

A STUDY ON MODERN SYSTEMS OF SBI WITH SPECIAL REFERENCE TO PALLAVARAM BRANCH

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ABSTRACT: This study quantifies the effects of modern systems among customers of SBI Pallavaram. We have taken the sample size of 50 customers at random.

The main objective is to study about the customer satisfaction in the usage of modern systems like ATM, E-Banking, Green Channel Counter (GCC), Green Remit Card (GRC), Cheque Drop Box (CDB), Electronic Drop Box (EDB) and Mobile Banking.

This research is formulated after a thorough study and is based on the information obtained from the questionnaire filled by the customers. The data has been analyzed through tabulation and by using various statistical tools like

- Percentage Analysis
- Chi-Square
- ANNOVA

After analyzing the data, the findings and suggestions to this study were framed.

INTRODUCTION

Banking system refers to the various aspects of banking industry prevailing in a country. It deals about the ownership of banks, the structure of banks, functions undertaken by banks and also the nature of the business .The technological changes with the advent of computers have brought in enormous changes in the functioning of banking systems.

MEANING

“Banking” means the business of receiving money on current or deposit account, paying and collecting cheques drawn by or paid in by customers, and the making of advances to customers.

DEFINITION

According to Section 5(b) of the Banking Companies Act, 1949 defines banking as “accepting for the purpose of lending or investments of deposits of money received from the public, repayable on demand and withdrawal by cheque, draft, and order or otherwise”.

According to **Prof. Kinley**, “A bank is an establishment, which makes to individuals entrust money when not required and safety made, and to which individuals entrust money when not required by them for use”.

According to **Prof. H.L. Hart**, “A banker is one who in the ordinary course of his business, receives money, which he repays by honouring cheques of persons from whom or on whose account he receives it”.

HISTORY

In ancient Babylon, Egypt and Greece, banking was carried on .In fact, the temples usually served as the place to deposit money. In Rome in the year 210 BC inordinate was issued that set aside a place for money changers. The word ‘**bank**’ comes to us from Italian .In the middle ages , the money changers of Italy did their business in the street on a bench , and the Italian word for bench is ‘**banco**’ from which we derive the word bank . In Venice in 1587, **Banco di Rialto** was first set up. It accepted deposits and permitted the depositors to write cheques against their money. In 1619, **Banco Del Giro** took over this bank. The bank of Amsterdam was set up in 1609. The present day bank has three predecessors, namely, the Goldsmith, the merchant and the money lender.

Bank of England was set up in 1694 which was later on followed by other Central banks of different countries. In India, the first ever bank was established in 1786, called General Bank of India which was followed by Bank of Hindustan and Bengal Bank. In 1809, the Presidency Bank of Bengal was established which was followed by the establishment of Presidency Bank in Bombay in 1840 and Presidency Bank in Madras in 1843. The Reserve Bank of India was taken over

by Government by passing of the **Transfer of Public Ownership Act**. The shareholders of **Reserve Bank of India** were paid compensation.

TYPES OF BANK

There are various types of bank, which operate in our country to meet the financial requirements of different categories of people engaged in agriculture, business, profession etc. On the basis of function the banking institutions in India may be divided into the following types.

1. Central Bank
 - ✓ RBI

2. Commercial Bank
 - ✓ Public Sector Bank
 - ✓ Private Sector Bank
 - ✓ Foreign Banks

3. Cooperative Bank
 - ✓ Primary credits societies
 - ✓ Central Co-operatives Bank
 - ✓ State Co-operative Bank

CENTRAL BANK

The bank which is entrusted with the functions of guiding and regulation the banking system of a country is known as its **central bank**. Such a bank does not deal with the general public. It act essentially as Government's bank, maintain deposit accounts of all other banks and advances money to other banks, when needed. The Central Bank provides guidance to other banks whenever they face any problem. It is therefore known as the banker's bank. The Reserve Bank of India is the central bank of our country. The Central Bank maintains record of Government revenue and expenditure under various heads.

RESERVE BANK OF INDIA

The Reserve Bank, established through the Reserve Bank of India Act, 1934 commenced its operations in 1935. It draws its power and responsibilities through other legislations also such as the Banking Regulations Act, 1949.

FUNCTIONS OF RBI

The functions of the Reserve Bank today can be categorized as follows:-

- ✓ Monetary policy.
- ✓ Regulation and supervision of the banking and non-banking financial institutions, including credit information companies.
- ✓ Regulation of money and government securities markets as also certain financial derivatives.
- ✓ Debt and cash management for central and state governments.
- ✓ Management of foreign exchange reserves.
- ✓ Foreign exchange management current and capital account management.
- ✓ Banker to bank.
- ✓ Banker to the central and state governments.
- ✓ Oversight of the payment and settlement system.
- ✓ Currency management.
- ✓ Development role.
- ✓ Research and statistics.

COMMERCIAL BANK

It is a kind of bank which promotes commercial activities by lending for various commercial activities. The bank cannot afford to give long term loan and can provide only working capital for business purpose. The commercial activities in the country such as trade, warehousing, transport, etc., are financed by the commercial banks. When there are more commercial activities in the country, the economic growth improves. Thus commercial banks play a vital role for the economic growth of the country.

FUNCTIONS OF MODERN COMMERCIAL BANKS:

PRIMARY FUNCTIONS

1. Acceptance of deposits
 - ✓ Saving Bank Account
 - ✓ Current Account
 - ✓ Fixed Deposit Account
 - ✓ Recurring Deposit Account
2. Discounting of bills
3. Granting of loans
 - ✓ Loan
 - ✓ Cash Credit
 - ✓ Over Draft

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SECONDARY FUNCTIONS:

AGENCY SERVICES:

- ✓ The banker undertakes to collect cheques, bills and promotes for customers.
- ✓ The standing instructions of customers such as payment of telephone bills, insurance premium, etc are done.
- ✓ Collection dividends are interest on various securities.
- ✓ Purchasing or selling securities as per customer's instruction.
- ✓ Banker also acts as trustee or executor of will for the customer.
- ✓ Undertakes to transfer funds from one branch to another.

GENERAL UTILITY SERVICES

- ✓ On permission from RBI, the bank purchases or sells foreign exchange.
- ✓ On behalf of importer, the banker issues Letter of Credit to the exporter.
- ✓ The banker acts as “**drawee in case of need**” by accepting bills on behalf of customers.

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MODERN SYSTEMS OF BANKING

INTRODUCTION

The technological changes with the advent of computers and mobile phones have brought in enormous changes in the functioning of banking operations. The modern systems have paved way for banking to be a customer friendly environment. The modern systems which are available to the customers of a bank today for easy funds transfer and other banking operations are given below.

ATM (Automatic Teller Machine):

An **automated teller machine** is an electronic telecommunications device that enables the customers of a financial institution to perform financial

transactions without the need for a human cashier, clerk or bank teller. On most modern ATMs, the customer is identified by inserting a plastic ATM card with a magnetic stripe or a plastic smart card with a chip that contains a unique card number and some security information such as an expiration date or CVVC (CVV). Authentication is provided by the customer entering a personal identification number (PIN). Using an ATM, customers can access their bank deposit or credit accounts in order to make a variety of transactions such as cash withdrawals, check balances, or credit mobile phones. If the currency being withdrawn from the ATM is different from that in which the bank account is denominated the money will be converted at an official exchange rate. Thus, ATMs often provide the best possible exchange rates for foreign travelers, and are widely used for this purpose.

Debit Card:

A debit card also known as ATM card is a plastic payment card that provides the cardholder electronic access to their bank account at a financial institution. Some cards may bear a stored value with which a payment is made, while most relay a message to the cardholder's bank to withdraw funds from a payer's designated bank account. The card, where accepted, can be used instead of cash when making purchases.

Credit Card:

A **credit card** is a payment card issued to users as a system of payment. It allows the cardholder to pay for goods and services based on the holder's promise to pay for them. The issuer of the card creates a revolving account and grants a line of credit to the consumer (or the user) from which the user can borrow money for payment to a merchant or as a cash advance to the user.

GCC (Green Channel Counter):

It is a counter manned by a Teller where a Transaction Processing Device (TPD), similar to a PoS machine, is attached to the terminal. Customers can swipe

their Debit Card, select a particular transaction and enter the amount and the PIN. Postauthentication, the transaction gets transferred to the Teller's terminal who enters denominations of cash to be paid / received, then pays / receives cash and completes the transaction. The Customer is provided with a printed receipt generated from TPD. This receipt is much smaller than traditional voucher. Moreover, as only one receipt is printed per transaction, there is zero paper wastage. Three types of transactions have been enabled through this facility they are Cash Deposits, Cash Withdrawals and Funds Transfer. Customers can use the Green Channel Counter without queues and without taking the token. They may simply walk up to the Counter, Swipe their card and execute the transaction.

GRC (Green Remit Card):

Green Remit Card is a simple Magstripe based card without PIN. The product is targeted to facilitate Non-Home Cash Deposit Transactions to be routed through Green Channel Counter (GCC)/ Cash Deposit Machine (CDM). All customers (remitters), particularly non-account holders, who want to remit money to a SBI bank account at regular interval of time, can get GRC. Card would be mapped to the particular beneficiary account (Has to be an SBI account).

E-Banking:

E-Banking refers to electronic banking, wherein the entire operations are done by the customer through his computer system by using a code, which maintains secrecy of transactions. The customer will be instructing the banker through the computer with regard to transfer, investment and repayment of loans or appreciation of different payments. By this, the use of cheques is very much minimized and the customer will be able to contact the banker or his particular branch from any part of the world, even while he is flying or on a sea voyage.

Mobile Banking:

The Mobile Banking Application is available for java, Blackberry, Android, i-phones and Windows mobile phones. The service can also be availed via WAP on

all phones with GPRS connection. The following services can be availed through the Mobile Banking application and WAP:

- ✓ Funds transfer (within and outside the bank)
- ✓ Immediate Payment Services (IMPS)
- ✓ Enquiry services (Balance enquiry/ Mini statement)
- ✓ Demat Account Services
- ✓ Requests (Cheque book request/Generate OTP)
- ✓ Bill Pay (Utility bills, credit cards, Insurance premium), Donations, Subscriptions
- ✓ Top up / Recharge (Mobile /DTH)

COMPANY PROFILE



STATE BANK OF INDIA (SBI)

State bank of India is a multination banking and financial services company based in Indianite is a government-owned corporation with its headquarters in Mumbai, Maharashtra. As of December 2013, it had assets of US\$388 billion and 16000 branches, including 190 foreign offices, making it the largest banking and financial services company in India by assets. State bank of India one of the big four banks of India, along with ICICI bank, Punjab national bank and bank of Baroda.

The bank traces its ancestry of British India, through the imperial bank of India, to the founding in 1806 of the bank of Calcutta, making it the oldest commercial bank in the Indian subcontinent. Bank of madras merged into the o the two presidency banks-bank of Calcutta and bank of Bombay-to form the imperial bank of India, which in turn became the state bank of India. Government of India nationalized the imperial bank of India in 1955, with reserve bank of India taking a 60% stake, and renamed it the state of India. In 2008, the government took over the stake held by the reserve bank of India. SBI is a regional banking behemoth and has 20% market share in deposit and loans among Indian commercial banks.

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HISTORY



Seal of Imperial Bank of India

The roots of the state bank of India lie in the first decade of 19 century, when the bank of Calcutta, later remand the back of bal, was established on 2 June 1806. The bank of Bengal was one of three presidency banks, the other two being the bank of beamy (incorporated on 15 April 1840) and the bank of madras

(incorporated on 1 July 1843).all three presidency bank were incorporated received the exclusive right to issue paper currency till 1861 when with the paper currency act, the right was taken over by thru government of India. The presidency banks amalgamated of 27 January 1921, and the re-organized banking entity took as its name imperial bank of India. The imperial bank of India remained a joint stock company but without government participation.

Pursuant to the provisions of the state bank of India act of 1955, the reserve bank of India, which is India's central bank acquired a controlling interest in the imperial bank of India. On 1 July 1955, the imperial bank of India became the state bank of India. In 2008 the government of India acquired the reserve bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking regulatory authority in 1959, the government passed the state bank of India (subsidiary banks) Act, which made eight state banks associates of SBI. A process of consideration began on 13 September 2008, when the state bank of saurashtra merges with SBI.

SBI has acquired local banks in rescues. The first was the bank of bear (est.1911), which SBI acquired in 1969, together with its 28 branches. The next year SBI acquired national bank of Lahore (est.1942), which had 24 branches. five years later, in 1975,SBI acquired krishnaram baldeo bank ,which had been established in 1916 in Gwalior state ,under the patronage of maharaja madho Rao sc India .the new banks first manger was jall N. broacha,a parsi.In 1985,SBI was the acquired as its affiliate, the state bank of Travancore ,already had an extensive network in Kerala.

The evolution of state bank of India can be traced back to the first decade of the 19 century. It began with the establishment of the bank of Calcutta in Calcutta, on 2 June 1806. The bank was redesigned as the bank of Bengal, three years later, on 2 January 1809.it was the first ever joint-stock bank of the British India, establish under the sponsorship of the government of Bengal. subsequently,

the bank of Bombay(established on 15 April 1804) and the bank of Madras (established on 1 July 1843) followed the bank of Bengal .these three banks dominated it, the modern banking scenario in India, until when were amalgamated to from the imperial bank of India, on 27 January 1921.

An important turning point in the history of state bank of India is the launch of the first five year plan of independence India, in 1951. The plan aimed at serving the Indian economy in general and the rural sector of the country, in particular. Until the plan, the commercial banks of the country, including the imperial bank of India, confined their services to the urban sector. Moreover, they were not equipped to respond to the growing needs of the economy as a whole and rural sector in particular; the all India rural credit survey committee recommended the formation of a state-partnered and state-sponsored bank.

The All India Rural credit survey committee proposed the takeover of the imperial bank of India, and integrating with it, the former state-owned or state – associate banks .subsequently, as Act was passed in the parliament of India in May 1955. As a result, the state bank of India (SBI) was established on July 1955.this resulted in making state bank of India more powerful, because as much as a quarter of the resources of Indian banking system were controlled directly by the state. Later on, the state bank of India (subsidiary banks) act was passed in 1959.The act enabled the state bank of India to make the eight former state-associated banks as its subsidiaries.

The state bank of India emerged as a pacesetter, with its operation carried out by the 480 offices comprising, sub offices and three local Head offices, inherited from the imperial bank. Instead of serving as mere repositories of the community's saving and lending to creditworthy parties, the state bank of India catered to the needs of the customer, by banking purposefully. The bank serves the heterogeneous financial needs of the planned economic development.

BRANCHES

The Corporate centre of SBI is located in Mumbai. In order to cater to different functions, there are several other establishments in and outside Mumbai, apart from the corporate centre .the bank boasts of having as many as 14 local head offices and 57 Ronal offices ,located at major cities throughout India. It is recorded that SBI has about 10000 branches, well networked to cater to its customer throughout India.

OBJECTIVES OF THE STUDY

- ✓ To ascertain the customer satisfaction in the usage of modern systems.
- ✓ To determine which modern system is most used by the customers.
- ✓ To reveal the advantages of modern systems to the customers.

NEED FOR THE STUDY

- ✓ Customer satisfaction represents a modern approach for quality in enterprises and organizations and serves the development of a truly customer-focused management and culture.
- ✓ Measuring customer satisfaction offers an immediate, meaningful and objective feedback about clients' preferences and expectations.
- ✓ Evaluating the company's performance in relation to a set of satisfaction dimensions that indicates the strong and the weak points of a business organization.
- ✓ To represent an original customer satisfaction survey in the public bank sector.

SCOPE OF THE STUDY

- ✓ New marketing concepts and strategies are paying greater attention to identify customer's needs and expectations and offering high level of service quality.
- ✓ As a satisfied customer is an Asset for the Bank, the purpose of current study is to understand as to what all factors make a customer a satisfied customer.

LIMITATIONS OF THE STUDY

- ✓ It is undertaken for academic purpose only.
- ✓ Some respondents are not interested in giving information.
- ✓ Since some information were confidential, it is not possible to add them in the report.
- ✓ The main limitation of the study is time constraint.
- ✓ Lack of cooperation among employees.

REVIEW OF LITERATURE

This study identifies the gap in the literature which describes customer satisfaction towards any type of modern banking in Indian context. It develops a model that describes, what are important erratic that have effect on customer satisfaction towards modern banking.

SOURCE: <http://www.iracst.org/ijcbm/papers/vol3no42014/9vol3no4.pdf>

TITLE OF THE STUDY: Modern Banking Services - A key Tool for Banking Sector

AUTHOR: *Dr.T.Vijayaragavan*

ABSTRACT:

Banking occupies one of the most important positions in the modern economic world. It is necessary for trade and industry. Hence it is one of the great agencies of commerce. Modern banking services presence is very helpful to the economic activity and industrial progress of the country. The banking industry is on a major technological up gradation drive after having successfully introduced international standards in their operating norms. It is commonly perceived that technology is important to enhance the quality of customer service and to make it customer friendly. 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 has seen its number grow in geometric progression in recent years. Today, the concept of core banking has made 'Any Where and any time' banking a reality. Along with technology, banking services have also evolved and the delivery of various banking products are carried out through the medium of high technology at a fraction of the cost to the customer. This paper focus on how the technological services in banking sector luring the sustainable development.

REVIEW:

The above study concentrates on the modern systems available till 2013. This study includes the modern systems which introduced in 2014, they are GCC, GRC, CDB and EDB.

SOURCE:<http://steconomice.uoradea.ro/anale/volume/2009/v4-management-and-marketing/225.pdf>

TOPIC:E-BANKING- MODERN BANKING SERVICES

AUTHOR: V Miranda-Petronella

ABSTRACT:

E-banking is the first of those banking services that really economize time, because it allows to the user to accomplish from behind the computer many operations in the bank account, represents the computational solution that allows to the holder to have access at distance at the capitals from his account, purposing to obtain information about his account situation and the situation of the effected operations, of the payment and of the capitals transfers over a beneficiary, by a computational application, of a authentication method and of a communicational average, the e-banking is absolutely necessary in the integration conditions.

REVIEW:

The above paper concentrates only on E-banking and its advantages to the customers. The study concentrates on the whole modern technologies available to the customers which make banking operations customer friendly.

SOURCE:<http://www.impactjournals.us/download.php?fname=-1371887005-3.Manage-Internet-Jayashree%20chavan%20.pdf>

TOPIC: Internet Banking- Benefits and Challenges In An Emerging Economy

AUTHOR: Jayshree Chavan

ABSTRACT:

New Information technology has taken important place in the future development of financial services, especially banking sector transition are affected more than any other financial provider groups. Increased use of mobile services and use of internet as a new distribution channel for banking transactions and international trading requires more attention towards e-banking security against fraudulent activities. The development and

the increasing progress that is being experienced in the Information and Communication Technology have brought about a lot of changes in almost all facets of life. In the Banking Industry, it has been in the form of online banking, which is now replacing the traditional banking practice. Online banking has a lot of benefits which add value to customers' satisfaction in terms of better quality of service offerings and at the same time enable the banks gain more competitive advantage over other competitors. This paper discusses some challenges in an emerging economy.

REVIEW:

This paper also concentrates only on E-banking and its advantages to the customers. The study concentrates on the whole modern technologies available to the customers which make banking operations customer friendly.

SOURCE: <http://eujournal.org/index.php/esj/article/download/867/910>

TOPIC: Key Issues In E-Banking Strengths and Weaknesses: The Case Of Two Jordanian Banks

AUTHOR: Rifat O. Shannak

ABSTRACT:

The paper aims to examine the current status of Jordan's e-banking industry, identify its strengths and weaknesses, and use the findings in formulating future recommendations to make a contribution to knowledge in the chosen area. The research commenced by formulating four hypotheses that address the positive impact of e-banking for both the banks and their clients. The orientation of the paper turned out to be explanatory and in the direction of being a case study within the Jordanian context. This exploratory research therefore, focused on three main dimensions of e-banking in Jordan namely; Infrastructure readiness, behavioral influences, and the regulatory coverage.

REVIEW:

This paper concentrates on examining the current status of Jordan's E-banking industry. The study concentrates on the whole modern technologies available to the customers which make banking operations customer friendly.

MEANING OF RESEARCH

Research is scientific and systematic search for pertinent information on a specific topic. Research comprises defining and redefining problems, formulating hypothesis or suggested solutions, collecting, organizing and evaluating data, making deductions and reaching conclusions and at last carefully testing the conclusions to determine whether they fit the formulating hypothesis.

RESEARCH DESIGN

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Decisions regarding what, where, when, how etc will constitute a research design. Research design makes a research as efficient as possible yielding maximum information with minimum expenditure of effort, time and money.

DATA COLLECTION

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research question, test hypotheses and evaluate outcomes. The data collection component of research is common to all fields of study including physical and social sciences, humanities, business, etc. while methods vary by discipline, the emphasis on ensuring accurate and honest collection remains the same.

Primary Data - Well structured questionnaire has been used for the collection of primary data from the respondents of people about modern systems.

Secondary Data - The secondary data was collected from the company records, books and websites.

SAMPLING

Sampling is the selection of part of an aggregate or a totality known as population, on the basis of which a decision concerning the population is made. Sampling is taken randomly among the customers of the bank.

SAMPLING SIZE

We collected sampling size of 50 customers from the entire population of State Bank of India customers, Pallavaram.

PERIOD OF STUDY

The project was done for 30 days at State Bank of India, Pallavaram.

QUESTIONNAIRE DESIGN

In constructing questionnaire, care was taken to investigate the difficulties that the respondent may face while answering them. It was prepared keeping in view the objective of the study. During the construction care was taken to avoid questions which may lead to misinterpretation. Dichotomous question and multiple choices were used in constructing the questionnaire.

STATISTICAL TOOLS USED

Tools used for analysis are:

- ✓ Pie chart
- ✓ Bar chart
- ✓ Chi-square test

PIE CHART

A type of graph in which a circle is divided into sectors that each represent a proportion of the whole.

BAR DIAGRAM

A bar chart or bar graph is a chart with rectangular bars with lengths proportional to values that they represent. The bars can be plotted vertically or horizontally. A vertical bar chart is sometimes called a column bar chart.

PERCENTAGE METHOD

Data collected were compiled and tabulated according to their classification and their respondents' percentage has been calculated by the formula given

$$\text{PERCENTAGE ANALYSIS} = \frac{\text{No. of Respondents}}{\text{Total Respondents}} \times 100$$

CHI-SQUARE TEST

The Chi-square test procedure tabulates a variable into categories and computes a chi-square statistic. This goodness-of-fit test compares the observed and expected frequencies in each category to test that all categories contain the same proportion of values or test that each category contains a user-specified proportions of values. The chi-square test for independence examines whether knowing the values of one variable helps to estimate the value of another variable.

$$\text{Chi-square } (\chi^2) = \frac{\sum (O-E)^2}{E}$$

O = Observed Frequency
E = Expected Frequency

Calculation of Expected Frequency

Denoted by,

$$\text{Expected Frequency} = \sum N/n$$

N = No. of Frequency

TABLE 4.1

TABLE SHOWING OCCUPATION OF THE RESPONDENTS

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Business Men	12	24
2	Government Employees	16	32
3	Private Employees	11	22
4	Students	8	16
5	Others	3	6
Total		50	100

INTERPRETATION

From the above table it infers that the 24% of the respondents are business men, 32% of people are government employees, 22% are private employees, 16% of them are students and 6% are others.

CHART 4.1

CHART SHOWING OCCUPATION OF THE RESPONDENTS

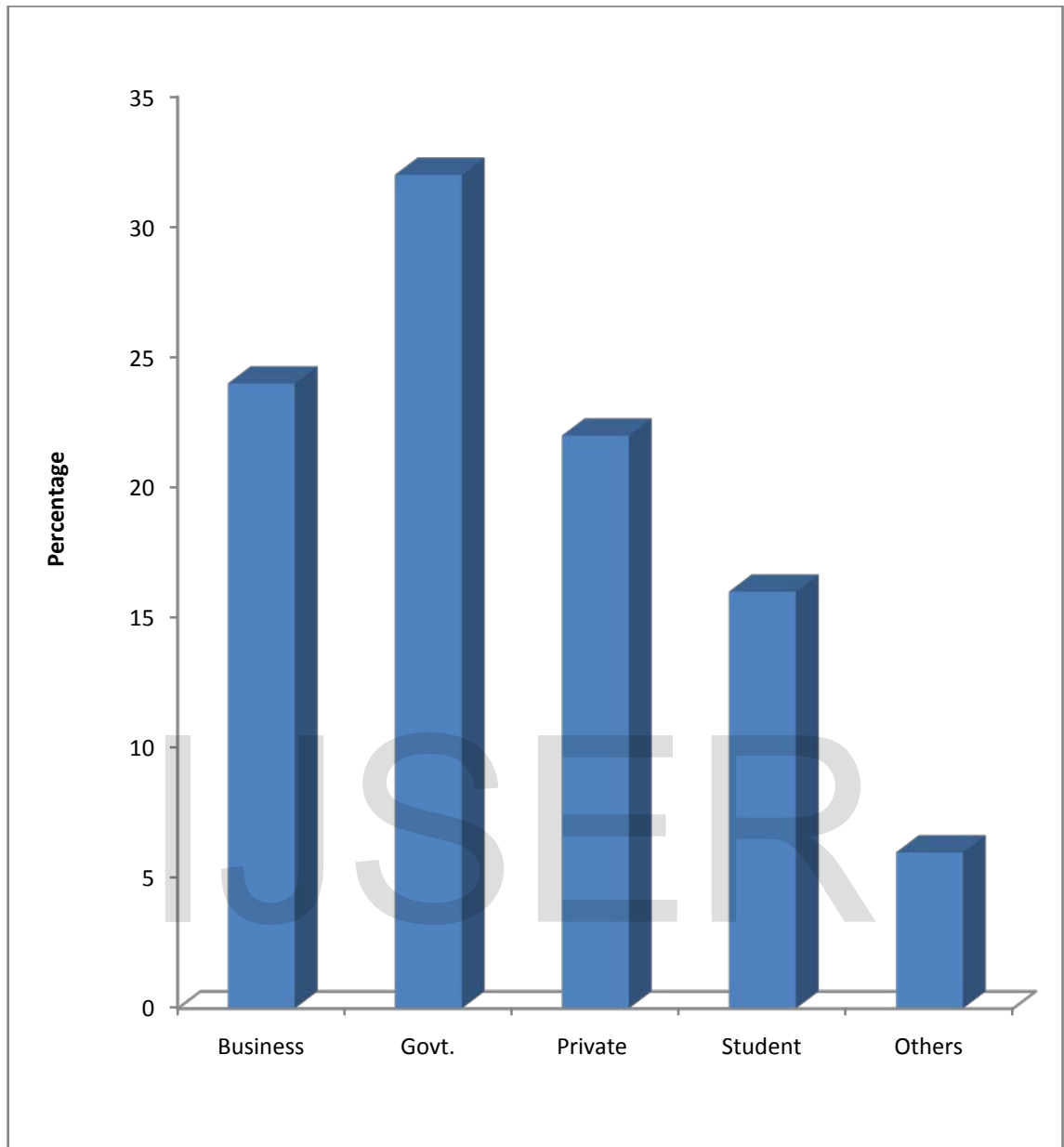


TABLE 4.2

TABLE SHOWING TYPE OF ACCOUNT IN SBI

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Savings Account	20	40
2	Current Account	30	60
	Total	50	100

INTERPRETATION

From the above table it is inferred that 40% of the SBI customers of SBI have savings account and 60% of the respondents have current account for their financial transactions.

CHART 4.2

CHART SHOWING TYPE OF ACCOUNT IN SBI

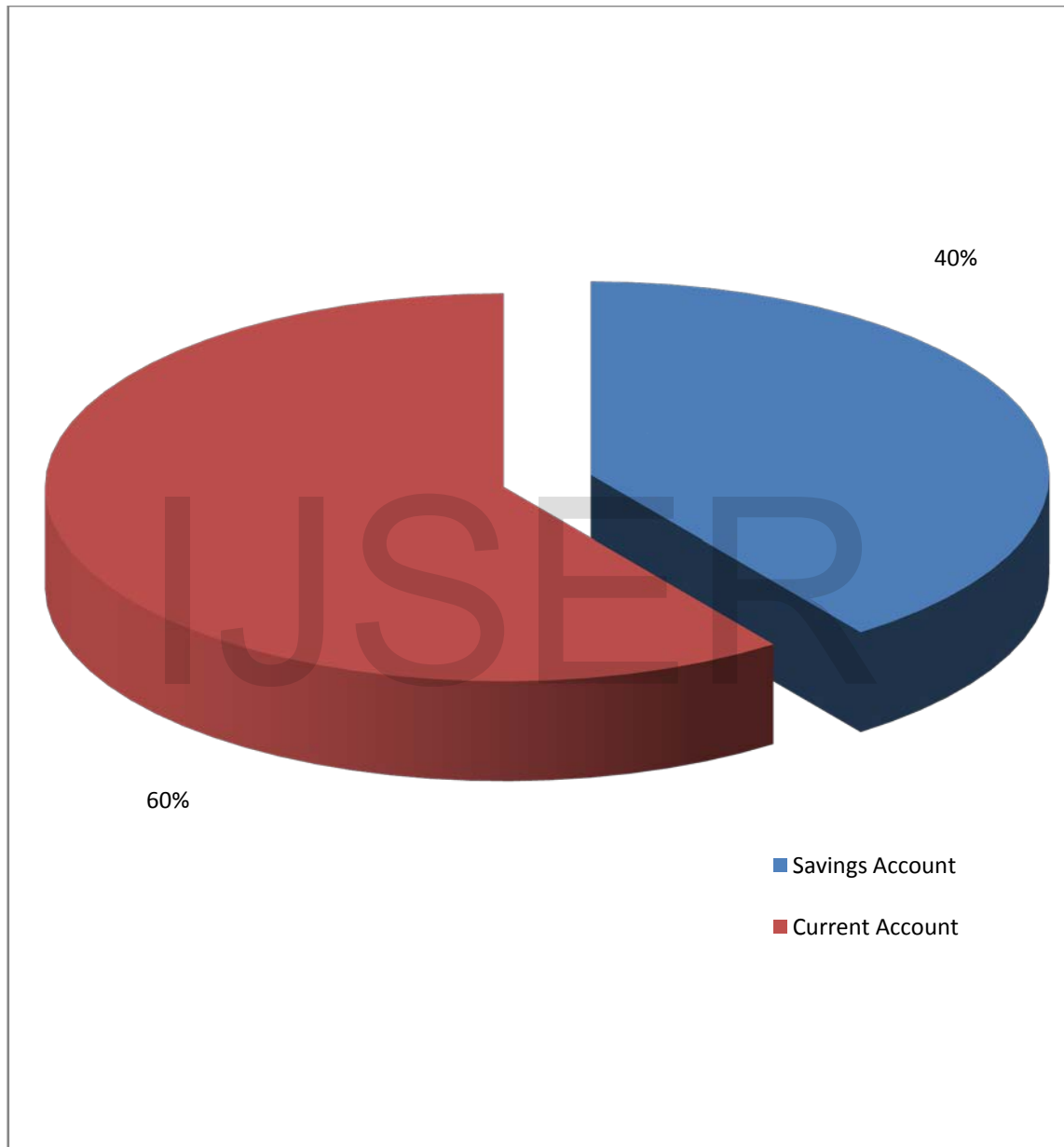


TABLE 4.3

TABLE SHOWING REASONS FOR BEING A CUSTOMER OF SBI

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Nationalized Bank	6	12
2	Oldest Bank	2	4
3	Customer Friendly	8	16
4	Trustable	7	14
5	All the above	27	54
	Total	50	100

INTERPRETATION

From the above table it is inferred that 16% of the respondents are SBI customers because the bank is customer friendly, 14% of the respondents are using for the reason of trustable and 12% as a nationalized bank, 4% are as the oldest bank and 54% of the respondents are using the bank for the reason of all the above.

CHART 4.3

CHART SHOWING REASONS FOR BEING A CUSTOMER OF SBI

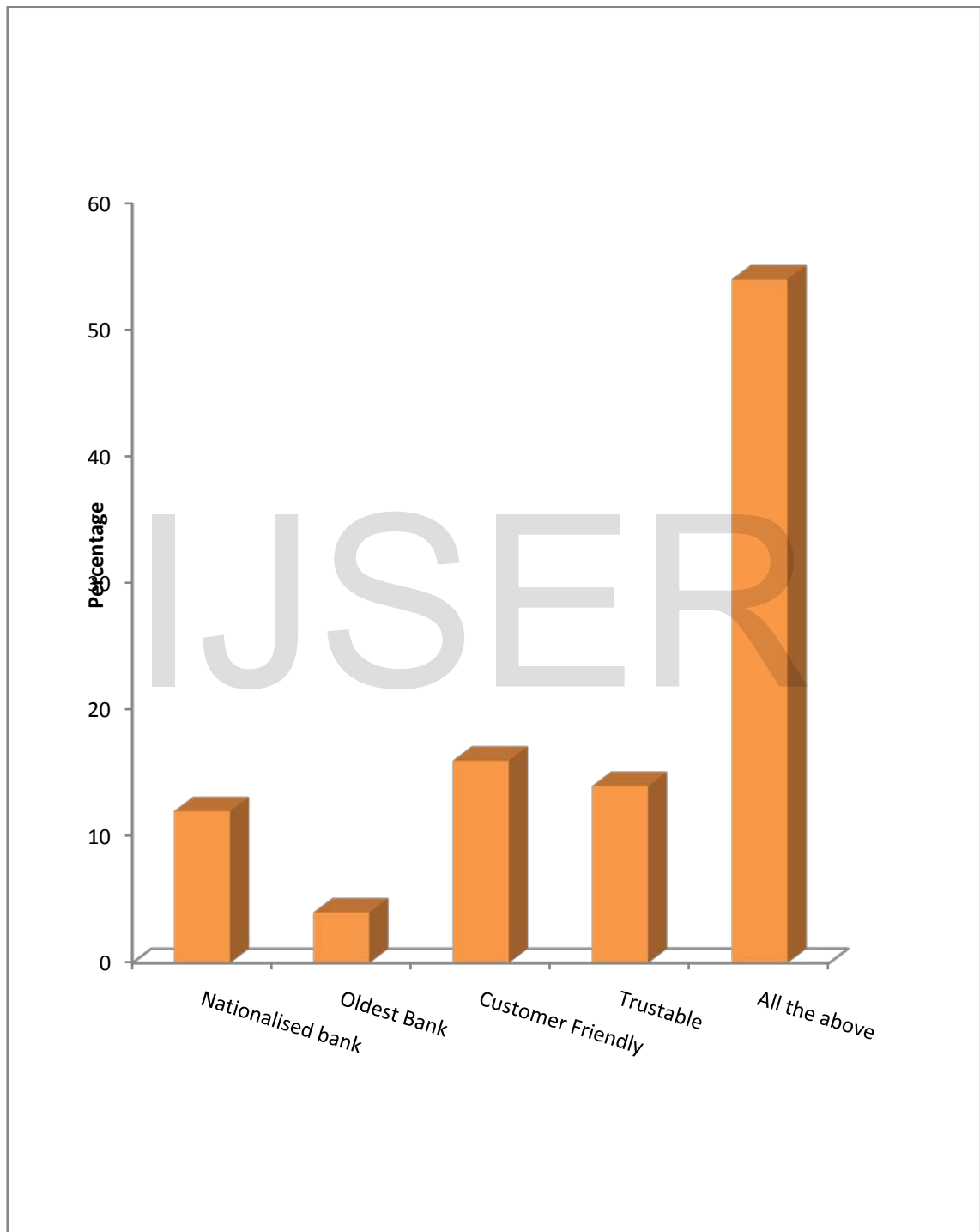


TABLE 4.4

TABLE SHOWING FREQUENCY IN USAGE OF MODERN SYSTEM

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	ATM	15	30
2	Mobile Banking	9	18
3	E-banking	14	28
4	Green channel counter(GCC)	5	10
5	Cheque Drop Box(CDB)	3	6
6	Electronic Drop Box(EDB)	4	8
Total		50	100

INTREPRETATION

From the above table, it is inferred that 30% of the respondents frequently use the modern banking system with the help of ATM. 28% of the respondents are using E-banking,18% of the respondents are using Mobile Banking,10% of the respondents are using GCC,8% of the respondents are using EDB and 6% of the respondents are using CDB.

CHART 4.4

CHART SHOWING FREQUENCY IN USAGE OF MODERN SYSTEM

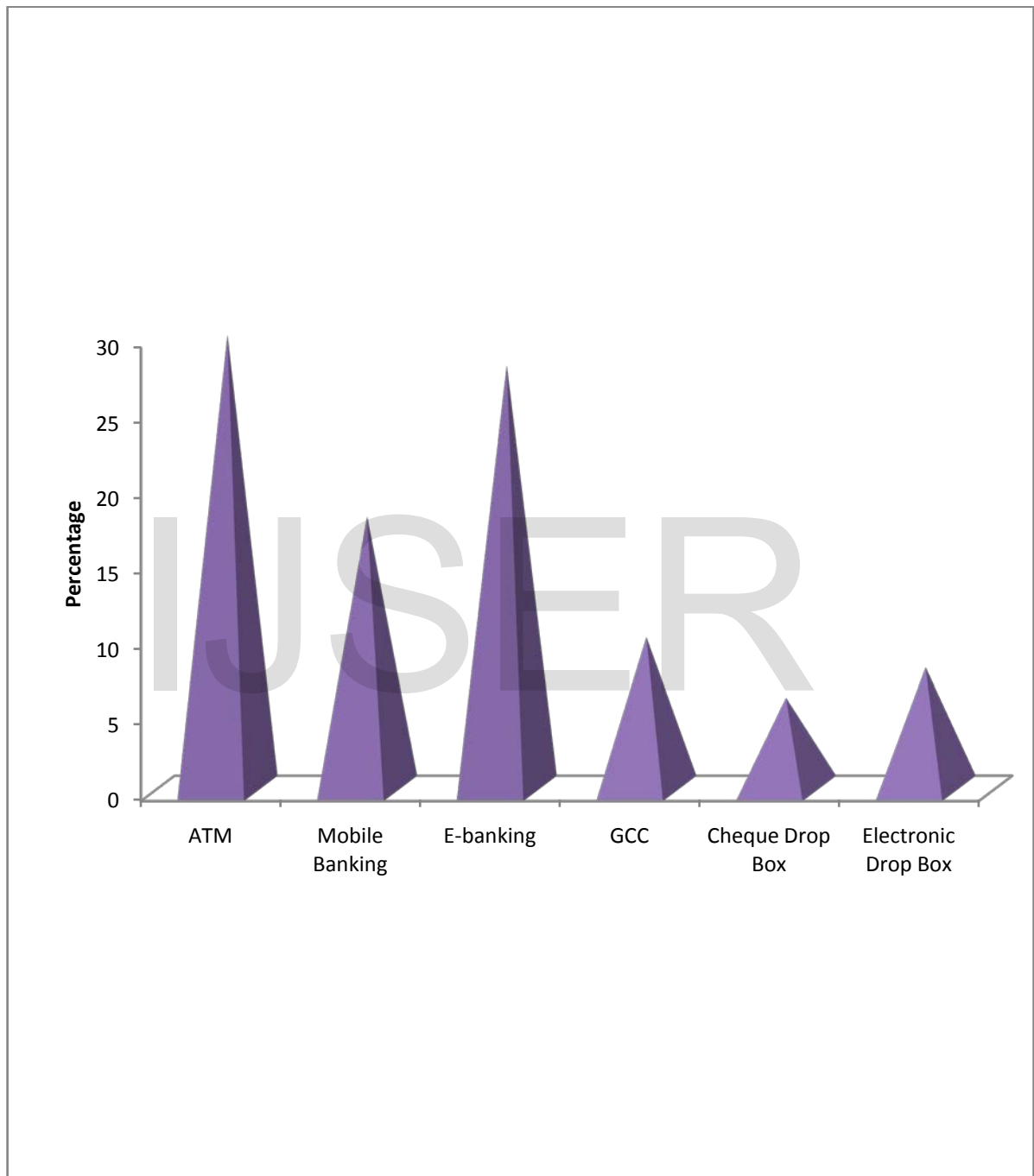


TABLE 4.5

TABLE SHOWING USEFULNESS OF ATM SYSTEM

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Very Good	14	28
2	Good	19	38
3	Neutral	11	22
4	Average	4	8
5	Poor	2	4
	Total	50	100

INTERPRETATION

It is observed that 38% and 28% of the population find the usefulness of ATM is Good and Very Good respectively and 22% feel neutral. Despite the working conditions of the technology are appreciable the 12% feel very bad.

CHART 4.5

CHART SHOWING USEFULNESS OF ATM SYSTEM

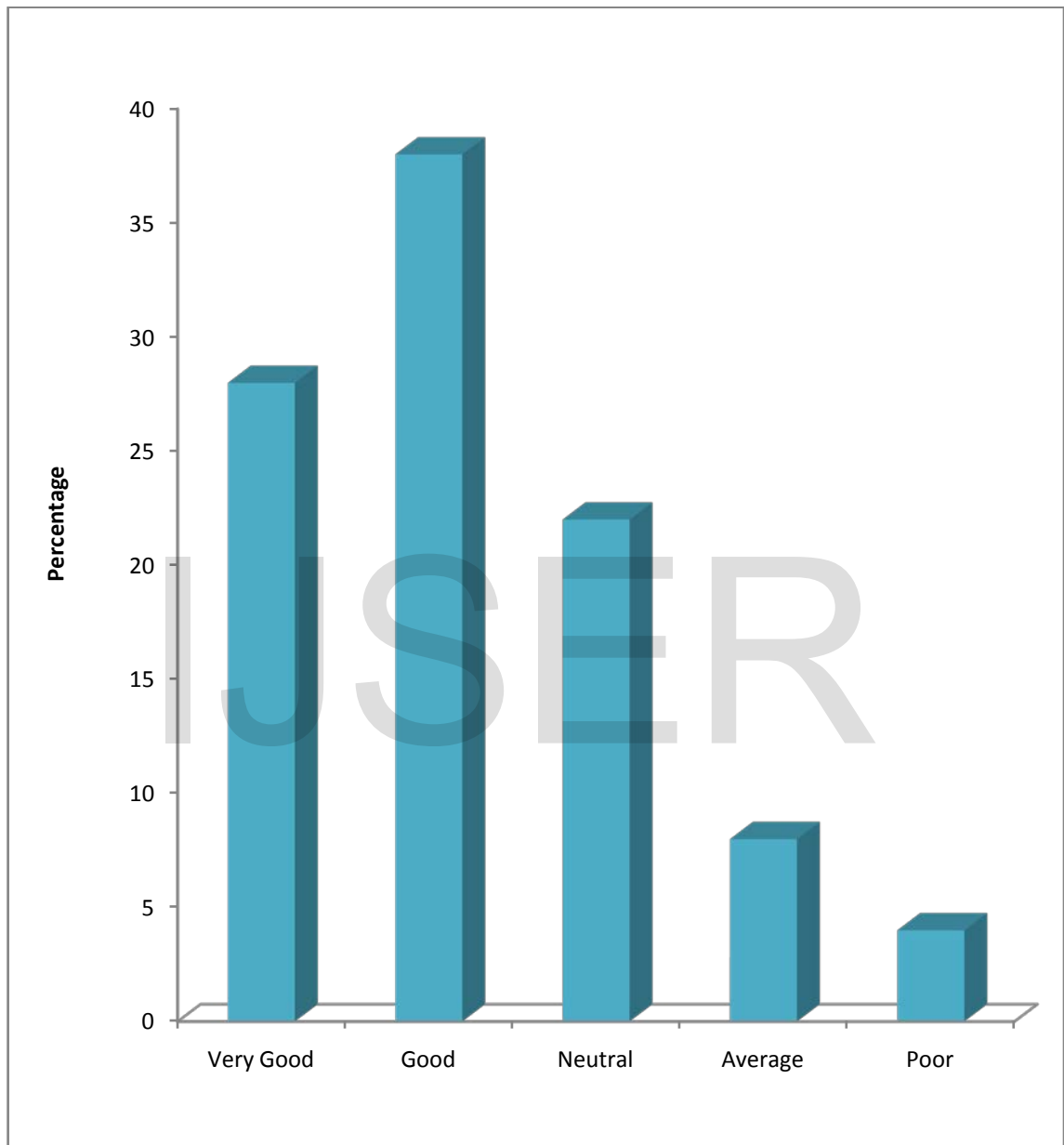


TABLE 4.6

TABLE SHOWING PREFERENCE OF PLASTIC MONEY

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Debit Card	15	30
2	Credit Card	15	30
3	Green Remit Card	5	10
4	All the above	15	30
5	None	0	0
	Total	50	100

INTERPRETATION

The entire population prefers to use the plastic money due to the security and also easy to handle money, i.e. 30% of the respondents prefer using Debit Card, 30% of the respondents prefer using Credit Card, 30% of the respondents prefer using all type of cards and 10% of the respondents prefer using Green Remit Card.

CHART 4.6

CHART SHOWING PREFERENCE OF PLASTIC MONEY

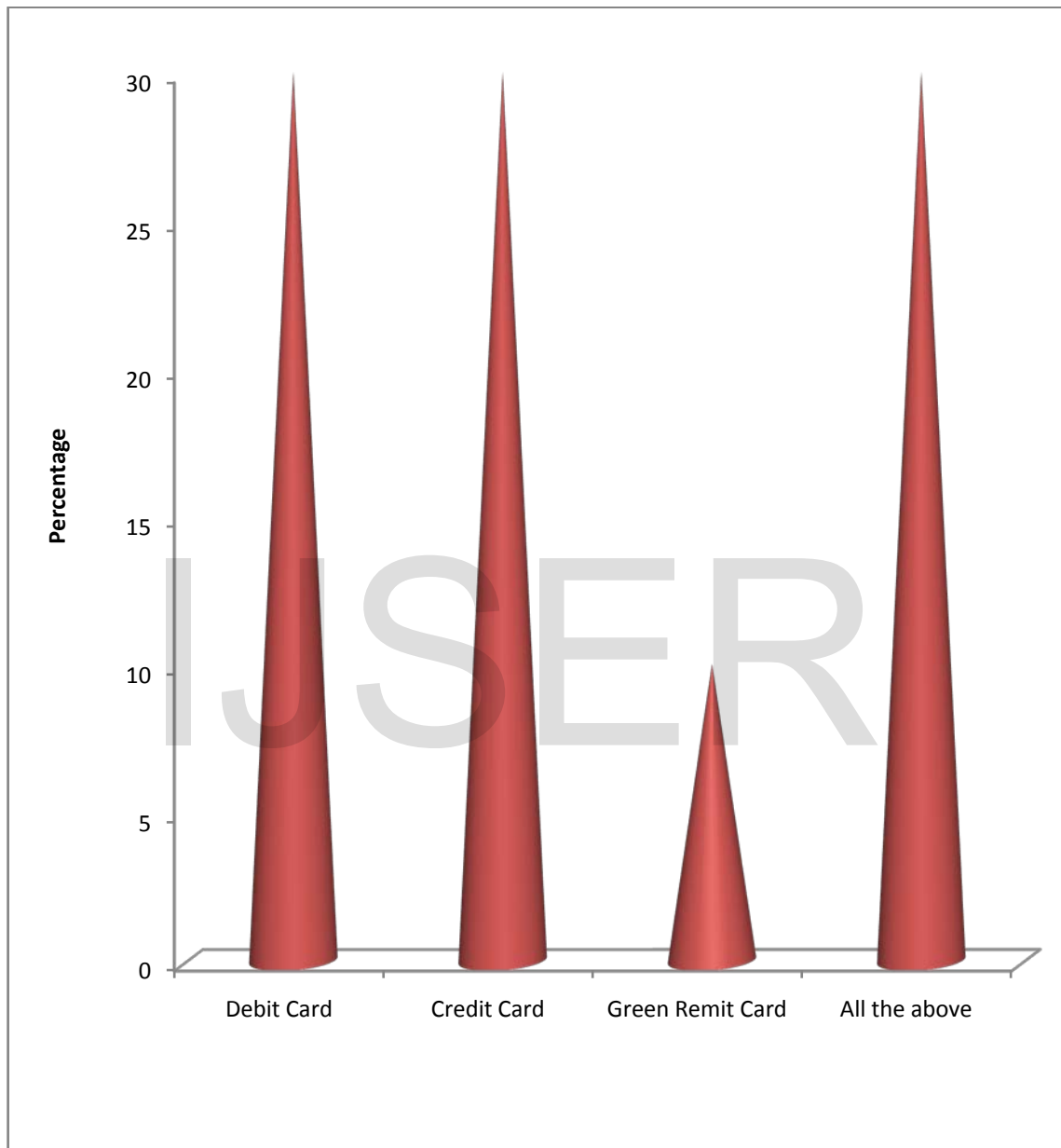


TABLE 4.7

TABLE SHOWING SATISFACTION IN USING CREDIT CARD SYSTEM

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Highly Satisfied	22	44
2	Satisfied	21	42
3	Neutral	7	14
4	Dissatisfied	0	0
5	Highly Dissatisfied	0	0
	Total	50	100

INTERPRETATION

From the above table, 44% of the population opines credit card system gives them higher satisfaction. 42% of the respondents are merely satisfied. Some of the respondents i.e., 14 % are in neutral.

CHART 4.7

CHART SHOWING SATISFACTION IN USING CREDIT CARD SYSTEM

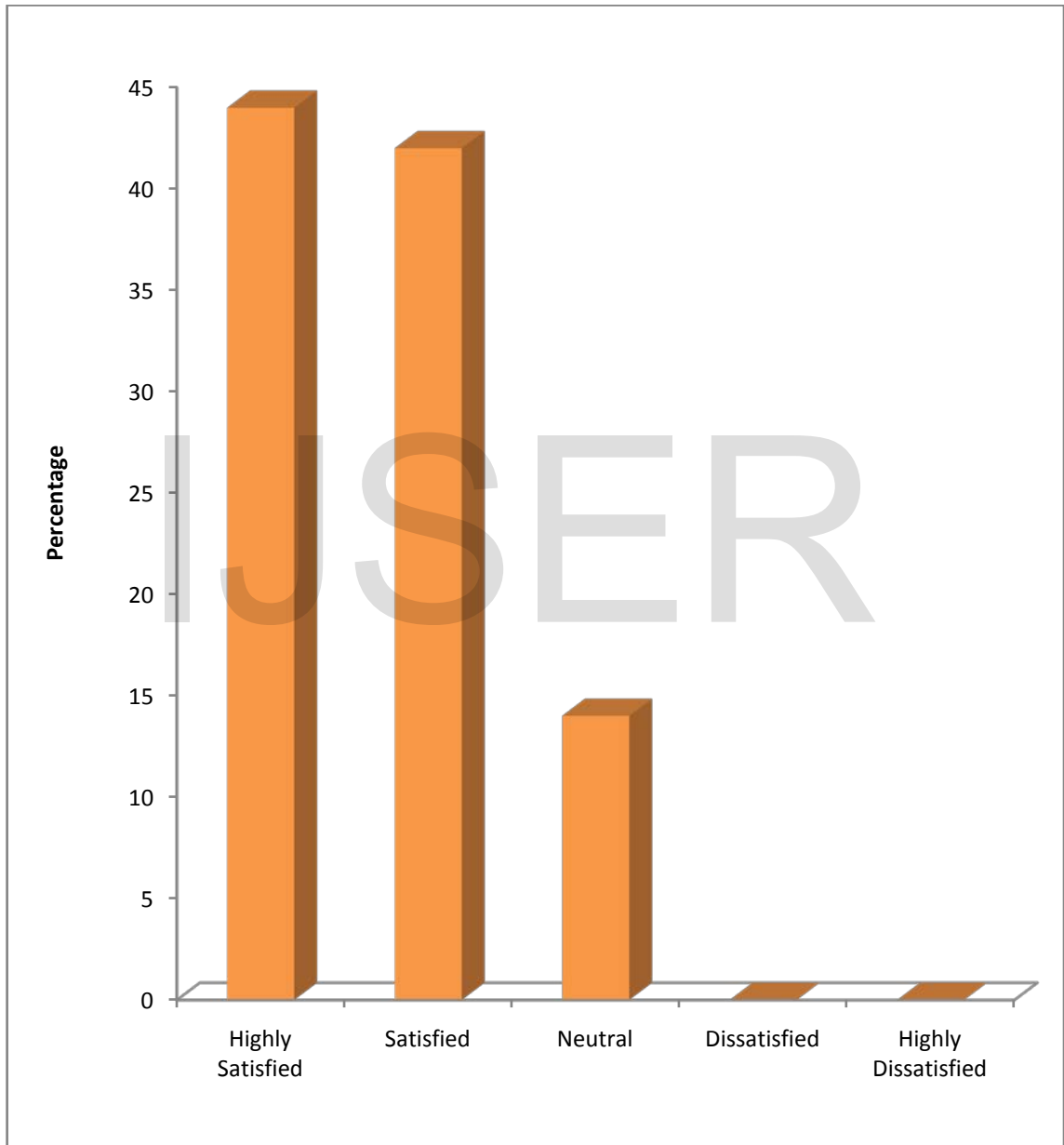


TABLE 4.8

**TABLE SHOWING SATISFACTION IN USING GREEN REMIT
CARD SYSTEM**

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Strongly Agree	15	30
2	Agree	25	50
3	Neutral	4	8
4	Disagree	3	6
5	Strongly Disagree	3	6
Total		50	100

INTERPRETATION

50% of the respondents agree with Green Remit Card system,30% of the respondents strongly agree with the Green Remit Card system,8% of the respondents are neutral and 12% of the respondents disagree in using Green Remit Card system.

CHART 4.8

CHART SHOWING SATISFACTION IN USING GREEN REMIT CARD SYSTEM

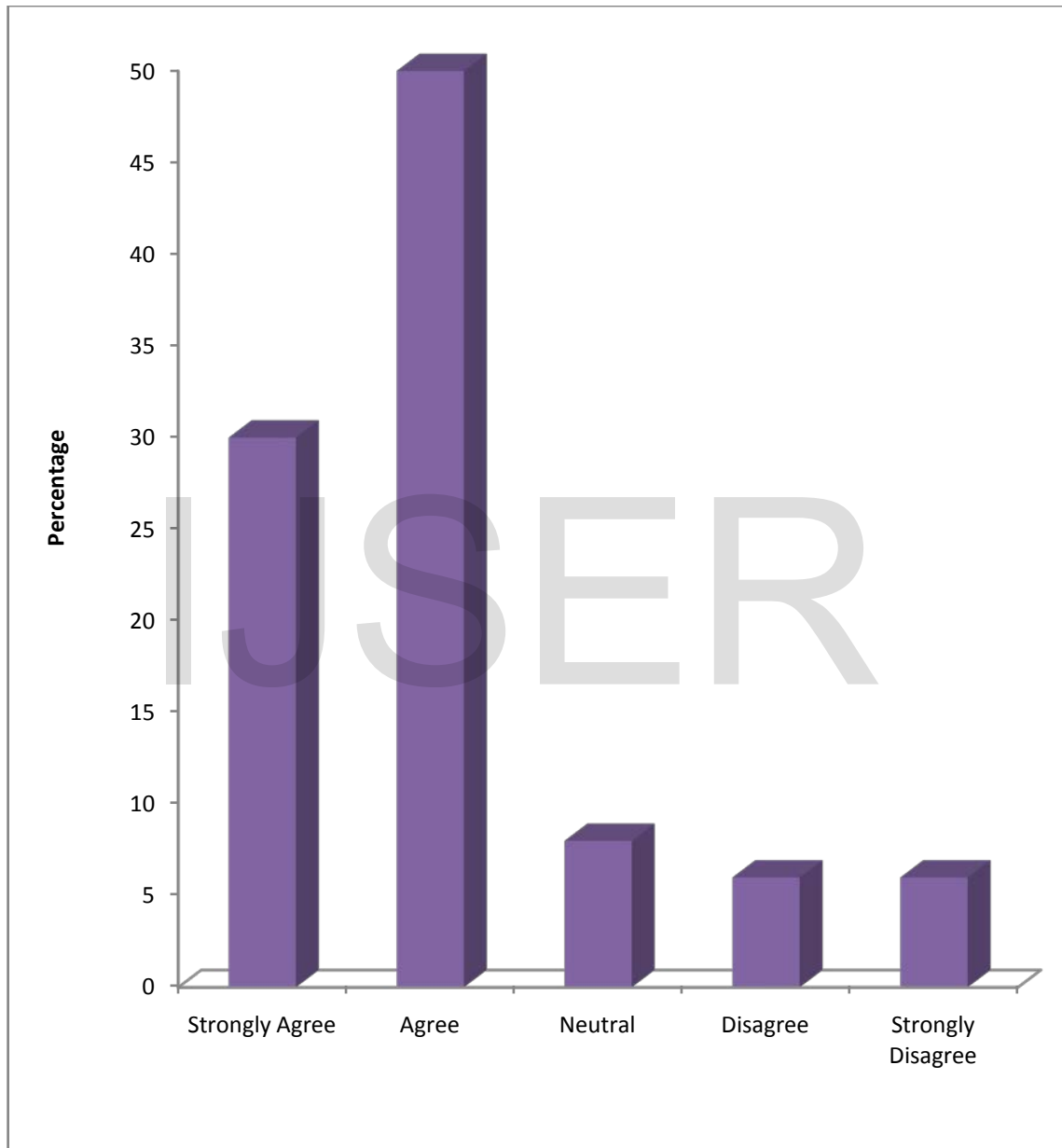


TABLE 4.9

TABLE SHOWING NECESSITY OF GREEN CHANNEL COUNTER

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Extremely Important	19	38
2	Very Important	16	32
3	Moderately Important	9	18
4	Slightly Important	6	12
5	Not at all important	0	0
	Total	50	100

INTERPRETATION

About 38% of the respondents opine that the GCC is appreciable and the necessity is extremely important. 32%, 18% and 12% of the respondents are feeling very important, moderately and slightly important respectively.

CHART 4.9

**CHART SHOWING NECESSITY OF GREEN CHANNEL
COUNTER**

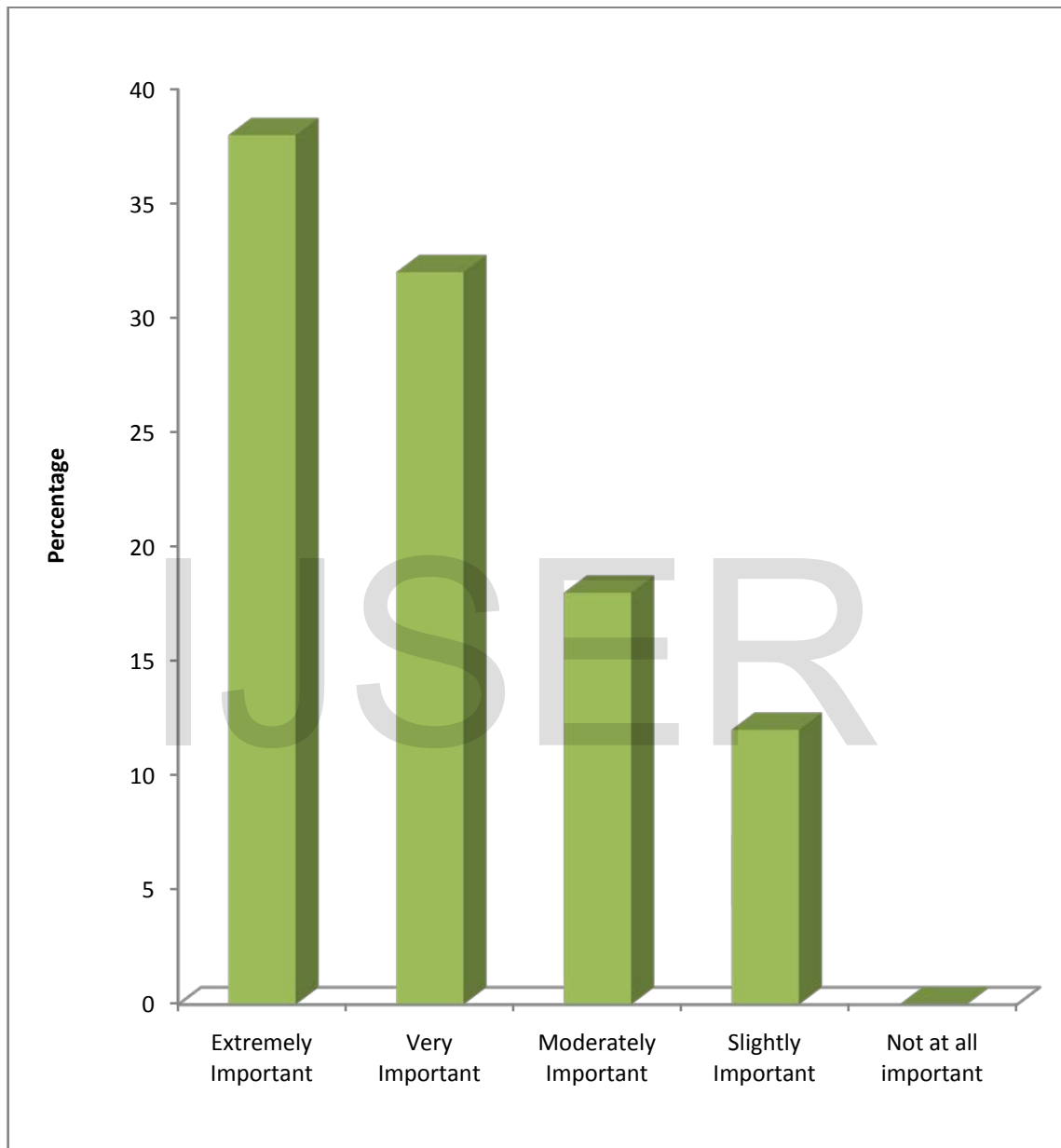


TABLE 4.10

TABLE SHOWING MAJOR ADVANTAGES OF GREEN REMIT CARD

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Extremely Important	32	64
2	Very Important	7	14
3	Moderately Important	5	10
4	Slightly Important	4	8
5	Not at all important	2	4
Total		50	100

INTERPREATION

64% of the respondents, those who are using the transactions directly with the banks are feeling that the Green Remit Card is extremely important. 14% of the respondents feel that Green Remit Card is very important. 10%, 8% and 4% of the respondents are feeling moderately important, slightly important and not at all important respectively.

CHART 4.10

CHART SHOWING MAJOR ADVANTAGES OF GREEN REMIT CARD

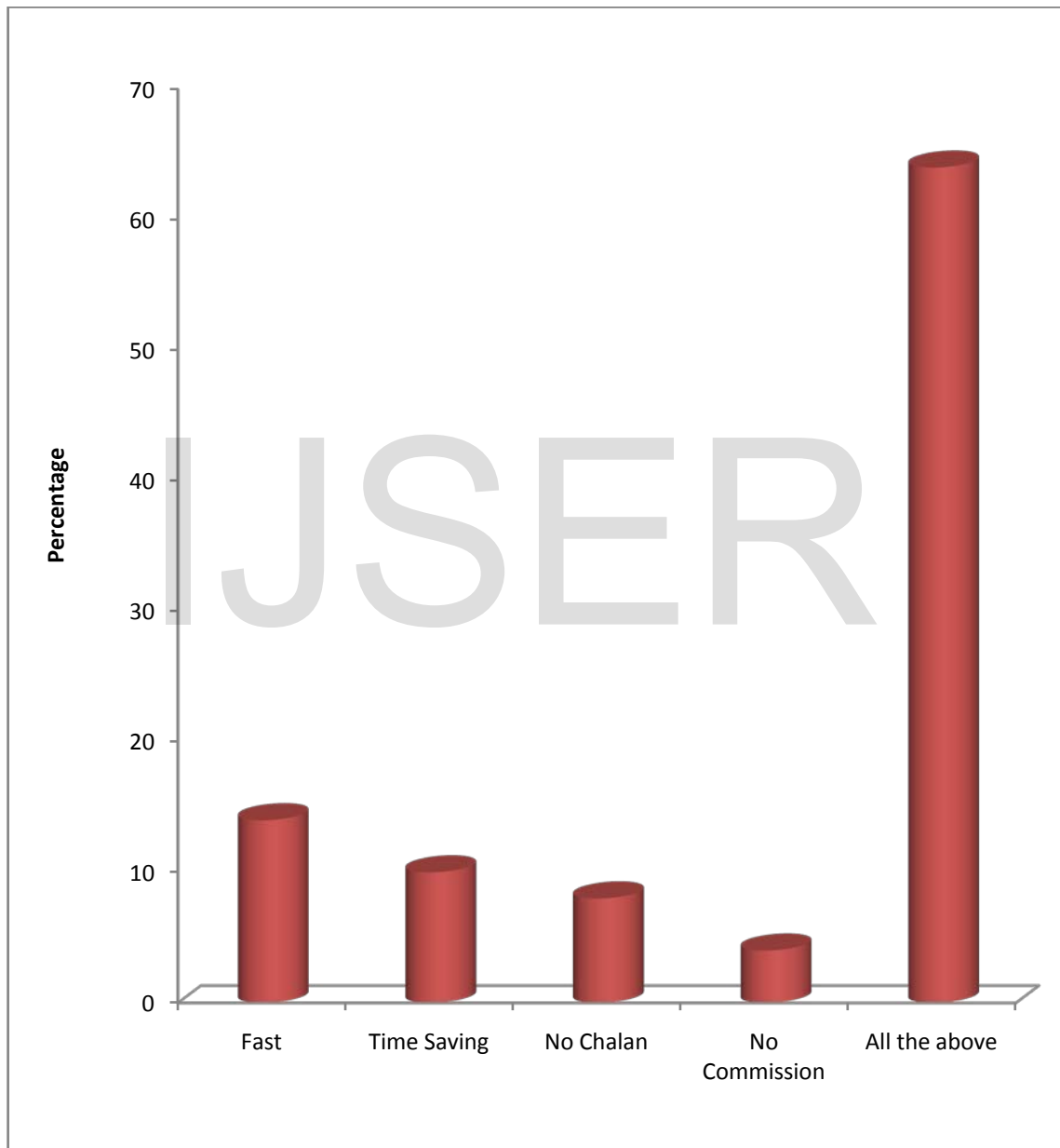


TABLE 4.11

**TABLE SHOWING USEFULNESS OF CHEQUE DROP BOX
SYSTEM**

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Very Useful	24	48
2	Useful	26	52
3	Not at all useful	0	0
	Total	50	100

INTERPRETATION

48% of the population admits are accepting the usefulness of CDB system. 52% of the respondents are also accepting the same. This indicates that time is the major concern to them.

CHART 4.11

CHART SHOWING USEFULNESS OF CHEQUE DROP BOX SYSTEM

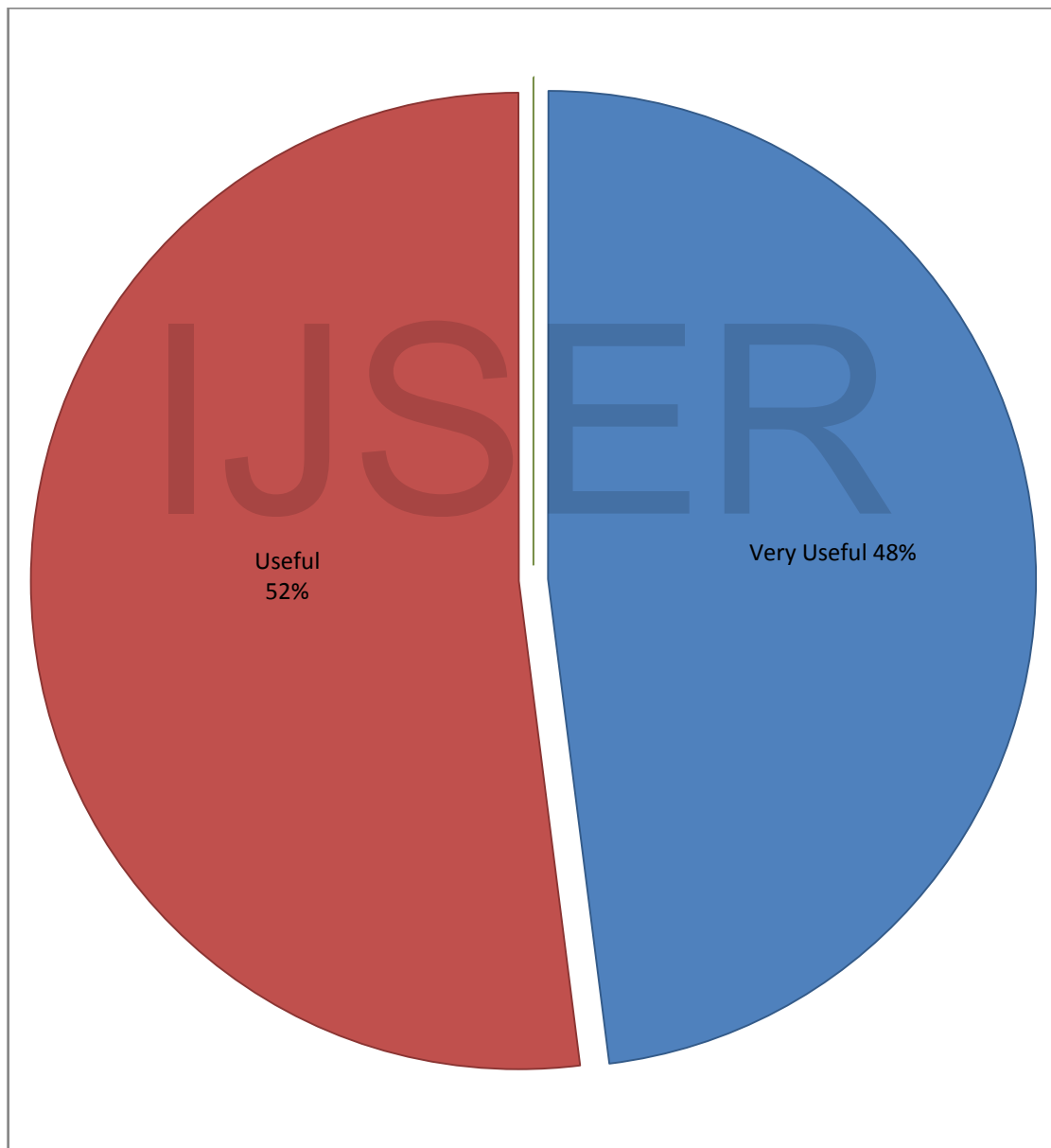


TABLE 4.12

TABLE SHOWING CONVENIENCE OF ELECTRONIC DROP BOX

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Strongly Agree	5	10
2	Agree	22	44
3	Neutral	15	30
4	Disagree	5	10
5	Strongly Disagree	3	6
Total		50	100

INTERPRETATION

From the above table 10% and 44% of the respondents are strongly agree and agree with the convenience of the Electronic Drop Box respectively. 30% of the respondents are in neutral, 16% of the respondents disagree with the convenience of Electronic Drop Box.

CHART 4.12

CHART SHOWING CONVENIENCE OF ELECTRONIC DROP BOX

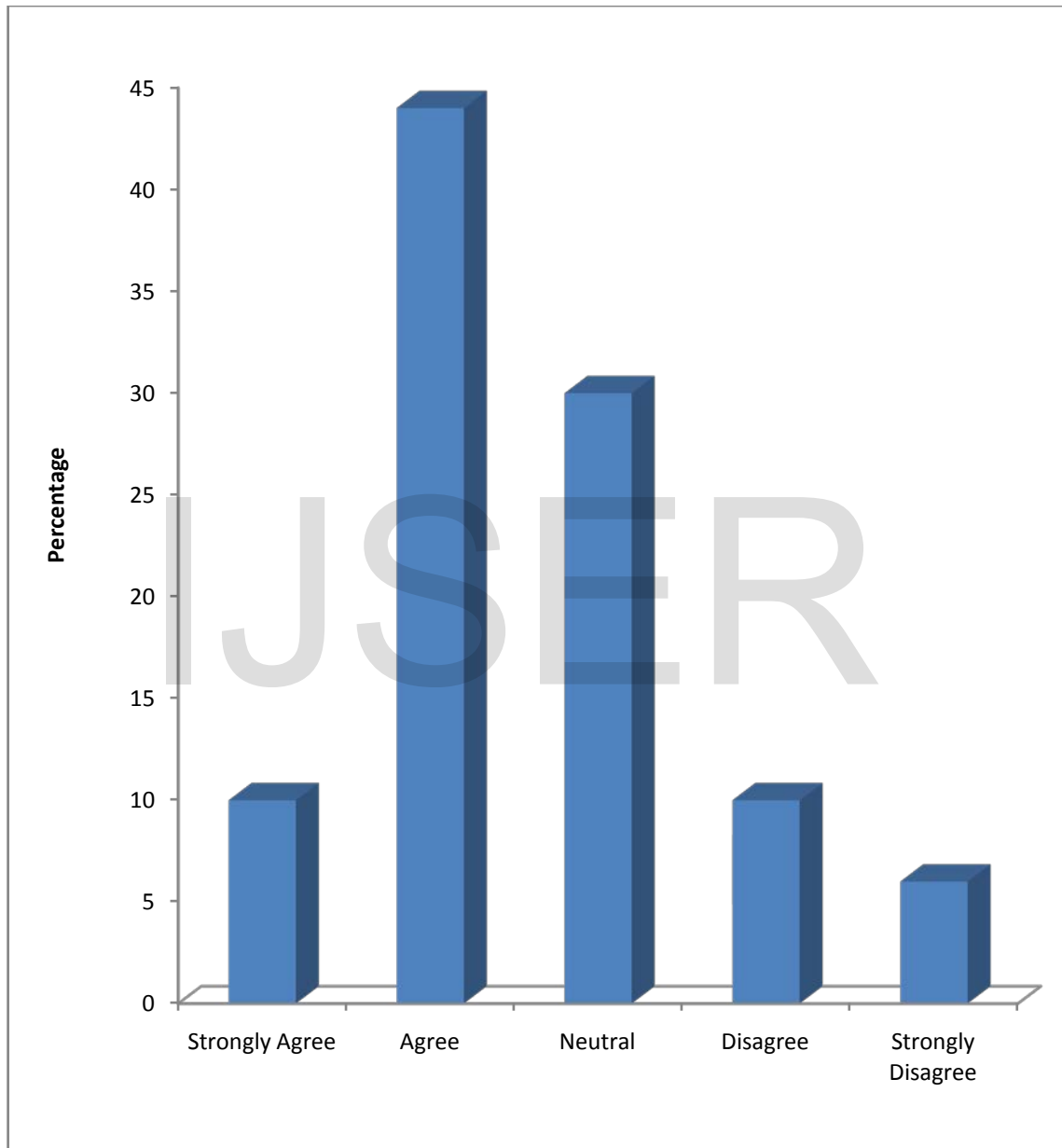


TABLE 4.13

TABLE SHOWING FREQUENCY OF USING MOBILE BANKING

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Very Frequently	10	20
2	Frequently	20	40
3	Occasionally	7	14
4	Rarely	13	26
5	Never	0	0
Total		50	100

INTERPRETATION

From the above table 20% and 40% of the respondents are very frequently and frequently using Mobile Banking respectively. 14% of the respondents are using Mobile Banking occasionally and 26% are using Mobile Banking rarely.

CHART 4.13

CHART SHOWING FREQUENCY OF USING MOBILE BANKING

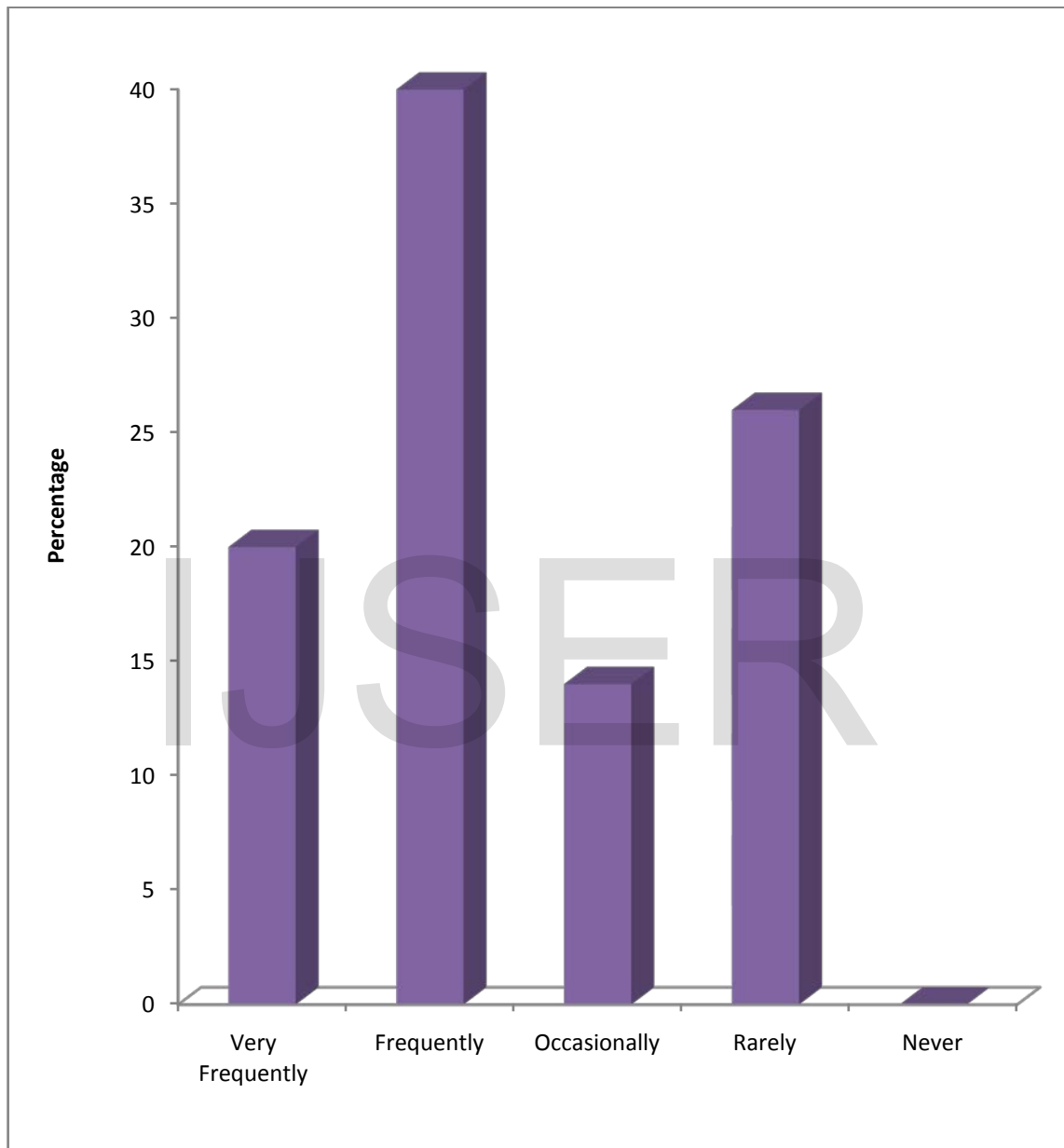


TABLE 4.14

TABLE SHOWING E-BANKING OPERATION SYSTEM

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Strongly Agree	25	50
2	Agree	16	32
3	Neutral	9	18
4	Disagree	0	0
5	Strongly Disagree	0	0
Total		50	100

INTERPRETATION

50% of the respondents strongly agree with the E-banking system. 32% and 18% of the respondents agree and neutral with the E-banking system respectively.

CHART 4.14

CHART SHOWING E-BANKING OPERATION SYSTEM

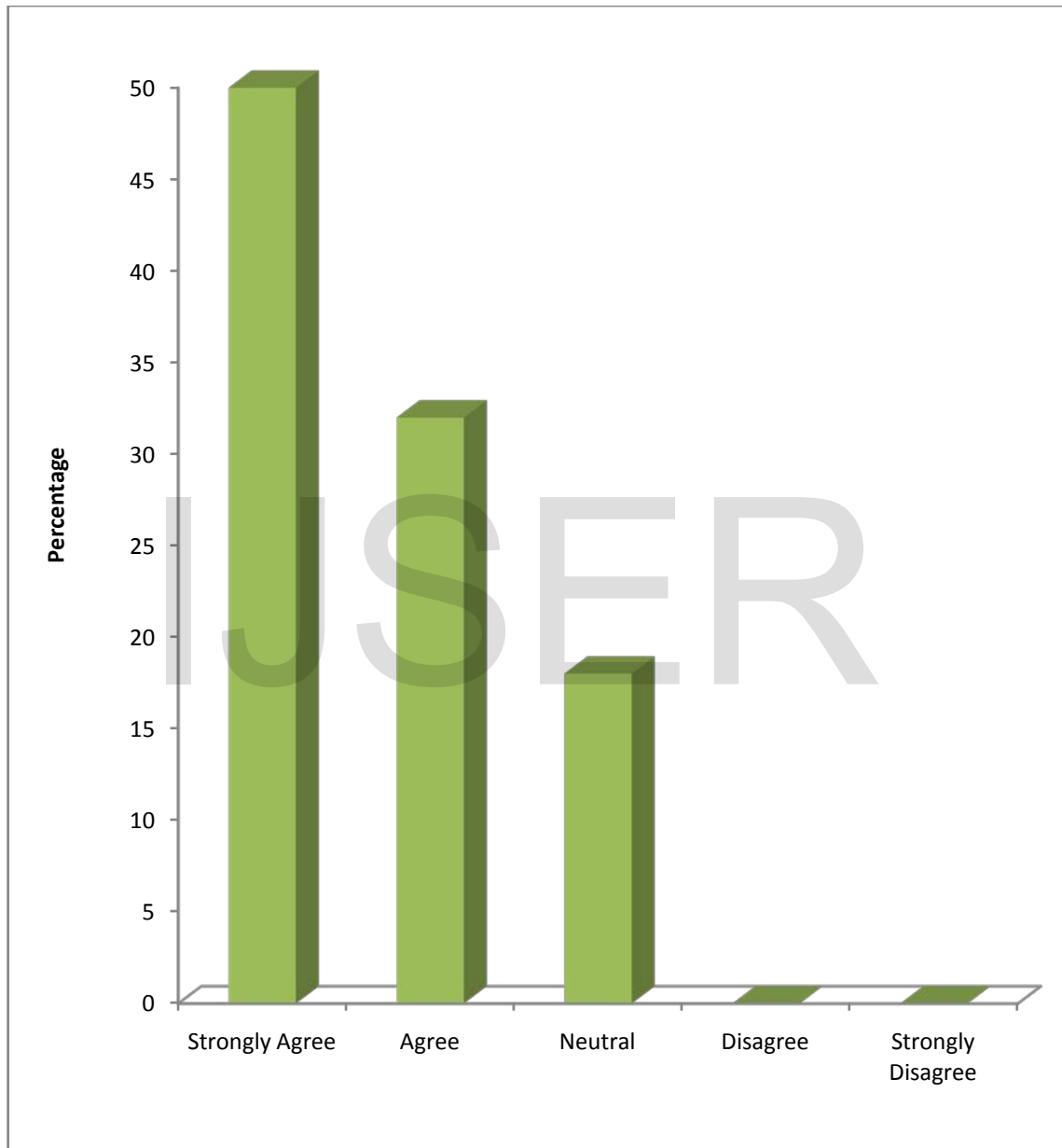


TABLE 4.15

TABLE SHOWING SECURITY OPTIONS FOR MODERN TECHNOLOGIES

Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Very Good	7	14
2	Good	18	36
3	Neutral	12	24
4	Average	7	14
5	Poor	6	12
Total		50	100

INTREPRETATION

From the above table 14% and 36% of the respondents feel that security options for modern technologies are very good and good respectively.24% of the respondents are in neutral, 14% and 12% feel that security options for modern technologies are average and poor respectively.

CHART 4.15

CHART SHOWING SECURITY OPTIONS FOR MODERN TECHNOLOGIES

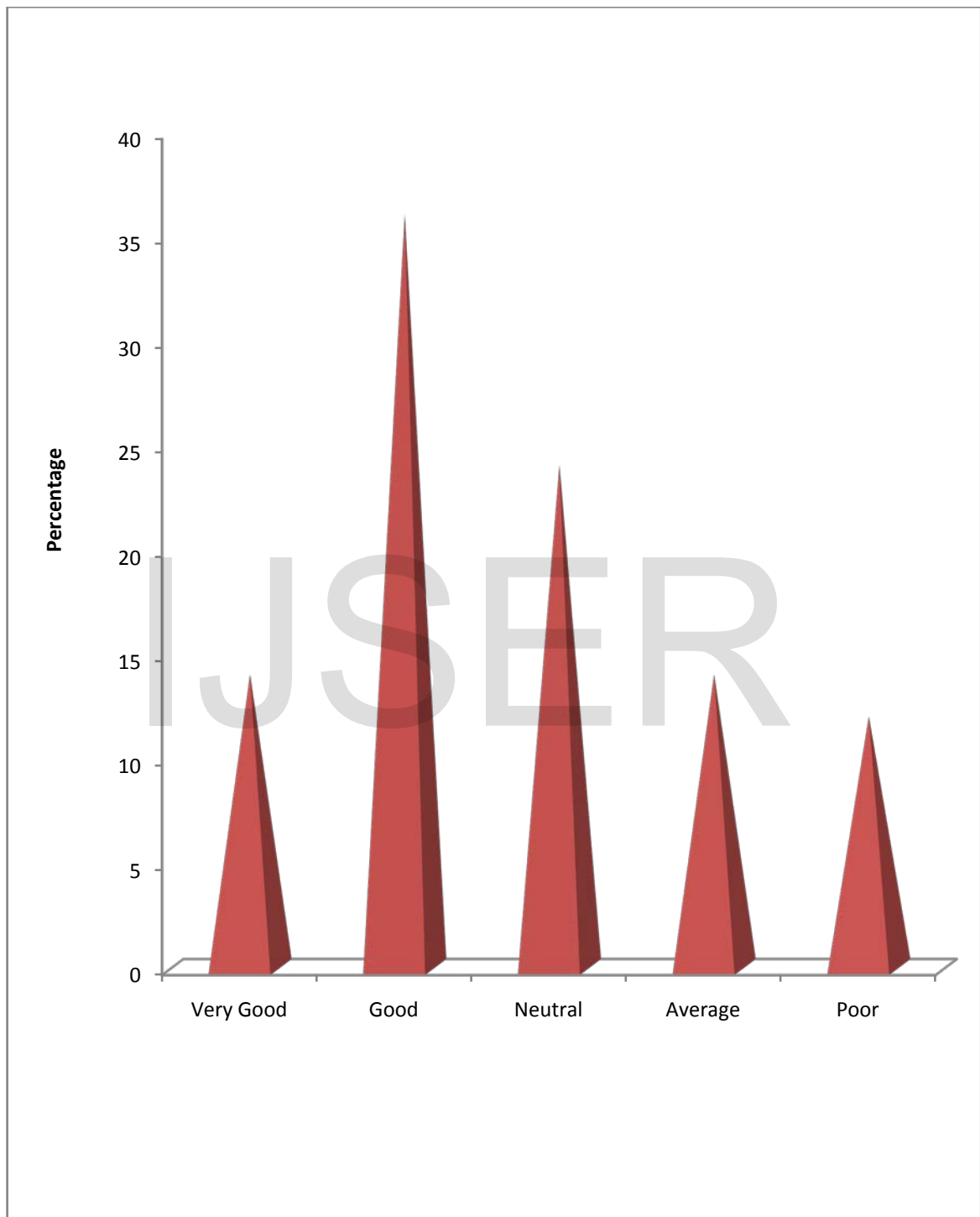


TABLE 4.16

TABLE SHOWING SATISFACTION OF MODERN SYSTEMS

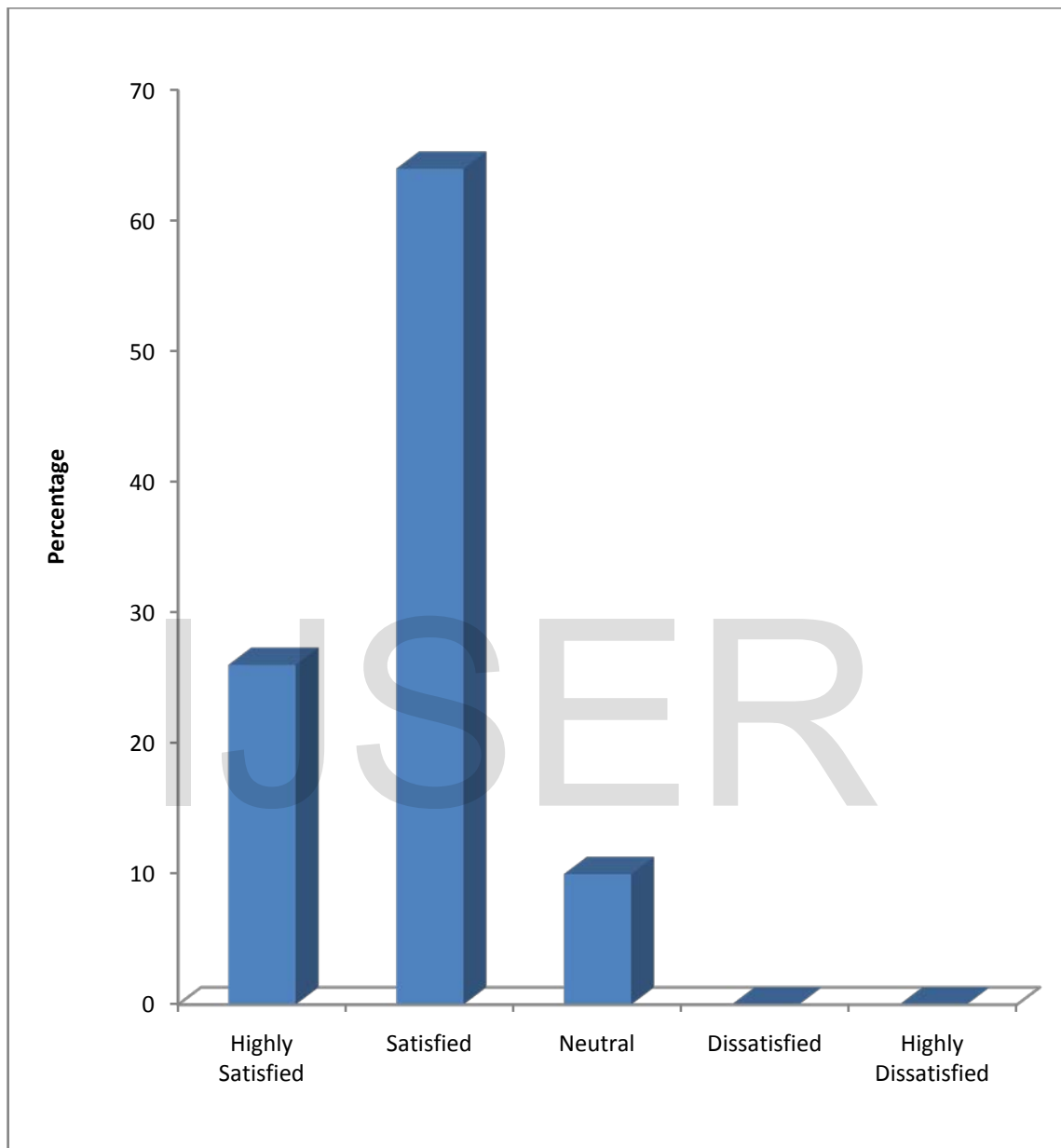
Sl.No.	Particulars	No. of Respondents	Percentage of Respondents
1	Highly Satisfied	13	26
2	Satisfied	32	64
3	Neutral	5	10
4	Dissatisfied	0	0
5	Highly Dissatisfied	0	0
	Total	50	100

INTERPRETATION

26% of the respondents are highly satisfied,64% of the respondents are satisfied and 10% of the respondents are in neutral with the modern systems.

CHART 4.16

CHART SHOWING SATISFACTION OF MODERN SYSTEMS



CHI-SQUARE METHOD

To check whether there is significant difference between agreements of GRC system by customers.

H_0 = there is no significant difference between agreement of GRC system by customers.

H_1 =there is significant difference between agreement of GRC system by customers.

Types of Account	Agree	Neutral	Disagree	Total
Savings Account	17	1	2	20
Current Account	23	3	4	30
Total	40	4	6	50

Observed Value (O)	Expected Value (E)	(O-E)	(O-E) ²	(O-E) ² /E
17	16	1	1	0.0625
1	1.6	-0.6	0.36	0.225
2	2.4	-0.4	0.16	0.6667
23	24	-1	1	0.0417
3	2.4	0.6	0.36	0.15
4	3.6	0.4	0.16	0.0444
			Total=	1.1903

No. of degrees of freedom= $n-1=3-1=2$

Table value for 2 degrees of freedom at 5% is 5.991.

Calculated value is 3.8985.

INTERPRETATION

At the 5% level of significance, the table value for degree of freedom 2 is 5.991. Since the calculated value is less than table value, H_0 is accepted. Therefore, there is no significant difference between agreements of GRC system by customers.

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ONE –WAY ANNOVA METHOD

To check whether there is significant difference between savings account holders and current account holders using modern systems.

H_0 = there is no significant difference between savings account holders and current account holders using modern system.

H_1 =there is significant difference between savings account holders and current account holders using modern system.

Types of modern systems	Savings A/c	Current A/c
ATM	6	9
Mobile Banking	5	4
E-Banking	5	9
GCC	2	3
CDB	1	2
EDB	1	3
Total	20	30

Source Of Variations	Sum Of Squares	Degree Of Freedom	Mean Sum Of Squares
Between Accounts	8.4	1	8.4
Within Accounts	75.34	10	7.534
Total	83.74	11	

F-Ratio= $8.4/7.534=1.115$

INTERPRETATION

At 5% level of significance, the table value for $Z_1=1$ and $Z_2=10$ is 4.96. Since the calculated value is less than the table value, H_0 is accepted. Therefore there is no significant difference between savings account holders and current account holders using modern system.

IJSER

FINDINGS

The below findings are obtained by our report prepared on our study.

- ✓ 32% of the customers are government employees.
- ✓ 60% of the customers are pursuing current account for their financial transactions.
- ✓ 66% of the customers are satisfied with the usage of ATM systems.
- ✓ 44% of the customers are highly satisfied with the credit card system.
- ✓ 50% of the customers feel that Green Remit Card is useful for money transactions.
- ✓ 38% of the respondents opine that GCC is appreciable and it is important.
- ✓ 44% of the customers feel that Electronic Drop Box is more convenient than Cheque Drop Box.
- ✓ 40% of the customers are frequently using mobile banking.
- ✓ 50% of the customers are strongly agreed with the E-banking system.
- ✓ 36% of the customers are satisfied with the security options of modern systems.
- ✓ 64% of the customers are satisfied with the modern systems.

SUGGESTIONS

The study has provided with the useful data from the customers, there has a lot to be recommended. Following are the recommendations.

- ✓ There is a need for better promotion for Modern Systems. The bank should advertise its product through television and other ways so that it can reach to the mass number of customers.

- ✓ It is suggested from the customers that, the upcoming modern systems like E-Corner should be installed at Pallavaram branch for easy banking operations.

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CONCLUSION

The overall study shows that the customers are willing to use the modern systems like the online banking, ATM etc.,SBI have been successful in implementing the modern technologies into banking operations. They have been successful in achieving a satisfying relationship with customers. Most of the respondents felt that the modern systems of the SBI are time saving and have led way for paper-less banking.

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ANNEXURE

QUESTIONNAIRE

TOPIC: A STUDY ON MODERN SYSTEMS OF BANKING

1. You are a

- Business Man
- Government Employee
- Private Employee
- Student
- Others

2. Which type of account do you have in SBI?

- Savings Account
- Current Account

3. You would like to be a customer of SBI bank because

- It's a nationalized bank
- Oldest Bank
- Customer Friendly
- It's trustable
- All the above

4. Which one of the following do you use frequently?

- ATM
- Mobile Banking
- E-banking
- GCC
- Cheque Drop Box
- Electronic Drop Box

5. How far is ATM system useful to you?

- Very Good
- Good
- Neutral
- Average
- Poor

6. Which one do you prefer?

- Debit Card
-
-
-
-
-

Credit Card

Green Remit Card

All the above

None

7. How far Credit card system helps to meet your desires?

Highly Satisfied

Satisfied

Normal

Dissatisfied

Highly Dissatisfied

8. Green Remit Card is useful for transfer of money from any part of the country.

Strongly Agree

Agree

Neutral

Disagree

Strongly Disagree

9. Do you think Green Channel Counter is a necessary invention for this fast world?

Strongly Important

Important

Neutral

Moderately Important

Not at all important

10. What are the major advantages of being a green remit card holder?

Fast

Time Saving

No Chalan

No Commission

All the above

11. Is Cheque Drop Box useful?

Very Useful

Useful

Not at all useful

12. Electronic Drop Box is more convenient than Cheque Drop Box.

Strongly Agree

- Agree
- Neutral
- Disagree
- Strongly Disagree

13. How frequently do you use mobile banking in your day-to-day activities?

- Very frequently
- Frequently
- Occasionally
- Rarely
- Never

14. E-banking helps to operate your banking transactions at your home.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

15. Are you satisfied with the security options provided by the bank while using modern technologies?

- Very Good
- Good
- Neutral
- Average
- Poor

16. How far are you satisfied with the modern systems at SBI?

- Highly Satisfied
- Satisfied
- Normal
- Dissatisfied
- Highly Dissatisfied