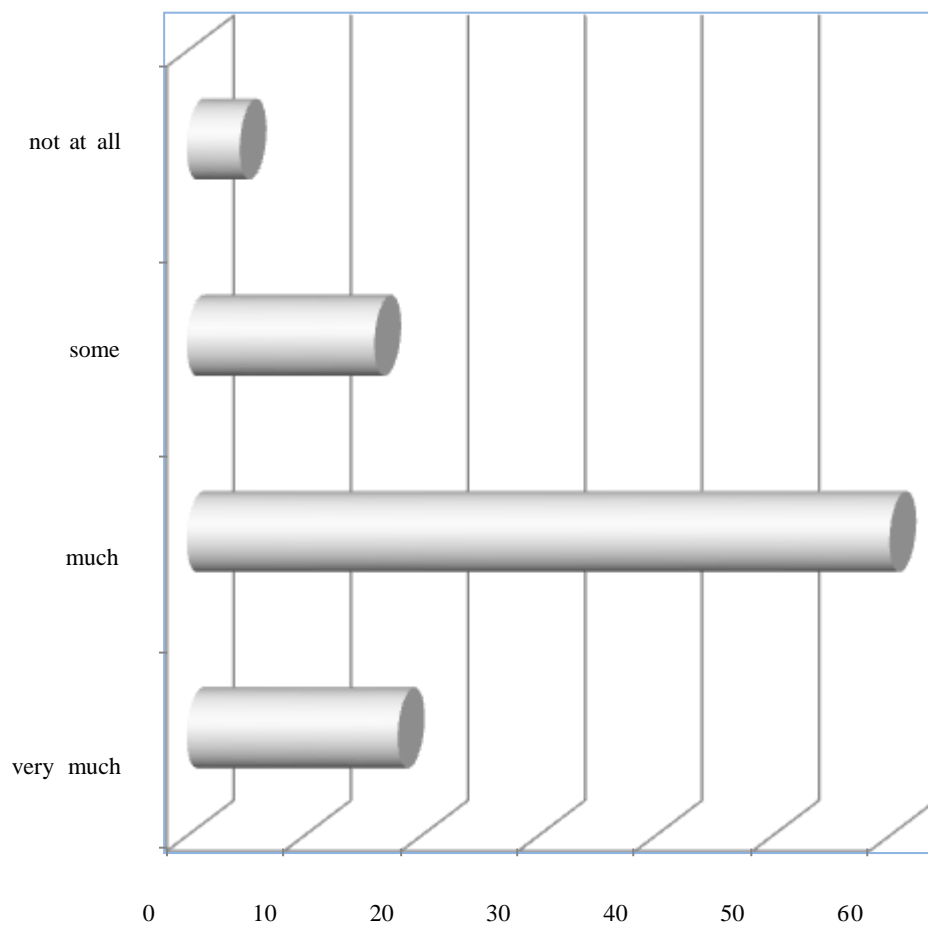
**Table 4.13: Showing customers thought on safety of online transaction**

Options	Percentage	Count
Very much	18	9
much	60	30
some	16	8
Not at all	6	3

Source: primary data

The above table shows the customers thought on safety of online banking, majority have voted for much, 18% for very much 16% for some and 6% for not at all

**Fig 4.13 Showing customers thought on safety of online transaction**



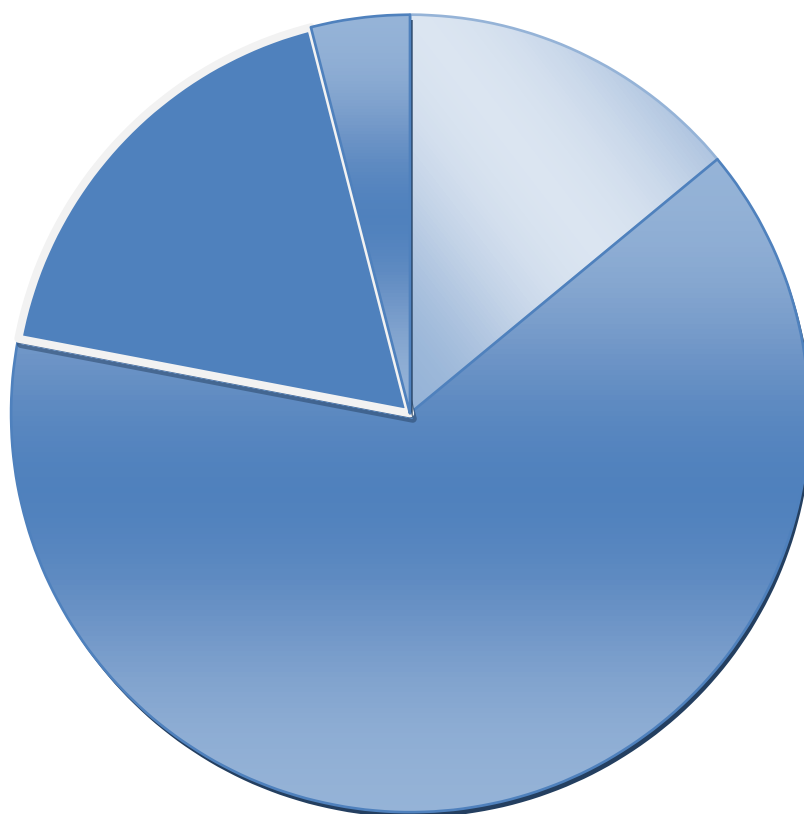
**Table 4.14 Showing the degree of confidence of customers on online**

<b>Options</b>	<b>Percentage</b>	<b>Count</b>
Very much	14	7
Much	64	32
Some	18	9
Not at all	4	2

Source: primary data

Above table shows the degree of confidence of customers on online banking majority have voted for much, 14% have voted for very much, 18% for some and 4% for not all

**Fig 4.14 Showing degree of confidence of customers**



# CHAPTER 5

## **CASE STUDY OF ICICI BANK**

**Introduction :-** The full form of ICICI is Industrial Credit and Investment Corporation of India. It was ICICI Bank's parent organisation which had been incorporated in 2002 with ICICI Bank. ICICI was renamed as ICICI bank just after integration, so it is now branded as ICICI Bank. It has its headquarters in Mumbai, Maharashtra, India and operates in 17 nations across the globe. In 2014, it was India's second-largest investment bank and third-biggest market capitalization bank.

### **History of ICICI :-**

In 1955, ICICI was established. ICICI joined the financial sector in 1994 through the establishment of ICICI Bank as its financial branch.

In 1998, ICICI Bank became the first bank in India to begin internet banking. It was the first Indian bank to be mentioned on the New York Stock exchange in 1999.

ICICI purchased the Bank of Madura (2001) which was founded in 1943.

The backward merger parent company into ICICI Bank subsidiary was accepted in 2002 by bank directors.

ICICI Bank launched its branches in Canada, the UK and Singapore in 2003. It also set up representative bank branches in Dubai & Shanghai.

In 2004, it established an office in Bangladesh for involving in the wide banking industry of Bangladesh and South Africa.

ICICI Bank purchased a Russian subsidiary IKB (Investitsionno-Kreditny Bank), in 2005 and named it ICICI Bank Eurasia. It also set up a branch in Hong Kong & Dubai in the same year.

It set up a branch in Belgium, Antwerp and representative offices in Jakarta, Bangkok and Kuala Lumpur in 2006.

Sangli Bank, which has 158 subsidiaries in Maharashtra and 31 branches in Karnataka, was established in 2007.

In 2008, it transformed its New York branch into a branch of ICICI Bank with the approval of the US Federal Reserve. It opened an office in Frankfurt in the same year.

It was the first private-sector bank to open a mobile branch in Maharashtra with an ATM in 2013.

In March 2020, ICICI Bank Ltd.'s board approved a Rs 1,000 crore investment in Yes Bank Ltd. This investment led to ICICI Bank Limited owning more than five per cent of Yes Bank's shareholding.

## Features Of ICICI Bank

### Credit-Cards



It is a card used to make payments for the purchasing services, products, goods or households item etc. Basically credit card is issued to customer and the customer has the cash limit in it. And whenever the customer makes a purchase via card that means he took a credit from the bank and has to return the amount which he took from the bank including extra charges.

In simple words we can credit card a payment card which helps user take credit from the bank to make purchase. We can say it's a like small loan which has to be returned to bank every month at the agreed date including all the relevant charges. When bank issues a credit card to a customer a revolving account is created by the bank.

Adding more to it, credit card is very different from debit cards. Debit card is customers own money he has in his savings account but credit card is more like loan which he returns every month including interest or charges

respectively.

Bank is also very particular about issuing credit cards to its customers.

Banks review all the history and credit scores of the customer and also checks whether he's not a defaulter because if customer doesn't pay back the money it would be a loss for the bank. Features of credit card:

1.) No need to carry cash when you

have credit card. 2.) Can also pay in

foreign currency

3.) Cash withdrawals can be costly because extra

charges are included. 4.) Service tax is inclusive

5.) Bonus points



## Debit-Cards



Debit cards are also called check cards sometimes and looks similar and identical to credit cards but debit cards is completely different from credit cards. As we discussed earlier that credit cards are the cards are used to take credit from the bank and has to be returned to bank accordingly. But whereas on the other hand debit card or check cards are totally different. Debit card are issued to all the savings account holder these days. In the case of debit card money you spend or withdraw is your own money saved in your savings account.

Like for example, your salary is transferred directly to your savings account so that you can withdraw it through debit card anytime anywhere any how Via ATM.

Let's highlight some of the features of debit card:-

- Connected to your savings account
- Spending of cash depends on the availability of the cash in a/c
- Zero interest or extra charges since it's your own money
- Access to cash VIA ATM
- Sometimes can be beneficial. Includes cash back or rewards

## E- Cheques

The image shows a web form for creating an e-check. At the top, it says "Enter customer email to send receipt" with a text input field for "Customer Email (optional)". Below this is a large rectangular area with a background pattern resembling a check. Inside this area, there are several input fields: "Account Holder Name", "Street Address", "City", "State", "Zip code", "Phone Number", "Check Number", and "Amount" (with a dollar sign icon). Below these fields, it says "Pay to the Order of: MCG Inc" and "For:" followed by a "Memo 1" field. At the bottom of this area are fields for "Routing #", "Checking Account #", and "Confirm Checking Account #". A blue "Save Check" button is located at the bottom right of the form area.

“E-CHEQUES” are the electronic cheques which doesn’t require any kind of paper or physical touch. These types of cheques are used for transaction for E-commerce related activities and are totally done through devices like computer, tabs etc. Echeques are written by account holder or payer and electronically transmits to payee. Signed by payer and payee endorses it.

HEQUES are useful when the payer and payee both have geographical dilemma and cant physically meet each other but due to business related issues has to make transactions. Like for example, in import and export business e-cheques are commonly used since sometimes buyers are in America and sellers are in India.

### Let’s highlight some of the major features of e-cheques.

- E-cheques are identical to paper cheques. It’s like a picture of paper cheque.
- It’s a secured type of check and can be only digitally signed by the authenticated user.
- Some times has biometric signatures.
- Drawer needs to digitally sign.
- Minimum asymmetrical crypto systems are prescribed.
- Reduces geographical barriers.
- Can be used anywhere, anytime and anyhow.

## Automatic Teller Machine (Atm)



Automatic teller machine or we can say ATM is a cash withdrawal machine which is located around the cities to make cash withdrawals, deposits etc easy for their customers. ATM are the electronic telecommunication system which helps their customer to do bank related activities like fund transfer, cash withdrawal, deposits at their near ATM'S without even physically going to bank.

Credit, debit cards are inserted into to ATMS to make it function and then ATMS shows the balance of your respected account on the screen and also shows the menu which you'd like to choose at that moment.

ATMS reduces the efforts of their customer and are the effective service provided to their customers.



## Smart Cards

Smart cards are the cards made up of plastic which has an embedded 8bit microchip. Microchips are the replacement of magnet strips which were earlier fixed to cards for the transaction purposes.

Microchip enforces the data on the chip which is connected to account of the user. Suppose smart card is inserted into transaction machine while making a purchase the chip connects to account of the user and then deducts the amount which has to be paid for the purchase that he has made. It is also used for encryption, authentication etc.

Basically, smart card can exchange the data, store it and manipulate data anywhere, anytime and anyhow.

## Features of smart cards

- It's a card which contains a chip and has a value in it. Sometimes monetary value.
- When a transaction is made using the card, the cash is deducted automatically from the account of the person whose making a purchase.
- Can be used to purchase products or goods without the need of the pin
- It is an extremely effective card which can act like debit or credit card.



Fig 1.1.6 Smart Card

# CHAPTER 6

## **FINDINGS**

### **Major :-**

It is found that majority of the respondents are aware about E-Banking services provided by the BANK. But only some of the respondents are using these services. Major findings are;

1. ATM is the most preferred E-Banking service to the respondents.
2. 80% of the respondents are using savings bank deposit of the bank.  
o 47% of the people are started to using E-Banking services from more than 3 year. This is because most of the people are using at least ATM facility provided by the bank.
3. Majority of the respondents are aware the E-Banking services from their friends and relatives.
4. 87% of respondents are aware about recharging service provided by the bank. 50 % of the respondents is more familiar with EFT.
5. 39% of respondents using E-Banking service in often.

### **Minor :-**

1. Only some respondents are using internet banking and mobile banking facility. Most of them aware about mobile banking and internet banking even though they are not using such facilities.
2. 90% of the respondents have the opinion the most influencing factor is that it is easily accessible.
3. The limiting factors faced by consumers while operating E-Banking services are fear about security and networking problem.
4. The opinion about E-Banking services by the respondents is 24 hours service, and trust in technology.
5. The educational qualification and level of awareness of E-Banking services are dependent. Because they can know more about E-Banking services.

## **SUGGESTIONS**

### Suggestions from the study

1. Bank should give awareness to their customers to use more of E-Banking services.
2. Motivate the customers to use E-Banking services.
3. Make the site more users friendly.
4. Create a trust in the minds of consumers towards the security issues.

## **Conclusion**

This study was conducted to know about the impact of internet banking services on customers and their satisfaction towards the services offered with reference to Thrissur town. It is clear from this study that all the respondents are users of internet banking services. There are a wide variety of banking services offered online and all the respondents are users of one or the other service.



## **Bibilography**

Electronic Banking : The altimate gide to business and technology of e-banking .

E-banking Management : issue solution and strategies

E-Banking in India : challenges and oppourtunities

## Annexure

### Impact of electronic banking on customers

1. Name of the respondent
  
2. Age
  - 21-31 years
  - 31-40 years
  - 41-50 years
  - 51 years and above
  
3. Education
  - Under graduate
  - Graduate
  - Post graduate
  - professional
  
4. occupation
  - government employee
  - private employee
  - self employed
  - student
  
5. do you use internet banking
  - yes
  - no
  
6. choose the bank you preferred
  - ICICI
  - SBI
  - HDFC
  - OTHERS
  
7. Why this bank?
  - Service is good
  - The provide security
  - Cheaper service charge
  - Brand name of the bank

8. Which type of account you have in this particular bank?
  - savings account
  - loan account
  - fixed account
  - current account
  
9. While opening the account were u aware of E-banking services?
  - yes
  - No
  
10. How often do you use E-banking services
  - Daily
  - Weekly
  - Monthly
  - Fortnightly
  
11. What do you prefer while choosing E-banking services
  - good service
  - cost charges
  - people references
  - other
  
12. which type of E-banking service do you use
  - transfer funds online
  - online purchase and payment
  - regular checking of bank statement
  - apply for consumer loans
  
13. what is the most important reason for opting E-banking
  - convenience
  - saves time
  - safe and secure
  - others
  
14. Are transactions through internet secure?
  - Very much
  - Much
  - Some
  - Not at all