

BANKING PROGRESS IN SATARA DISTRICT

Prof. Minakshi Dattatraya Bhosale
Head, Faculty of MCA, Yashoda Technical Campus, Satara
Affiliation-Shivaji University Kolhapur, Email- minakshi1168@gmail.com, Mobile No: - 9823116810

Abstract:-Today's world is a world of globalization, industrialization and Information Technology (IT). Because of the computer development world became a small village. Man's life became very busy and so he tries to make his work easy with the help of technology. Out of this need there is a preliminary stage of technology also. As all of us, we know banking is an inseparable part of man's existence. Banks in Satara district also accepting technology innovations in their workout. The above research paper enlightens the growth of Private and Public banks in Satara district. It is also focused on the evaluation of Internet banking in Satara district

Keyword: - BaNCS 24, Finacal, Internet banking, Private bank, Public bank, Security, Banks in Satara.

1.1 Introduction

Continuous technology advances and innovations are having significant impact on the way banks interact with their customers, suppliers and counterparts. How they carry out their operations. Banks meet the challenge of adapting, inventing and reacting to the prospects posed by computer systems, telecommunications, networks and other technology-related solutions to drive their organization in gradually more competitive domestically and universal market. The Internet in particular, offers major opportunities for banks to reach new markets and expand the range of products and services they provide to consumers. Banks in Satara district are not lagging behind. Growth of banks had tremendous progress in Satara district.

1.2 Growth of bank in Satara district:-

Satara district is located at geographical location north latitudes are 17.5 to 18.11 and longitude is 73.33 to 74.54. Satara district is divided into 11 Talukas with 1739 villages having 28, 09,000 populations, according to government census of the year 2011; in this population having 14, 08,000 males and 14, 01,000 females [1]. In advancement of the banking industry, Satara region is not lingering behind the improvement. In the improvement of banking in the Satara area, some historic progressions might be performing. The age-old foundation of cash banks, which were the conspicuous wellspring of credit to an expensive segment of the individuals, particularly the farming populace is fast losing ground and no doubt reinstated by the up to date, sorted out banking framework [2]. On the date 20th August 1907, the first bank Satara Swedish Commercial Bank was created as a Joint Stock Bank. The development of banks in Satara area is its establishment only.

Table 1.2.1 Bank establishment in Satara District

Sr. No.	Bank names	Bank establishment Year
1	Satara Swadeshi Commercial Bank, Ltd. Satara	1907
2	The Phaltan Bank, Ltd. Satara	1918
3	The United Western Bank of India, Ltd. Satara	1936
4	The Bank of Aundh, Ltd. Aundh	1938
5	The Bank of Karad, Karad	1946
7	The United Western Bank of India, Ltd. Phaltan	1958

(Source: - Satara District Gazetteer)

Table 1.2.2 Private Banks in Satara district

SR No.	Private bank names	No of branches (As on date Jan, 2014.)
1	ICICI Bank	20
2	HDFC Bank	12
3	Axis Bank	5
4	Catholic Syrian Bank	1
5	Karnataka Bank	1
6	Federal bank	2
7	ING Vysya Bank	2
8	Ratnakar bank	1
9	Indusind bank Ltd.	1
10	Yes bank	1

(Source: Secondary data)

Table 1.2.3 Public banks in Satara district

SR No.	Public bank names	No of branches (As on date Jan, 2014)
1	State Bank Of India	31
2	Canara Bank	8
3	Syndicate Bank	5
4	Bank Of Maharashtra	57
5	Dena Bank	2
6	Oriental Bank of Commerce	1
7	UCO Bank	2
8	IDBI Bank	24
9	Bank Of India	19
10	Bank of Baroda	14
11	Central bank of India	5
12	Corporation bank	2
13	Indian Overseas bank	1
14	Union Bank of India	4
15	Vijaya Bank	2
16	Allahabad Bank	1
17	Indian Bank	1
18	Punjab National Bank	1
19	United bank of India	1

(Source: Secondary data)

1.3 Evolution of Internet Banking

Internet banking technology was initiated, when the Western Union Telegraph Company, headquartered in Rochester, New York, began to offer nationwide money-transfer service. In the year 1918, telegraph system, in the year 1970, SWIFT and CHIPS payment system is started. In the year 1980, the development of current banking, engineering begins with the utilization of Advanced Ledger Posting Machines (ALPM). Reserve Bank of India exhorted all banks to utilize computerization at the branch level to mechanize the front office or back office. Several banks began automation in front office ALPM in the first stage and banks like State Bank of India, focused on the back office mechanization at the extension level.

In the early 1970s, the first ATM machines came into operation at City National Bank of Columbus, Ohio, the predecessor of bank one. In 2000, there were about 285,000 ATMs in operation in the United States and about 592,000 worldwide. During the late 1980s, there was the beginning of the Total Bank Automation (TBA) which automated both the front-end and back-end operations inside the uniform expansion. In the third stage, new private sector banks entered into the business segment having an incredible framework base, which makes a notable model of banking having a single centralized database as opposed to having different databases for all their branches.

In 1993, office of thrift supervision chartered Security First Network Bank (SFNB) in Atlanta, Georgia and it opened for business. In October 1995, SFNB was the first fully transactional Internet thrift institution. In 1999, only 20% of the largest banks in the United States offered Internet banking services [3].

Nowadays IT is an important part of banking as a result of that new private and multi-national bank, which has the ability to persist, achieve something, and settle in an indisputably aggressive space. Banks are taking an effort to make a client's banking experience more helpful, effective, at low transaction cost, very quick and compelling. They are utilizing new technology tools and systems to recognize client needs and banking applications help a bank for movement from 'branch banking' to 'bank banking.' This implies that a client will be dealt with as a bank's client rather than the client of a specific branch.

The objective of the bank is to determine customer service expectations, low operational cost, and competition in the market. Technology can help banks in meeting these objectives. A data warehouse can help a bank to get a distinct view of its data. Multiple data coming from different systems are transformed into a common format by using ETL (Extraction, Transformation and Loading) process. This provides a single repository from which banks can view or use the information when required. Data mining can help to recognize and measure consumer transaction patterns and behavior in the data those banks or customer required. The above table shows, Internet banking service used by the banks.

A change in customer demand for Internet banking services might potentially generate a rapid expansion in the importance of Internet banking activity in the industry. Such shifts in consumer preferences may become a hallmark in the world of electronic commerce [4]. Researcher collected data from 10 private banks such as ICICI Bank, HDFC Bank, Axis Bank, Catholic Syrian Bank, Karnataka Bank, Federal bank, ING Vysya Bank, Ratnakar bank, Indusind bank Ltd., Yes bank and 19 Public banks. Public Banks names are IDBI bank, Bank of Maharashtra, State bank of India, Bank of India, Bank of Baroda, Canara Bank, Syndicate Bank, Central Bank of India, Corporation Bank, Indian overseas Bank, Union Bank of India, Vijaya Bank, Allahabad Bank, Indian Bank,

Punjab National bank, United bank of India, UCO bank, Indusind bank, Ratnakar bank etc. All these banks are codified as B1, B2, B3, B4, B5, -----, B29.

Table 1.3.1 List of Internet banking system used by banks with vendor names

Private bank			
Sr. No	Name of bank	Product Name	Vendor name
1	B1	Finacle	Infosys Technology Ltd.
2	B2	FNS(Finware), BaNCS	Tata Consultancy Services(TCS)
3	B3	Finacle	Infosys Technology Ltd.
4	B4	FLEXCUBE	I-flex
5	B5	Finacle	Infosys Technology Ltd.
6	B6	FedNet	Infosys Technology Ltd.
7	B7	Sanchez	IBM
8	B8	Finacle	Infosys Technology Ltd.
9	B9	Finacle	Infosys Technology Ltd.
10	B10	FLEXCUBE	I-flex
Public bank			
1	B11	BaNCS	TCS
2	B12	BaNCS2000	I-flex
3	B13	BOSS(DDE_ORG)	I-flex
4	B14	Laser-soft(CBS), BaNCS	TCS
5	B15	Finacle	Infosys Technology Ltd.
6	B16	Finacle	Infosys Technology Ltd.
7	B17	Finacle	Infosys Technology Ltd.
8	B18	Finacle	Infosys Technology Ltd.
9	B19	Finacle	Infosys Technology Ltd.
10	B20	Finacle	Infosys Technology Ltd.
11	B21	BaNCS	TCS
12	B22	Laser-soft(CBS)	TCS
13	B23	In-house	-
14	B24	Finacle	Infosys Technology Ltd.
15	B25	Finacle	Infosys Technology Ltd.
16	B26	BaNCS	TCS
17	B27	BaNCS	TCS
18	B28	Finacle	Infosys Technology Ltd.
19	B29	Finacle	Infosys Technology Ltd.

(Source: Primary data)

1.4 Security mechanism used by the bank in Satara district

In Satara district, private and public banks provide an Internet banking service to the customer with various security mechanisms. These mechanisms are: SSL (Secure Socket Layer) encrypted transmission, CA (Certificate Authority) certificate of the website. The client certificate is in process, security information authentication, shielding phishing websites is in the process. Account protection and reminder, double password control, onetime password (OTP), the dynamic password card is in process. Virtual keyboard, password strength testing, replacement policy, active X control, automatic overtime, mechanism to freeze the incorrect password,

graphic verification code. The amount of transaction control, account information notification via SMS, firewall, intrusion detection systems, session timeouts, automatic lock outs, expiry of user ID after in one year. These security mechanisms with appropriate safety measures help the customer to take advantage of the Internet banking service.

1.5 FINACLE and BaNCS 24 Internet banking software

1.5.1 Infosys Finacle

Infosys Limited is international consulting, software and IT services corporation founded in 1981. The Finacle is multi-tiered, modularly integrated; Service Oriented Architecture (SOA) based core banking solution developed using C++ and Java platform. Finacle was created from scratch in 1994 under the name BaNCS 2000. Later re-architecture and branded as Finacle in 2000.

1.5.2 TCS BaNCS:

TCS BaNCS having one of the largest bank clients runs 280 million accounts and 50 million transactions per day, with 2,000 TPS. Lab tests reveal 10,000 online transactions per second, and processing of 130,000 accounts per second. Tata Consultancy Services (TCS) are a universal contributor of technology services, outsourcing and business solutions. TCS has over 214,000 employees and reported revenue of over \$8.2 billion during the year ending 31st Mar 2011, \$3.7 billion of which came from the banking, Financial Services, and Insurance (BFSI) segment. TCS has over 145 offices in 42 countries worldwide.

Table 1.5.1 Finacle and BaNCS24 Internet banking software details.

Criteria	Finacle	BaNCS 24
Product Name	Finacle Core banking	TCS BaNCS Core Banking
Language	C++ 50% Java 50%	COBOL (40%), XML/.NET/HTML (20%) Java/JEE (35%), C/ C++/ C# (5%) TCS BaNCS Core Banking is also offered as a 100% Java version.
Hardware	IBM System z (mainframe) IBM System p (Unix) Oracle / Sun servers HP Unix servers (Superdome)	IBM System z (mainframe) IBM System p (Unix) Oracle / Sun servers HP Unix servers (Superdome) Windows Servers(Intel Linux)
Operating System	IBM AIX Oracle Sun Solaris HP UX Linux - Red hat	IBM z/OS IBM AIX Oracle Sun Solaris, HP UX Linux, Windows Server 2008
Database	Oracle IBM DB2	Oracle, IBM DB2 Microsoft SQL Server
User Interface	Browser Client	Windows thick client, Browser client, Smart client,3270 terminal (emulation),Web Services, XML,API, Other text terminal
Transaction Handling	Real Time transaction handling	Real Time transaction handling
ASP vs. On-Premise	100% on-premise	28% ASP vs. 72% On-premise
Multilingual	Yes (Multi byte)	Yes (Double byte)

Multicurrency	Yes	Yes
Languages Deployed	English, French, German, Spanish, Simple Chinese, Arabic, Greek, Russian, Hindi.	English, French, German, Spanish, Simple Chinese, Arabic, Greek, Russian, Hindi.
Cloud Enabled	Yes (Finacle Lite)	Yes. It is currently offered on a private and community cloud.

(Source: - [5])

Table 1.5.1 explains comparison between Finacle and BaNCS24 Internet banking software used in Satara district banking systems.

3.7 Conclusion

More rapidly or presently banks in Satara district have to go through the new advanced technology to increase the customers of the banks. For stay alive in the competitive market bank chosen Internet banking as a new tool. The role of banks is not only directly important, but also it is enormously needful in the precise conduct of the programs projected by the government.

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