

Digital Revolution in the Indian Banking Sector

Raksha Jadhav and Dhaval Bhagwat

Institute of Distance and Open Learning, Mumbai, Maharashtra, India

Abstract: *This paper provides an overview of the implementation of digital banking within the banking sector in India. The role of the banking sector in the economic development of a country is crucial, acting as the lifeline of the economy. A robust and healthy banking system is essential for fostering economic growth. The Indian banking industry has undergone significant changes and is currently experiencing an IT revolution. A bank, as an institution handling money and credit, accepts deposits from the public, facilitates fund availability to those in need, and aids in the remittance of money between different locations. It serves as a financial institution creating demand deposits, allowing withdrawal by the account owner on demand and facilitating transfer to a third party through cheque. The modern bank performs a diverse range of functions, making it challenging to provide a precise and general definition. Digital banking, supported by an internet connection, encompasses online banking activities. A substantial portion of consumer transactions now occurs through digital banking apps and online platforms, providing traditional banks with respite. Utilizing digital devices such as smartphones, tablets, laptops, desktop computers, and ATM, customers can easily access their accounts and conduct transactions. The COVID-19 pandemic highlighted the significant advantages of digital banking, especially when people were confined to their homes due to social distancing measures. The primary objective of this paper is to assess and analyze the progress of digital banking in India, with a specific focus on the associated challenges and opportunities*

Keywords: Digital Banking, Information Technology, Internet Banking, India, Core Banking Solution, Online Payments, UPI

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