

# Net Banking and Phone Banking Services: A Study on Kotak Mahindra Bank

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**Abstract:** *Someone has rightly said that practical experience is far better and closer to the real world than mere theoretical exposure. The practical experience help to students to view the real business world closely, which in turn widely influences their perceptions and arguments their understanding of the situation. The research work "study of customers' preference and satisfaction regarding net and phone banking service provided by kotak Mahindra bank" aims to study the awareness level and customer satisfaction regarding the new and innovative e-banking service like net and phone banking. For this purpose the respondents from Jalandhar city has been chosen. Our contemporary lives have been influenced by the advancement and growths in banking sector wherein the banking sector of 21st century are unthinkable. This study aims to explore all such phases. The research topic deals with matters, which are basic and should be known in relation to new techniques in banking due to advancement and innovation resulting in e-banking. The topics are dealt with in a general manner. There would be details about the profile of Kotak Mahindra Bank, net and phone banking services availed by customers in Kotak Mahindra Bank.*

## 1. INTRODUCTION

Even those slow to warm up to technology are beginning to use internet banking. It is often more convenient than banks that do not have such services. Sooner or later, most people find it hard to resist. Yet some still do not know what internet banking is. There are two types of banks that do internet banking. Many brick and mortar banks or credit unions are now offering online services. This still allows customers of the bank the option of going to the building to do their transactions in person. Or, they can take advantage of internet banking services through a bank website. The other type of bank that does internet banking is a virtual bank. These banks do not have a location where you can go in person. They only do business over the internet. With banks like this, you do not have the option of visiting your local branch and making a deposit. These banks charge very little for internet banking. Their services may even be free. Virtual banks can afford to do this because, without a building to maintain, they have lower costs. They do not make their money by charging for standard transactions in most cases. Banks and credit unions also charge little for their online service. Online banking is becoming more and more popular. You can do most of it

without leaving your home, if you wish. Internet banking is a safe and convenient way to handle your money.

## 2. INTERNET BANKING IN INDIA

The Reserve Bank of India constituted a working group on Internet Banking. The group divided the internet banking products in India into 3 Types based on the levels of access granted. They are:

### 1. Information Only System

General purpose information like interest rates, branch location, bank products and their features, loan and deposit calculations are provided in the banks website. There exist facilities for downloading various types of application forms. The communication is normally done through e-mail. There is no interaction between the customer and bank's application system. No identification of the customer is done. In this system, there is no possibility of any unauthorized person getting into production systems of the bank through internet.

### 2. Electronic Information Transfer System

The system provides customer- specific information in the form of account balances, transaction details, and statement of accounts. The information is still largely of the 'read only' format. Identification and authentication of the customer is through password. The information is fetched from the bank's application system either in batch mode or off-line. The application systems cannot directly access through the internet.

### 3. Fully Electronic Transactional System

This system allows bi-directional capabilities. Transactions can be submitted by the customer for online update. This system requires high degree of security and control. In this environment, web server and application systems are linked over secure infrastructure. It comprises technology covering computerization, networking and security, inter-bank payment gateway and legal infrastructure.

### 3. LEVEL OF INTERNET BANKING:-

The document broadly categorizes levels of Internet banking services into three types:

- The basic level service in which the banks' websites disseminate information on different products and services to customers. It may receive and reply to customers' queries through e-mail.
- Simple transactional websites which allow customers to submit their instructions, applications for different services, and queries on their account balances. They do not permit any fund-based transactions on their accounts.
- The third level of Internet banking services offered by fully-transactional websites which allow customers to operate on their accounts for transfer of funds, payment of different bills, subscribing to other products of the bank, and to transact purchase and sale of securities.

### 4. KOTAK MAHINDRA BANK

Established in 1984, Kotak Mahindra is one of India's leading financial institutions, offering complete financial solutions. From commercial banking, to stock broking, to mutual funds, to life insurance, to investment banking, the group caters to the financial needs of individuals and corporates.

In February 2003, Kotak Mahindra Finance Ltd, the group's flagship company was given the license to carry on banking business by the Reserve Bank of India (RBI). Kotak Mahindra Finance Ltd. is the first company in the Indian banking history to convert to a bank.

Recently, Kotak Mahindra Bank Ltd and HDFC Bank have signed a Memorandum of Understanding to share their ATM network. This agreement will give customers of the two banks access to over 1400 ATMs across the country. While HDFC Bank has 1335 ATMs across 228 locations in the country, Kotak Mahindra Bank has 75 ATMs at 41 locations, accessible 24 hours a day, 365 days a year. Kotak Mahindra Bank is offering access to HDFC Bank ATM network free of cost to most of its customers. The charges for HDFC Bank customer for using Kotak Mahindra's ATMs are Rs. 18 for Cash withdrawals and Rs. 7 for Query-based transactions such as balance enquiry.

### 5. NET BANKING



- Kotak Mahindra Bank's Net Banking service brings you the timeless world of instant banking. It is quick and easy, available to you 24X7 and it's absolutely free!
- It gives you instant access to your Banking Accounts, Demat Accounts, Investment Accounts, netc@rd and Insurance Accounts. In addition you can transfer money, pay your bills, pay for your online shopping, and make subscription payments and more. And all this comes to you on a robust and secure technology platform.

### 6. NET BANKING FEATURES

#### What can you do online?

- Net Banking gives you a host of services, giving you complete control of your accounts:
- View account balance, account activity, place standing instructions and cheque status
- Open a Term Deposit
- Transfer funds online between your/third party accounts with Kotak Mahindra Bank or any other bank account supported by RBI NEFT system
- Place request for a cheque book, debit card PIN, add on card or payment gateway registration
- View securities available for Demat
- View current Mutual Fund holdings, Buy and redeem Mutual Funds online

Shop online at over 3000 websites; make utility bill payments across more than 60 companies and 42 cities

### 7. HOW SECURE IS NET BANKING

Protected by the most stringent security systems, Net Banking allows you to transact over a completely secure medium. All your transactions travel via 128-bit SSL encrypted medium, the highest level of security on the internet. The servers are protected with firewalls that make unauthorized access impossible.

Each customer is, provided with a User ID and Password. Your password is generated in such a way that it is only known to you.

In addition we guard against unauthorised entry or viewing in the following ways:

- To prevent somebody from guessing your password and getting unauthorised access to your account your User ID is locked immediately in case of three consecutive wrong password entries.
- To prevent an unauthorised person from viewing your Net Banking account in case you leave your computer idle, we close your Internet session in case of inactivity for an extended period of time.
- You can block your account anytime for any duration you wish by contacting our Customer Care Officer at our 24 hour Customer Contact Center. It is unblocked upon your request.

- To prevent somebody from accessing your Net Banking User ID and Password through capturing of keystrokes from a keyboard, we have now enabled the 'Virtual Keypad' on the Net Banking / Payment Gateway Login screen

## 8. SECURITY TIPS

Kotak Mahindra Bank has exercised great diligence to ensure confidentiality and security of your accounts. We use several layers of robust security methods including encryption, firewalls and timed log-outs amongst others, to ensure the confidentiality of your personal and financial information. However, the ultimate key to security lies in your possession. Here are some additional steps that you as a user can take to ensure that you are taking the necessary precautions:

- Password Protection
- Login Security
- Email Security

## 9. PASSWORD PROTECTION

- **Change your password** when you receive it the **first time**, and thereon regularly.
- Your passwords should have a **minimum of eight characters** containing both **letters and numbers** with a **combination of uppercase** (CAPITAL LETTERS) & **lowercase** (small letters) - when these are case sensitive.
- **Use passwords that are hard to guess.** Avoid real words or those that can be easily identified, such as, name, family name, date of birth, telephone number, pet's name, parent's name etc.
- **Avoid** using the **same password** on **different websites**. Always use unique passwords for each website.
- **Do not write down your password** or store it in your mobile or email.
- **Do not give** your password to or **share your password** with anybody, including the employees of Kotak Mahindra Bank.
- **Notify the Bank** immediately at 1800 116022 (North India) OR 1800 226022 (Rest of India) if you suspect that your password has become known to or used by someone else.

## 10. LOGIN SECURITY



- **Always log** on to Net Banking by entering the Bank's website address **www.kotak.com** into the address bar. **Do not access** the bank website from a link provided in an email from any source.
- When **logging on** or entering personal information, you can verify the security of the Net Banking session with Kotak Mahindra Bank by **clicking on** the icon appearing at the bottom right hand corner of your Net Banking login page. **Double clicking on the lock** will verify that the digital certificate is issued to **https://www.kotak.com/**. Proceed only if such verification is available.
- **Never walk** away from your computer without properly logging out from Net Banking and closing your browser.
- If you are **using a computer other than your own**, always end your banking session and close the browser.
- **Regularly log** into your Net Banking accounts and check your bank statements to ensure that all transactions are legitimate.
- **In order to protect** our customers' account security, access to Net Banking will be automatically blocked once multiple attempts to log in are made with an incorrect password.
- **If you forget your password**, or have inadvertently had your access to Net Banking blocked, please call our Customer Contact Centre at 1800 116022 (North India) OR 1800 226022 (Rest of India) and a representative will re-enable you to access Net Banking by following a strict protocol of security procedures.

## 11. EMAIL SECURITY

- **Be suspicious of any e-mail** with urgent requests for personal financial information. "**Phishers**" typically include upsetting or exciting (but false) statements to get people to react immediately. **Avoid filling** out forms in e-mail messages that ask for personal financial information. Communicate such information only via a secure website.

**Remember**, Kotak Mahindra Bank **does not send out emails** to customers requesting personal, confidential or account information.

## Phone Banking

We have a 24 hrs Customer Contact Center to offer you personalised service round the clock. Just pick up the phone and call us on at our Toll Free number 1800 116022 (North India) OR 1800 226022 (Rest of India). If you are calling from abroad, you may call +91 22 6600 6022.

Whether it is something as urgent as a stop payment or you simply want to know your balance just give us a call. Our toll free number gives you access to your account, from anywhere... anytime. And what's more, this facility comes to you absolutely free of cost!

### **In addition to the existing services available over Phone Banking such as:**

In order to provide you the convenience of carrying out most of your Banking transactions in just one call, we have added host of new services\* and we are excited to bring them to you. These include:

- Enquire on your account details - your balance, account activity, uncleared fund details and cheque status.
- Enquire on the latest interest and exchange rates.
- Request for fund transfer\* between your accounts at Kotak Mahindra Bank.
- Open a term deposit or get details of all your term deposits
- Initiate standing instructions or place stop cheque payment instructions.
- Request a cheque book and account statements.

### **Conditions apply**

You can give us financial instructions through our Phone Banking service based on your account operating mandate, i.e. if you have a single or unconditional signing authority on your account, you can transact on your accounts through the phone.

## **12. MOBILE BANKING**



Welcome to the world of convenience banking on your Mobile phone.

Now, you can experience the benefits of online banking anywhere and anytime, without the need for a computer. All this absolutely FREE\*!

Using the service, you can access your bank accounts and investment accounts at your fingertips, anytime, anywhere. All this convenience comes to you on a secure and user friendly GPRS-based Mobile Banking platform.

### **Mobile Banking Features**

- Menu driven service—no need to remember complex codes
- Security through 128 bit encryption.

- Check your account balances for Current, Savings & Term Deposit accounts
- View your account activity
- Transfer funds between your accounts or other accounts in Kotak Bank
- Purchase Mutual Fund units
- Redeem Mutual Fund units
- Report loss/theft of Debit Card and request for replacement
- Check status of your Cheque instruments
- Request issue of new Cheque book
- What you need to access this service
- To access Kotak Mobile Banking you need:
  - A Kotak Mahindra Bank account
  - A Java-enabled handset
  - An active GPRS connection (Advanced GPRS recommended) from your service provider
  - Registration for Net Banking and a Net banking password
  - Activation Key - the Activation Key is generated on first login.

### **Security Features**

Kotak Mobile banking platform uses secured Https protocol for communication between the mobile client and the mobile server. Protected by the most stringent security systems, Kotak Mobile Banking allows you to transact over a completely secure medium. All your transactions travel via 128-bit SSL encrypted medium, the highest level of security on the network. The servers are protected with firewalls that make unauthorized access impossible.

### **Downloading the Application**



You have updated your current mobile number with us. All you need to get started using Kotak Mobile Banking is to download the application by sending

K MOBILE <Last 4 digits of your CRN> as SMS to 5676788. Please note you need to send the message from the mobile number you have registered with the bank. You can also call our 24 Hrs Customer Contact Center for downloading Kotak Mobile Banking application. You would be receiving the link to download the application on your mobile number registered with the bank. Please make sure

### 13. REGISTRATION

Access to Kotak Mobile Banking will be granted once you register your Activation Key (which will be displayed on your handset) with us. To activate Mobile Banking on your handset, please call our 24 Hrs Customer Contact Center at our toll free number - 1800 116022 (North India) or 1800 226022 (Rest of India)

### 14. ATM NETWORK

#### Key Features

- The ATM service is available to you absolutely FREE
- Our strategically located and constantly growing ATM network brings the bank within your easy reach.
- The state of the art touch screen Kotak Mahindra Bank ATMs are part of the Visa/Plus ATM network. That means you can withdraw cash from our ATM Network with International and Domestic Visa/Visa Electron/Plus Credit Cards/Debit Cards.
- With our special arrangement with HDFC Bank, you can use your Kotak Mahindra Bank Global Debit Card at over 1949 HDFC Bank ATMs absolutely free.

#### Services available

- 24-hour access to cash
- Transfer funds between accounts
- View Account Balances and Mini Statement
- Pin Change option
- Call our 24 hour Customer Service Center to know more.

#### SMS Banking



#### Key Features

- Access your bank account on your Mobile Phone
- Get latest update on your account balance, salary credits, and more!
- FREE service!
- SMS Commands

Kotak Mahindra Bank's SMS Banking service enables you to access your bank account, investment account and demat account on your Mobile Phone. Now get latest update on your account balance, salary credits, large debits, large credits, holding value and much more, on your mobile anytime.

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