

## Role of SBI ATMs in Salem City



Commerce

KEYWORDS :

**P.Geetha**

Research Scholar, Department of Commerce, Periyar University,  
Salem – 636 008, Tamil Nadu, India

**Dr. K. Prabhakar  
Rajkumar**

Guide and Professor, Department of Commerce, Periyar University, Salem –636 008,  
Tamil Nadu, India.

### ABSTRACT

*SBI ATM is one of the most popular means of cash delivery machine as it helps its customers to do Anywhere, Anytime banking. Both bankers and customers are gaining a lot in so many ways. SBI ATMs help in bringing down the cost per transaction, increase efficiency by reducing workload of each and every staff of the bank, help to increase accuracy, help to increase speed, save time, money and effort of both the bankers and the customers. This study deals with ATMs in India, ATMs in Tamil Nadu, ATMs in Salem City, ATM Cards, ATM cardholders, Advantages of SBI ATMs, Advantages of ATM cards etc. Thus, SBI ATMs play a vital role in day to day banking activities to the people of Salem City.*

### Introduction

Banks play a significant role in providing services to the people. On 1<sup>st</sup> 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. State Bank of India is a multinational banking and financial services company in India. It is one of the oldest commercial bank in India. SBI provides a range of banking products through its network of branches in India and overseas, including products aimed at non-resident Indians (NRIs). SBI has 14 regional hubs and 57 Zonal Offices that are located at important cities throughout India. SBI had 14,816 branches in India, as on 31 March 2013, of which 9,851 (66%) were in Rural and Semi-urban areas. In the financial year 2012-13, its revenue was INR 200,560 Crores (US\$ 36.9 billion), out of which domestic operations contributed to 95.35% of revenue. Similarly, domestic operations contributed to 88.37% of total profits for the same financial year.

### ATMs in India

India has approximately 79,000 ATMs as of June 2011. State Bank of India (SBI) is No.1 and has more than 25,444 ATMs. Axis Bank which comes No.2 with 6,871 ATMs and ICICI is No.3 with 6,425 ATMs. HDFC is in the No.4 position with 5,998 ATMs and PNB came No.5 with 5,375 ATMs. These 5 banks (SBI, Axis, ICICI, HDFC and PNB) have almost 2/3 rd of all ATMs (63% : 53,000 out of 79,000 ATMs in India). Indian Banks together have an ATM network of nearly 1,00,000 machines dispensing cash across the country at the end of June-2012. This includes ATM at Banks as well as Non-Bank locations. SBI leads the pack with 22,469 ATMs, out of which 12,327ATMs were installed within the bank premises and 10,142ATMs were installed outside the bank premises and it was followed by Axis Bank with 10,337 ATMs, out of which 2,096ATMs were installed inside the campus and 8,241ATMs were installed outside the campus. The difference between the First and Second is quite large for anyone else to come and fill the gap.

### ATMs in Tamil Nadu:

Population is increasing day by day and so as ATMs. Number of ATMs have been increased from 25,005 on March 2011 to 27,286 on March 2012. Number of ATMs of SBI has also been increased from 20,084 on March 2011 to 22,141 on March 2012. Debits cards have been considerably increased from 728 on March 2011 to 910 on March 2012.

### ATMs in Salem City

Salem is one of the developing cities in Tamil Nadu. SBI ATMs play an important role in dispensing cash to the customers. The total number of SBI ATM machines during the year March 2010 to March 2011 were 69 and it was increased to 82 in the year

March 2011 to 2012 and again it was increased to 91 during the year March 2012 to March 2013. This represents a gradual increase in the installation of ATM machines in the city of Salem.

### SBI ATMs

SBI Automated Teller Machine (ATM) is a cash dispensing teller machine. It is a new banking system in which an account holder can access his/her account anytime and anywhere with bank given ATM cum Debit card. User can interact with the bank through this card. Bank provides a 4-digits password called PIN with ATM cum Debit card which user can change at any time through ATM machine. Hence Customers can use the SBI ATMs for withdrawing their cash, for enquiring their balances, to change the PIN Number, to register their Mobile Numbers, to deposit their amount, for transferring the amount, to obtain the statement etc. Moreover, they use ATMs because of its convenience, efficient operation, speed, safety, security, privacy, reliability, responsiveness, usage, utility and good quality services. People are finding it easy to do their banking transactions without any delay. ATMs save the customers' time and money. SBI ATMs in Salem city play a significant role in delivering the requirements of the customers regarding their money transactions.

### SBI ATM Cards

India is one of the fastest growing countries in the plastic money segment. Already there are 130 million cards in circulation, which is likely to increase at a very fast pace due to rampant consumerism. India's card market has been recording a growth rate of 30% in the last 5 years. Card payments form an integral part of e-payments in India because customers make many payments on their card-paying their bills, transferring funds and shopping. Ever since Debit cards entered India, in 1998 they have been growing in number and today they consist of nearly 3/4th of the total number of cards in circulation. Debit cards usually allow for instant withdrawal of cash, acting as the ATM card for withdrawing cash and as a check guarantee card.

### SBI ATM Cardholders in Salem City

As the population is increasing day by day in Salem City, the number of cardholders are also increasing. SBI ATM card holders of SBI were 2.61 Lakhs during the year March 2010 to March 2011 and it was increased to 3.31 Lakhs during the year March 2011 to March 2012 and again, the number of cardholders were increased to 3.69 Lakhs from March 2012 to March 2013. This shows that there is a gradual and steady increase in the number of SBI ATM card holders in Salem City.

### Advantages of Automated Teller Machines (ATMs)

- i. ATM provides 24 hours service for its customers.
- ii. ATMs provide efficient service round the clock. The customer can withdraw cash up to a certain limit during any time of the day or night from nook and corner of the world.
- iii. ATM provides convenience to bank's customers.

- iv. ATMs provide convenience by installing it at customer's convenient places like air ports, railway stations, public crowded areas, etc. ATMs are installed within the premises of the banks as well as outside the premises also. ATMs provide mobility in banking services for withdrawal of cash.
- v. ATM reduces the work burden of bank's staff.
- vi. ATMs reduce the work pressure on bank's staff and avoids queues in bank premises.
- vii. ATMs provide service without making mistakes.
- viii. The customer can obtain exact amount while withdrawing the amount from the ATMs. There is no human error as far as ATMs are concerned.
- ix. Travelers need not carry money wherever they go. Whenever and wherever they want to withdraw money, they can withdraw. Hence, ATMs are very beneficial for travelers
- x. ATMs are of helpful not only for withdrawing money within the country but also outside the country also.
- xi. Customers also get new currency notes from ATMs. They do not get soiled notes from ATMs.
- xii. ATM provides security and privacy in banking transactions.

#### Advantages of ATM Cards

ATM Cards play a significant role in withdrawing cash at any time any place. Card payments form an integral part of e-payments in India because customers make many payments on their card-paying their bills, transferring funds and shopping. A consumer who is not credit worthy and may find it difficult or impossible to obtain a credit card can easily obtain a debit card, allowing him/her to make plastic transactions. Like credit cards, debit cards are accepted by merchants with less identification and scrutiny than personal checks, thereby making personal checks, merchants transactions quicker and less intrusive. Unlike personal checks, merchants generally do not believe that a payment via a debit card may be later dishonoured; Unlike a credit card, which charges higher fees and interest rates when a cash advance is obtained, a debit card may be used to obtain cash from an ATM or a PIN-based transaction at no extra charge other than a foreign ATM fee.

#### Conclusion

The most important factor which influence customer to use the ATM services is it's convenience in use. SBI customer use ATM services as it is easily available. Usage of Debit cards can be increased by the promotional efforts, technological change and change in the existing payment methods. At present, since the usage of ATM cards are increasing day by day, number of problems in the machines as well as frauds are also increasing. People of Salem City should follow or read the instructions which are given or pasted in the ATM Terminals and should act accordingly. And moreover, people should be aware of using the debit cards of SBI and should be cautious while using it. They should treat the ATM cards like cash. It is concluded that people are using the ATMs because of its usage and utility service, convenience, efficient operation, reliability, responsiveness and quality services. Hence, people of Salem City can use the services of SBI ATMs and should be aware of the ATM problems and frauds.

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