



A STUDY ON INTER BANKING TRANSACTION THROUGH NEFT & RTGS IN BANK OF INDIA

KEYWORDS

RTGS, NEFT, Electronic transfer.

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ABSTRACT

Today, electronic funds transfer makes easy to exchange funds from one account to another, either within the same bank or to a different bank network at any given time through RTGS, NEFT and IMPS. This study mainly focus on inter banking transaction by NEFT & RTGS in perspective of Customer as well as employee. This research was conducted in Bank of India which is situated in Gandhinagar, Gujarat. Data was collected through questionnaire consisting of 23 questions from the Bank of India, Gandhinagar, and Gujarat. Result indicated that most of the consumers like and satisfied with the RTGS/NEFT facility because the money transfer easily and less timing and less amount.

Introduction:

In today world, the success of a banking system is just because of information technology and communication. It has enlarged the role of banking sector in the economy. Electronic transfer modes are thought to be safe, secure and make transferring money much easily. Electronic transfers are processed directly with the transferred amount being deducted from one account and credited to the other in real time, accordingly saving time and effort involved in physically transferring a sum of money. Inter Bank Transfer empowers electronic transfer of funds from the account of the remitter in one Bank to the account of the recipient maintained with any other Bank branch. There are two systems of Inter Bank Transfer - RTGS and NEFT. These systems are maintained by Reserve Bank of India.

RTGS - Real Time Gross Settlement is a system where the processing of funds transfer instructions takes place at the time they are received (real time). Likewise the settlement of Funds transfer guidelines happens exclusively on a direction by guideline basis (gross settlement). RTGS is the quickest conceivable interbank money transfer facility accessible through secure banking channels in India. Under normal circumstances the beneficiary branches are expected to receive the funds in real time as soon as funds are transferred by the remitting bank. The recipient bank needs to credit the recipient's account in 30 minutes of accepting the funds exchange message.

NEFT - National Electronic Fund Transfer system of fund transfer operates on a Deferred Net Settlement basis. Fund transfer transactions are advanced in batches as opposed to the continuous, individual settlement in RTGS. NEFT operates in hourly batches. Presently there are twelve settlements from 8 am to 7 pm on weekdays. Therefore, the beneficiary can expect to get the credit for the transactions place during between 8 am to 5 pm on weekdays on the same day. For transactions settled in the 6 and 7 pm batches on week days, the credit will be managed either around the same time or on the following working day.

These facilities have enhanced the fulfillment level of customers, as well as aided in of handling reduction time and transaction time. The efficiency of banks as far as efficient and attending the customers at the branches has likewise made strides.

Hypotheses:

- H0 : There is no significant relationship between work load of employee of Bank of India and RTGS & NEFT transaction error.
- H1 : There is significant relationship between workload of employee of Bank of India and RTGS & NEFT transaction error.
- H0 : There is no significant relation between employee service and client satisfaction of Bank of India.
- H1 : There is significant relation between employee service and

client satisfaction of Bank of India.

Objective:

- To study the daily frequency of NEFT & RTGS transaction in Bank of India.
- To study different issues of NEFT & RTGS facing by clients of Bank of India.
- To study the satisfaction level of client of Bank of India.

Research methodology:

Population :	clients of Bank of India
Sample size:	150 clients
Type of Research	Descriptive Research
Type of sampling	convenient sampling
Data Collection Method	Survey method
Type of Data	Primary data and secondary data
Primary Data	Structured questionnaire
Secondary Data:	Magazines, Documentary, Books, Records, Reports, Journals and Internet etc.
Research Design	Descriptive research

Data analysis:

Table 1. Awareness about RTGS/NEFT facilities.

How to know about RTGS/NEFT					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bank	44	29.3	29.3	29.3
	Friends	57	38.0	38.0	67.3
	Advertisement	2	1.3	1.3	68.7
	Relatives	38	25.3	25.3	94.0
	Other	3	2.0	2.0	96.0
	Do not Know about this Facility	6	4.0	4.0	100.0
	Total	150	100.0	100.0	

(Prepared By researcher)

Table 2. Usage of inter banking transaction facility RTGS and NEFT* Satisfied with RTGS and NEFT Facility.

H⁰: The two Factor "Usage of RTGS service for transaction "and "Satisfaction with RTGS facility" are independent
 H⁰: The two Factor "Usage of NEFT service for transaction "and "Satisfaction with NEFT facility" are independent

Cross Tabulation					
Usage of inter banking transaction facility NEFT	Satisfied With NEFT Facility				
	Satisfied	Highly Satisfied	Neutral	Dissatisfied	Total
Daily	5	15	0	0	20

4-6 Times	9	33	1	0	43
2-3 Times	22	23	2	0	47
Once a Times	20	12	2	2	39
Never	0	0	1	0	1
Total	56	83	6	2	150
Usage of inter banking transaction facility NEFT	Satisfied With NEFT Facility				
	Satisfied	Highly Satisfied	Neutral	Dissatisfied	Total
Daily	5	15	0	1	20
4-6 Times	8	18	3	1	31
2-3 Times	24	17	3	1	43
Once a Times	36	11	2	4	53
Never	1	0	0	0	1
Total	74	61	8	7	150

Table 3. Agreement/disagreement with following statements:

statements	Frequency							Total
	Strongly Agree	Agree	Somewhat agree	Neutral	Somewhat disagree	Disagree	Strongly disagree	
Form filing Process								
Cant fill the form without help	6	25	12	2	23	76	6	150
Difficult by fill by own self	2	21	23	14	64	21	5	150
Can fill without much difficulty	00	14	34	26	56	15	5	150
Can fill quickly	44	27	16	5	25	30	3	150
Problem solving by employee								
The bank employees offer immediate help when required	30	76	25	15	00	3	1	150
Have your transaction resulted into error when assisted by an employee	2	13	00	12	00	86	37	150
The money has been transferred into wrong account	00	11	00	14	00	112	13	150
The IFSC code has been wrongly entered	00	11	00	14	00	113	11	150
Incurred financial loss due to this system	1	11	00	13	00	111	14	150
50	77	00	18	00	4	1	150	150

(Prepared By researcher)

Interpretation:

From the Table 1 awareness frequency analysis shows that out of all frequency 57 respondents are to know about this facility through friends, 2 customers are known through advertisement, 3 customers comes to know through the others Bank.

In Table 2 ,By using Chi- square test, the value (44.637a, 12) and P value (0.000) so the null hypothesis is Reject and conclude that " Usage of RTGS service for transaction "and "Satisfaction with RTGS facility" are dependent. Therefore usage of RTGS service is reflection of customer satisfaction level with RTGS services. Same applicable in NEFT facility where Chi- square test value shows the value (24.035a, 12) and P value (0.020) so the null hypothesis is Reject and conclude that "The two Frequency "Usage of NEFT service for transaction "and "Satisfaction with NEFT facility" are dependent. Thusly usage of NEFT service is likewise in view of satisfaction with NEFT facility.

Table 3 is all about agreement and disagreement of customer through NEFT/RTGS facilities where cross tabulation shows that the

customers of Bank of India are very effortless and quickly able to fill the RTGS (3.2414) than followed by the customers find the form very difficult to fill they cannot fill without other help (4.7655).in form filing process, 76 respondents are agree that they can fill the form by their ownself. 56 respondents are some what disagree with can fill without much difficulty.64 respondents are some what disagree with Difficult by fill by ownself. Although 44 respondents are agreeing with fill form quickly.

Beside of these, about the company service in problem solving through bank employee, 76 respondents believe that employee always immediate ready to help when required. 86 respondents shows disagreement with transaction resulted into error when assisted by an employee.112 also disagree that money has transferred in wrong account.113 respondents are disagree that The IFSC code has been wrongly entered.111 respondents are disagree with Incurred financial loss due to this system. Thus, frequency analysis shows that almost all customer of Bank of India are satisfied with services provided by employees.

Conclusion:

The Bank of India is leading Bank in Public sector bank in country, it provide variety of services to the customers. The Objective of research is to know the satisfaction level of customer for RTGS and NEFT services. According to the customer of bank of India conclude that private sector is more technology advance than public sector bank that way improves the technology. The customers value Quality of service most followed by Trust than followed by Technology, Location and Type of bank. Therefore, out of all, respondents give the First priority to the trust out of all the attributes. But it could be found that Quality of Services is most important for the Bank of India customers than followed by Trust that way bank should related factors. Most of the consumers like and satisfied with the RTGS/NEFT facility because customer have to pay minimum amount for any transaction through NEFT and RTGS services. Timing is less consumed through the facilities of RTGS and NEFT. there is no any proposed charges are levied on below 2 lacs amount transaction but there is maximum charges applicable around 50 Rs. per transaction through RTGS service. Beside of these in NEFT services, There is maximum charges are applicable 25 Rs. plus service tax per transaction in Up to 1 lacs amount. There is only 2.5 to 5 Rs. charges in online transaction of NEFT and RTGS therefore, study conclude that customer transfer their money easily by use of RTGS and NEFT. The behavior of employee of Bank of India is very satisfactory as well as they are cooperative towards the customer in procedure of form filling to transfer funds, Moreover, they are very polite and kind in solving the problems of all customer.

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