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Introduction
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Introduction

1.1 Introduction

Finance is the key factor for the growth and development of any economy. Progress of the economy depends on a well developed and well organized financial sector. There is no doubt that the health of the economy reflects on the sound financial performance of Banks. The Banking Sector plays a significant role in improving the pulse rate of economic activities. They attract savings, assist financially backward sections and circulate money for different developmental activities. Indian Banking Sector, after the introduction of LPG (Liberalisation, Privatisation and Globalisation) Policy in the economy, found a big push in investing on ICT strategy. A great transformation took place from brick and mortar services to automated banking environment. Especially IT Act, which was enacted on October 17, 2000 gave a new dimension and brought E–Banking services to banking platform.

Today, Technology is transforming every aspect of the banking sector. Digital capabilities in this sector are showing new vistas. After 1990’s new economic policy, Banks started to use technology driven methods in their business activities to provide attractive and qualitative services at a greater extent to their customers. ICT related services have made Banking business more convenient and easy for their customers. At present all successful Banks are engineering and redesigning their service pattern and offering a variety of products/services to different types of customers in the economy.

Technology has become a magical wand in the hands of Banks. Technology has created wonderful opportunities to reframe customer – centric, competitive and faster services in their sector. Commercial Banks are successful in implementing advanced technology in their daily business. No doubt that ICT strategy has increased productivity and profitability of this Banking segment, but on the other hand, Urban Cooperative Banks are also slowly sinking into the Information and Communication Technology world. They are waking up to explore the advanced technological weapons to face a
series of challenges and cut throat competitions. They are going for these solutions to reach exciting destinations. Automation in this sector is showing a ray of hope. It is believed that ICT networking system and leading innovations revolutionalise these technology laggards Cooperative Banks.

ICT strategy in the banking sector is the best way to face extremely intense competition in this business world. With this new approach, Banks are sincerely trying to win the minds of customers and gradually making their employees more competitive and updated with the recent technology. Today click on the mouse and touch on the keypad have made financial transactions more efficient, rapid and productive.

1.2 Evolution and Structure of Banking Sector in India

Banking sector in India can be broadly grouped into two categories namely

1. Commercial Banks
   
   &
   
2. Cooperative Banks

Commercial Banks are further classified into Public Sector Banks, Private Sector Banks and Foreign Banks.

Chart. No-1.1 Structure of Indian Banking Sector

(Self Created Chart)

According to the Reserve Bank of India reports 2012-13, there were 26 Public Sector Banks operate their business activities with 63,976 branches. 21 Private Sector Banks with 11,719 branches and they had their networks all over India and 43 Foreign Sector Banks with 331 branches running their business. Now the Indian Banking Sector with 1,175,149 employees by having 109,811 branches in the entire India and 171
branches outside our country have aggregate deposits of Rs. 67504 billion and Bank credit of Rs. 52604.59 billion.

The history of Banking Sector dates back to the 18th century. In 1770 the Bank of Hindustan was established in Calcutta. General Bank of India in 1786 was set up in the same region to provide financial assistance to the needy people. The Bank of Bengal in 1806, The Bank of Bombay in 1840 and the Bank of Madras in the year 1921 as per the charters from East India Company started their business between 1800 and 1921. In 1955 the above mentioned three Banks were merged and became The State Bank of India and seven subsidiary Banks were included in SBI group. The RBI (Reserve Bank of India) was established in the year 1935. The Government of India took a major step to nationalise all their 14 major Commercial Banks in the year 1969 and the remaining six Commercial Banks were nationalised in the year 1980. In the same year the Bank of India and Global Trust Banks were merged with the Punjab National Bank and OBC Bank respectively. In the year 2005 the IDBI Ltd also became Public Sector Bank.

Private Banks with the liberalisation policy of 1991 re-emerged in the Indian economy. There are two types of Private Banks. a. Old Private Sector Banks b. New Private Sector Banks Between 1969 and 1980 some Banks did not come under the nationalisation process. These Banks became Old Private Sector Banks and with the amendment of the Banking Regulation Act in 1993, 12 Banks took new entry. These Banks are known as New Private Sector Banks. During 1950’s there were 474 Non-Scheduled and 92 Scheduled Private Sector Banks. (Banks which are listed in the second schedule of the Reserve Bank of India Act of 1934 and whose deposits are more than 1000 crore rupees called Scheduled Banks and which are not listed under the same schedule and not touched the prescribed deposit amount is called Non-Scheduled Banks) Scheduled Banks refers to the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955), a subsidiary Bank which was defined in the State Bank of India (Subsidiary Banks) Act, 1959 (38 of 1959), a corresponding new Bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970), or under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (40 of 1980), Non-scheduled Bank in India is defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949), which is not a scheduled Bank.
When the nationalization process gained importance in India with a social justice motive, number of Private Sector Banks gradually decreased. In India after 1850 British people launched Foreign Banking operations. Countries like Germany, Japan, US, Holland and others started to expand their banking business in this economy. HSBC and Standard Chartered Bank, which were established in 1853 and 1858 respectively, are considered to be the oldest Foreign Banks in India.

Cooperative Banks in India are further classified into Rural Cooperative Banks and Urban Cooperative Banks and they are based on the seven Principles of Cooperation. Viz,

1. Voluntary and Open Membership
2. Democratic Member Control
3. Members’ Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation among Cooperatives
7. Social Concern

**Chart. No -1.2 Structure of Indian Cooperative Banking Sector**

![Chart](image)

(Right Created Chart)

Rural Cooperative Banks operate mainly in creating Banking habits among the rural mass to strengthen their financial position. They are financing for agriculture and allied activities. Urban Cooperative Banks mobilize savings from middle and low income strata, including socially backward community to finance self employment, small scale industry, housing loan, personal loan, consumer finance etc.
The RBI under its RBI Act of 1934 decided to include UCBs in the second schedule whose deposit touches Rs 50crores and above with satisfactory financial performance. These Banks, whose deposits do not exceed Rs 50crores come under Non Scheduled Banking structure. There are 53 scheduled UCBs and 1553 non scheduled UCBs in India. Among 53 scheduled UCBs, there are 25 multi state UCBs and 28 single state UCBs and among 1553 non scheduled UCBs there are 17 multistate and 1536 single state UCBs in India. These Banks have to maintain a statutory cash reserve, but their activities are restricted. But now, according to the RBI notification, UCBs by having deposits not less than Rs750 crore for one year on a continuous basis with a minimum capital adequacy ratio of 12 percent, and continuous net profit for the previous three years are eligible to get for Scheduled Bank status.

As per the source of International Cooperative Alliance 2013, Cooperative Societies are 194 million worldwide having more than one billion members with 1.6 US$ of turnover. This sector provides financial assistance to 887,000 small holders and giving 100million jobs. In India there are six lakh Cooperatives and have more than 24crores of members and 4 lakh crore of working capital.

Cooperative Movement in India was started with the prime objective of relieving the innocent and needy rural mass from the clutches of greedy money lenders. In 1844 Woodland Famine Commission of Bengal province recommended the loan facilities to vulnerable sections of that province at a reasonable rate of interest. In 1872 the Royal
Commission based on that report recommended to establish Cooperative Banks to provide credit facilities to agriculturists. In 1904 the first cooperative societies Act was passed. With this cooperative movement the country assumed a good platform. The wave of cooperative movement has crossed hundred years. The scope of registered non credit society was redesigned in the year 1912 to finance the marginal and small sections of the society. Later on the Bombay Act of 1932, Madras act of 1935 and the Bengal act of 1940 were passed. The first Urban Cooperative Credit Society was registered in Kanjivaram in the Madaras region in October 1904. In 1914 Maclagan Committee recommended to broaden its base. Mehta Bhansali Committee (1939) made sincere attempts to define UCBs as “UCBs are Primary Cooperative Banks organised on Cooperative Principles and operate their Banking business in metropolitan, urban and semi-urban areas to satisfy the needs of a group” They come under the Banking act (application to Cooperative Societies) of 1965 and the Banking Regulation act of 1949. Since 1950 Cooperative Banks are deep rooted in the economy and they have become the major partners in the Banking Sector.

In 2012-13 there are 1,606 Urban Cooperative Banks with 8,790 branches catering to the needs of customers in India. Maharashtra has the highest number of UCBs i.e., 517 UCBS with 4,839 branches. Next comes Gujarat by having 234 UCBs with 884 branches providing financial assistance. Karnataka occupies the second place by having 266 UCBS with 864 branches. These three states occupy the top three positions in UCBs distribution all over the country. There are 1554 non scheduled and 52 scheduled UCBs. Among them there are 25 multi state and 27 single state UCBs under scheduled UCBs and 18 multi states and 1531 single state UCBs under non scheduled UCBs. In Karnataka there are 35,502 Cooperative Societies. They have 215lakh members and 42,000crore working capital. Out of these total Cooperative Societies 19,318 are under profit. Gadag a district of Karnataka is considered as the cradle of Cooperative Movement in India. In 1905 May 18th the first Credit Cooperative Bank was established in the City. There are 266 UCBs working with 864 branches in Karnataka. The period between 2003 and 2008 has been considered as crisis phase. During this period One-third of newly licensed UCBs became financially weak due to the increasing number of defaulters in the country. In that year the number of UCBs had declined from 1926 in 2004 to 1770 in 2008. Deposits and advances increased, but at a marginal rate.
Commercial Banks mainly run under the motto of profit. They do pure business and operate their business at the national and the international level and they provide credit facilities from small purposes to big projects and they work on corporate principles. But, on the other hand, for UCBs the profit is not the main agenda of their business. They tag social justice and values of the Cooperative Sector to their Banking business. They limit their business to local level but rarely operate at national level. They offer higher rate of interest on deposits as compared to Commercial Banks and they are also called Small Man’s Bank. As compared to Commercial Banks, Cooperative Banks are smaller units. They closely work with local people and respect the local way of living and values. They optimise the local resources and dig the new opportunities.

A strong financial institutional set up is considered as a nervous system of any economy. Progress of any economy is in the hands of a sound Banking institution. They play a significant role in the development process. It has a major and dominant share in the financial sector. Strong Banking sector brings long term sustainability and achieves economic wellbeing.

1.3 Technology in the Indian Banking Sector

ICT in India has seen excellent opportunities at low cost operation, skilled labour pool, Optimistic economic environment; FDI Policies etc. These benefits have made India the leader in the ICT sector. According to International Data Corporation 2012, Indian ICT market was expected to grow to US $ 44.8 billion up to march 2014 from US $ 35.1 billion.

Over the decades, India has been the test bed for ICT developments. ICT has become a trump card. ICT is omnipresent in this country. ICT is used in health, education, Banking, insurance, business and other socio-economic services. ICT is reaching the unreached and connecting the unconnected regions of this nation and a platform has been created to attract more players in the economy to promise and provide better services.

There is no universally accepted definition of ICT because applications of ICT are constantly evolving. Every day new software packages are designed and proposed for organisations, business and other sectors.
Concept of ICT can be explained with the following figure.

(Self Created Chart)
The Word ICT has three segments viz, (a) Information (b) Communication and (c) Technology. Information is a processed data and it consists of facts, figures and knowledge. Communication is of two types such as a traditional way of communication and technical communication. Newspapers, magazines, radio and television are traditional tools of communication. Information and communication go together to share knowledge and awareness to awaken the mass. Along with these traditional tools, today technical communication tools are gaining familiarity such as Internet, wireless, wire lines and satellite networks.

Chart No -1.5 ICT in Banking Sector
In the Banking Sector, Hardware and software technological tools are used. Computer and related machineries like printer and scanner are used. Also coins & currency counting machines, passbook printers, currency discriminators, coin sorters, ATM machine, Kiosks are very much needed to perform business activities and software segment includes system software and application software. Anything that can be stored electronically is software. System software includes all the utilities that make computers to function and application software includes word processors, spreadsheets and data base management systems.

India with its skilled English speaking youth is holding a success key. The ICT industry is eager to enter into the next phase of growth to empower Indian rural landscape, to reach the gross root level to promote development activities, to ensure transparency and most importantly to achieve the goal of growth with equality. So ICT is the need of the hour.

Nowadays, the usage of ICT is essential to the survival and the growth of Banking institutions. IT is hard to assume that the Indian Banking Sector in the absence of computers, ATMs, Mobile phones, Internets and so on stands unable to face the sky rocketing competitions. Until recently Banking services in India were following the footsteps of tortoise. To perform simple Banking transactions both Banking staff and customers had to spend half a day, but with new technical tools these Banks have found wide spread reach.

Banks in India by entering into the environment of technology led services are digging opportunities and customers are also willing to adhere to technology based services. But the Banks have to keep three important aspects in their business mind i.e.

a. Changing demand and choice of customers
b. Market trends
c. Exploring innovative products/services.

Along with plenty of opportunities Banks are not ready to face unprecedented risk factors involved in ICT implementation in their business operations such as ATM frauds, Credit Card Frauds, Internet Banking and Mobile Banking frauds, data interception and others. Fraudulent transactions have become obstacles to go for E-Banking Services. Banks with proper security and safety measures can design secured financial products /
services to have every successful transaction because ICT is bringing leap change in the Banking environment.

RBI has directed UCBs to adopt the core banking system and has given the deadline for Large UCBs by December 31st, 2013, branch Banks by June 30th, 2014 and unit Banks by December 31st, 2014. In this background there is a call for the integration of Banking Sector and advanced technology upgradation. It is not an exaggeration that ICT based services in the Banking sector saves energy, time and provides virtualised services to its customer. Speeder and effective progress are ensured only with this latest technology.

Good customer service is becoming a main motto of Banks in recent years. Customer’s satisfaction is a prime goal in each Bank case. Customers are the end users of this Banking technology. When customers consider these innovative services as interesting one, the Bank’s attempt becomes successful. E-Banking services apart from some security and safety measures have positive effects on customers. Banking sector in India with advanced technology found a paradigm shape and introduced E-Banking products / services gradually. As ICT is becoming essential as-well-as a sufficient condition for Banks in recent years good customer service in this sector has become a prime objective.

It is a highly challenging task to read customers’ minds. Customers’ preferences and satisfaction levels change with the evolution and development of technology. Therefore, Banks are also implementing customer - focused strategies to increase their customer base. Customers’ are also turning their faces towards E – Banking services to reap maximum satisfaction.

Modern customers have some special features and they want to utilize the best ICT based services. Most of the customers are computer literates, frequent mobile users and Internet dependents. So they want to perform banking transactions which satisfy the following aspects.
The new face of Banking is alluring customers to utilize hi-tech services in Banks. Banks also with new types of E – Channels are delivering a variety of financial services. They are designed to cater the needs and expectations of customers.

- Banks with various E- payments and E – Banking services are able to provide 24 x 7 / 365 services to provide quality and transparent services.
• Customers anywhere at any time can draw, deposit any amount of money, can check Bank statement and open or close account. E-Banking services have become more convenient to them and they can transact their business even in their physical absence.

• Banks by selling their higher end financial products are attracting new customers and with these services/products are providing E – Transactions are made easy without the geographical or demographical limitations.

• Customers feel prestigious and proud to use credit/debit/smart cards E – Payments and internet/mobile Banking transactions.

• Banks with advanced technology have aimed at providing flexible, qualitative, friendly and easily accessible services to their customers.

Today brick and mortar Banks have become click mouse and touch keypad Banks. Banks are trying hard to catch up the buzzword consumer satisfaction. Customers are also convinced that E – Banking services of Banks have a basket of wonderful services.

Though a customer of any Bank is a potential buyer of a product/service, efficiency of the Bank can be judged only from the point of employees. Technology upgradation in the Banking sector, not only requires customers’ demand for advanced technology based services, but also needs adoptable and dynamic employees to utilize the advantages of these updated services.

To understand the status and developments of ICT tools in the banking sector, it is important to know the perception of employees. It is essential to understand their work experience. Therefore an attempt has been made to get information regarding the pros and cons of ICT usage from employees and customers point of view.
Environment in the Banking sector has made its employees capable of dealing with their routine work successfully. It has brought employees out from the monotonous and isolated work to ever changing working environment.

Employees with these updated services are ready to handle any situations or responsibilities:

- E – Banking services have reduced the working hours and work pressure of employees.
ICT based services have a positive impact on the performance and productivity of employees.

Modern Banking is increasing the competitive spirit of employees and on the other hand, they are also feeling comfortable and getting updated.

Customers for any queries or doubts approach websites and get quick responses from employees with upgraded technology. Therefore, it has improved the relationship between employees and customers.

Certainly technology is bringing a new luster to the banking sector. Both the customers and employees of this sector are aware of the importance of technology driven services. This new trend has increased competitive spirit and commitment of employees and has made customer service easy, faster and dynamic.

1.4 Statement of the Problem/Research Gap

ICT has helped the Indian Banking Sector to become more vital and energetic. This spark of growth has benefited not only the employees but also the customers of these Banks. Both of them are enjoying a variety of advanced Banking services. Today ICT is not at all a luxury tool for Commercial Banks. According to National Association of Software and Services Companies (NASSCOM), in 2014 they have spent 15 percent of the total expenditure on technology upgradation but spending on ICT by UCBs in India was just 5 percent. It is comparatively very lower than Commercial Banks.

The behaviour of the customer is changing in a positive way. His income is increasing, priorities are changing, his ability and willingness to access communication and technology is also enhanced. Keeping this new trend in view, UCBs have to provide best quality and transparent services by adopting user friendly software packages to their customers. Employees have found positive developments in their working environment. ICT tools have brought structural changes in the profitability, productivity and financial performance of Indian Banks. Commercial Banks have been successful in implementing E-Banking services but UCBs have not seen success in the process of transformation of brick and mortar system to digital Banking.

Technology upgradation has changed the mindset of customers. The customer’s perception towards E-Banking services has changed them to come out of Conventional Banking set up to modern technology updated Banks. But UCBs are still slow in imbibing...
technology related strategy in their business operation. It is observed in the study that many of the selected UCBs are not aware of this latest technology drive. Lack of funds, lack of technical skill among staff, inadequate information about ICT tools etc. have made these UCBs to log out of this new challenge.

The key purpose of this study is to analyse the integration of ICT and Banking sector and satisfaction of customers and employees in both Commercial Banks and UCBs with ICT based service offerings. The Topic has been chosen to test the impact of ICT based services in Commercial Banks as well as in UCBs. On the other hand customer’s as well as employees’ perception towards E-Banking services are analysed. E-Banking services in UCBs are still at an initial stage, but in the Commercial Banks delivery of E-Banking services has become successful. RTGS, NEFT, ECS, POS, ATM cards, Credit cards, MICR, Internet Banking, Mobile Banking, etc. are the common features of Commercial Banking Sectors.

1.5 Importance of the Study

Technology has brought structural changes in financial performance, profitability and productivity of Banks. So the present study has made sincere attempts to analyse the changes which started to take place after the introduction of ICT application and has also examined the performance of both Commercial Banks and UCBs. The study has also analysed the perception regarding ICT based services in the Banking business of both customers and employees of selected Banks.

The role of technologies in the modern world is well recognised by the financial sector. ICT tools occupy the vital position in Banking transactions. Banks are also looking forward to ride a vehicle of technology to bring a positive change for a much lauded development. ICT based services are surprisingly changing the platform of Indian Banks. They are providing scope for innovative products to customers. At present, providing best services to their customers has become the prime objective of Banks.

Commercial Banks have introduced ICT tools in a big way, but UCBs are not fully enabled to go for e- payments and e- Banking in large volumes. In this background the present research has made a comparative analysis of ICT impact on both Commercial
Banks and UCBs in India. There is a considerable difference between the services provided by the Commercial Banks and UCBs. So, there is a need to study the growth and trends in financial performance, productivity and profitability with ICT tools in Indian Banking Sector. Therefore the present study has made an attempt to identify the impact of ICT tools on performance of Banking sector and to analyse the perceptions of customers and employees regarding E-Banking services.

Hither to reviewed Working papers, Conference proceedings, Books, Committee reports expose the various studies in the field of ICT applications in both Commercial Banks and Urban Cooperative Banks have been considered for the present study. The available research studies have analysed the role of IT tools in the Banking Sector and perception of customers on E-Banking services. Many success stories show that the latest technology is holding a golden key to open the doors of success to the Banking Sector. Few studies have stressed on ICT strategy in Cooperative Banks. It has been noticed that none of the studies have compared Commercial Banks and UCBs with regard to ICT solutions and also Customers’ And Employees’ Perceptions especially in Mysore city. In this background an attempt has been made to fill the research gap and tried to trace out the reason behind the hesitation towards ICT strategy in Urban Cooperative Banks.

1.6 Objectives of the Study

The present study is based on the following objectives:-

- To make a comparative analysis of the performance of Commercial Banks and UCBs in India.
- To study the nature and extent of ICT practices in the Banking Sector in India.
- To examine the impact of ICT tools on the performance of both Commercial Banks and UCBs in India.
- To analyse the perception of customers and employees of selected Commercial Banks and UCBs in Mysore regarding ICT based Banking transactions.
1.7 Hypotheses of the Study

Following are the hypotheses formulated for the prescribed study:

**H1:** There is a significant difference between Commercial Banks and UCBs in terms of their performance in India.

**H2:** There is a significant difference between Commercial Banks and UCBs in terms of the impact of ICT based services on their performance in India.

**H3:** There is a significant difference between Commercial Banks and UCBs in terms of satisfaction of their customers in Mysore city.

**H4:** There is a significant difference between Commercial Banks and UCBs in terms of satisfaction of their employees in Mysore city.

1.8 Methodology of the Study

A simple random sampling method is adopted to choose customers and employees of particular Banks and purposive sampling method is used to select both Commercial Banks and UCBs in the study area. The study has used a simple percentage method, AAGR, graphical method, T-test, F-test, Dummy variable analysis and chi square test measures to analyse the trend and impact of ICT on Banking sector and perception of employees and customers about ICT based services in Banks. For the Present study 150 customers from Commercial Banks and 150 customers of UCBs of Mysore city and 100 employees of Commercial Banks and 100 employees of UCBs of the same study area are selected on simple random sampling method. RBI reports, NFFSCOB reports and reputed journals, books, newspapers and websites are reviewed to get secondary information. The Sample for this study is limited to Mysore city of Karnataka State, India. Ten Commercial Banks and ten UCBs of Mysore city have been selected for the study (1/4th of the total Banks in the city). The present study has used a questionnaire, schedule and interview method to collect information from the selected samples. The study period is divided into two parts to know the impact of ICT before the formation of the working group on IT support for Urban Cooperative Banks [2008] and after 2008 to till 2013. In this context study has taken the time period from 2003-04 to 2012-13.
1.9 Limitations of the Study

The present study has certain limitations. They are listed below:

- An effort has been made to collect useful and accurate information for the present study from selected respondents, but some of the respondents hesitated to share the information and might have given vague information.

- Analysis of this study is made on the basis of the available information taken from respondents but it may lack accuracy.

- The study is limited to E-Banking services offered by selected Commercial Banks and UCBs.

- The present study has used the dummy variable method to analyse the impact of ICT on the Banking Sector. The study has taken qualitative variable, i.e. ICT and it has also taken quantitative variables such as total deposits, total advances, total investment and total business, deposit per employee, advances per employee and business per employee, deposit per branch, advances per branch and business per branch to make a comparative study of the performance in both Commercial Banks and UCBs in India. To estimate the impact of ‘time period’ i.e. Period of technology upgradation (2003-08) and Period of rapid usage of technology (2008-13) on the performance, productivity and profitability of Banks the dummy variable method is adopted.

- It is a very difficult task to understand and analyse the perception of customers and employees because of new product/services offered by Banks choices and opinions change very often.

- A research is limited to the period from 2008-2009 to 2012-13 to study the performance of the Karnataka Banking sector due to the lack of information about UCBs. Therefore a comparison between Commercial Banks and UCBs is made only for five years.
1.10 Chapter Scheme

The present study is organized into six chapters, they are as follows

The chapter one contains a brief introduction to the present study. It covers the meaning of ICT, evolution and structure of the banking sector, stages of transformation in the Indian Banking Sector and ICT relevance in Indian Banks, objectives and hypotheses. The study also covers the statement of the research problem, the importance of the study, methodology, research gap and limitations of the study.

The chapter two shows the studies of different scholars and experts related to the present study. Here an attempt has been made to review the available literature, i.e. reviews related to ICT & Development, reviews related to ICT adoption in Commercial Banks, reviews related to ICT adoption in Urban Cooperative Banks, reviews related to Customers’ and Employees’ opinion on ICT Adoption in Banks and Committee Reports and this review work has helped to get necessary conclusions.

The third chapter explains a relevant literature and theories which are already carried out by different economists. It has covered both technological background and conceptual framework of the study and the research design and methodology adopted for the analysis. It also shows the study area, data collection method, sampling technique and suitable statistical tools used for study.

The fourth chapter discusses the trend and the impact of ICT on the performance (total deposits, total advances, total investments, number of branches), productivity (both branch productivity and labour productivity) and profitability (return on investment) of the Commercial Banks and UCBs in India and performance of Banks in Karnataka has also been discussed and makes a comparison between Commercial Banks and UCBs with regard to the growth of Banks. Here recent trends in the ICT practices in the Banking sector are also analysed with trend analysis and dummy variable model.

The fifth chapter deals with the Perception of 200 employees and 300 customers of both Commercial Banks and UCBs regarding RTGS, NEFT, ECS, MICR, Mobile
Banking, Internet Banking, ATM services, SMS Alert and Card Based Services in selected Banks. They are analysed with a chi square analysis.

The chapter six being a concluding chapter gives a summary of the study major findings and suggestions.

The present study shows the outline of entire research study and also exhibits the nature, extent and impact of ICT introduction and upgradation both in Commercial Banks and Urban Cooperative Banks in India. The study also considers the perception of customers and employees regarding ICT development in Banks in Mysore City. Hypotheses, objectives, scope and significance of the study are outlined in this chapter. The study also shows methodology, research gap, limitations and organizations of the thesis.