

*Perspective***Innovative technologies in banking industry**

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Reviewed: 02-Sep-2022, QC no. IJBEF-22-76543; Revised: 16-Sep-2022, manuscript no. IJBEF-22-76543 (R); Published: 23-Sep-2022.**DESCRIPTION**

The growth of technology and its advantages in banking operations are constant goals for the Indian banking industry. Technology is regarded as the foundation of the financial system for the country's overall economic prosperity. Every industry, including manufacturing, education, and finance, is expanding because to technology. Banks are making significant investments in new technical or creative banking practises to make the most of technology. Examples include telebanking, CRM, mobile banking, ATMs, and E-banking. Real-time gross settlement, INFINET, electronic banking, and other indicators suggest that the RBI continuously adopts innovative payment technologies basis. In comparison to the global financial system, the Indian financial system has grown more complicated as a result of the aforementioned issues.

Globalization, privatisation, and liberalisation have all altered the Indian economy's outlook during the past few years. The Indian financial system is not an outlier. These developments have demonstrated or confronted the Indian Banking System with a number of difficulties, forcing it to either keep up with the pace of new technology ways or fall behind with outdated conventional systems. A strong and efficient banking or financial system is required for a robust economic system, as it is seen as the foundation of the economy. Indian banking should not only be hassle-free but also adapt to changing technological hurdles and external or internal variables.

However, it is understandable that improving the situation just through technological upgrades or the introduction of new innovative goods into the banking system won't be possible unless bank consumers start to respond favourably. Thus, it became imperative for banks to not only keep their current clientele but also attract new ones by timely launching new goods and services that take into account their preferences, perceptions, and convenience.

Information technology advancements have a significant positive impact on the expansion and inclusivity of many economic sectors, supporting inclusive economic growth. The

use of information technology in banking not only strengthens back-end administrative procedures, increasing its competitive efficiency, but also enhances front-end operations and lowers transaction costs for clients.

Innovative technology goods have been introduced into the Indian banking sector by the Reserve Bank of India. The adoption of Core Banking Solution (CBS) is a major technological advancement in the banking industry, and it allows for branch networking, enabling consumers to access their accounts online from any bank location.

In 1969, when Indira Gandhi, our Prime Minister and Finance Minister, nationalised all commercial banks, the Indian financial sector underwent one of its many metamorphic stages. Following the economic liberalisation of 1991, the real change or turnaround of the Indian banking industry began when banks began to provide clients with better rates.

Innovations in banking

In the past several years, India's banking industry has seen numerous changes. Many banks have started to adopt an innovative approach to banking with the goal of satisfying their consumers by periodically delivering new technologically advanced and unique solutions that would benefit customers. Information technology is crucial to the improvement and expansion of the Indian financial sector. It has led to new developments in product design and delivery in the banking and financial sectors. Information technology has changed, but also in the banking industry, but they also provided a wide range of innovations to create new systems that cater to a variety of consumer requirements that were unfathomable a few years ago. Future bank rivalry and its connection to financial advances will fundamentally alter banking philosophy. Innovation and the introduction of technology goods in banking will be a result of the challenging business climate inside the banking sector.

The Indian banking industry occasionally faces new chances and difficulties as a result of technology advancements. In today's fiercely competitive market, banks must adopt new and appropriate technology, use it properly to meet high service and efficiency standards, and offer favourable returns to shareholders. In India,

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a large portion of the population lives below the poverty line and lacks access to financial services, whereas another group regularly uses these services. Another problem arose as a result for Indian

banks. Due to the international banks' presence in the Indian market and the variations in the products and services they offer, banks are focusing on raising the level of services they provide to consumers in order to satisfy their deadlines for expectations.