

ERA OF NEW TECH FINANCIAL SERVICES – INDIA'S MARCH TOWARDS \$5 TRILLION ECONOMY BY 2024

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ABSTRACT

Fintech is a combination of two words 'finance' and 'technology', which cite the use of freeware along with hardware toward catering fiscal solution in a faster, easier, and more secure manner. Fintech provides multi-dimensional ambit which was missing in the conventional financial business with the potential to change the financial supposition and actuality of the world. Digital transactions stake is major in India and helps in accelerating towards trillion economy target and all over world. The purpose of this probing is to provide a descriptive scanning of interactions between fintech firms as well as banks. This probing is based on a 'Descriptive analysis'. Descriptive analysis execute by perilously outlining distinct journals, books, magazines and working papers from banking institutions. The outcome of this scanning depicts the importance of fintech in banking sector. The findings of the study can help us understand the importance in today era as well as forthcoming. Pay through phone, remittance, solicits and wealth management are some of the instruments of Fintech used by customers to link themselves with bank. Fintech chronicles, by providing facility that depend on robotics hence enhance the aspect of conventional banking utility.

Keywords: Banks, Financial Technologies, Financial Services, Mobile Payments, Mobile Transfer.

Introduction

Financial Technology

Fintech with the help of artificial intelligence enabling new innovations and technology in the era of digitalization. It ease in doing analytics, trading advice and assistance to customer.

A lot of commercial functions are automated via fintech, including loan underwriting and property appraisals. Fintech organizations can better acknowledge clients and strengthen their merchandise efforts, innovations in product, and funding in every sphere of life and enabling customer to do transactions with the use of block chain tech as well.

Role in Banks

Concurrent processes in fintechs are used by banks – for example, keep track of customer's account and provide prompt result regarding bank balance and its updates. Fintech enables banks to bankroll. People can utilize fintech to approach a variety of treasury services, such as making transactions using a cellular phone and getting investment direction from the comfort of their own home.

Here are some examples of how the fintech sector has simplified banking services:

- Advanced Self-service Features
- Mobile wallets
- Instant payment support
- Net-banking
- Electronic Payments
- Personal Banking

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Review of Literature

The literature examined the association between fintech and the banking services in India

As per the article (Jain2020), Fintech businesses support the budgetary administration sector by supporting administration, financing, and instalment businesses that are promoted by banks. With the knowledge and encounter of great banks and installment structures, the adaptability advertised by fintechs can provide support to clients associated with fintech suppliers.

As per the article (Xavier Vives2019) fintech has a large and probably boost the disruptive capability. Moreover, for modern technology to benefit end users and firms without menacing financial steadiness, regulation needs to be challenged.

(Thomas Philippon2016) author estimated the probable result of FinTech on the finance industry put on fiscal solidity and approach to resources. It accelerates the cost of financial services. The existing regulatory approach, I would contend, is concerned to high political economy and coordination costs and hence unlikely to produce any reformed change. On the other side, FinTech has the potential to bring about profound switch but is likely to create important regulatory challenges.

(C.vijayi 2019) this paper evaluates the role of fintech the reliable opportunities in the market the current and forthcoming paradigm to embrace the growth of digitalized transactions. The cost computed is least. The facility is going to modify the attitude of the end users.

This study (Legowo, StephSubanidja 2019) employ a descriptive analysis research method and qualitative mechanism path. By critically analysing a number of pertinent scientific journals, information about the Indian FinTech phenomena, and supporting documents from banking institutions, this descriptive analysis is carried out. The findings of this investigation show what has happened to banks and fintechs in the past, present, and further forward. This study's contributions can offer deeper understanding and insight into banks and FinTech in the past, present, and future.

Research Gap

The industry 4.0 shift alters the functioning of industries all over the globe, and the fiscal and banking sector are no exceptions. What heartening is that the governing bodies have in fact encouraged an entrepreneurial environment for Fintech in India rather than one that is restrictive.

The authority must keep a watch on rapid change in automation and revolution and cater the needs with transparency.

Methodology

This study used a descriptive analysis research method as its research methodology. In order to conduct this descriptive study, data were gathered from a variety of relevant scientific journals, as well as information about the FinTech phenomena in India and supporting documents from banking institutions. Using the secondary data gathered, a descriptive technique was employed to analyze the data. The analysis discusses how the development of fintech has affected the activities of the banking system in current and forthcoming.

Objectives

- To study about services offered and the technology being used by banking sector.
- To understand why people are motivated to use fintech for banking services.
- To know how fintech are inspiring people to manage their finances and helping them to make informed Decision
- To provide a conceptual overview of the fintech and adoption of fintech among digitally active consumers.

Digital Transformation in Banking Sector

We are living in an era of new technology where we are capable to perform infinite actions which was not possible earlier. For example Block chain, artificial intelligence, quantum computing. These are the top new technologies recently used at global level. In context of banking sector, state level banking committees are more concerned for general public to provide banking services in an effective and efficient way. Coordination with these technologies Indian banking sector introduced mobile banking services, Digital wallets services, UPI payment system, blockchain technologies etc. Innovation for the mass market is urgently required in order to overcome issues like restricted regulatory policy, absence of financial and digital literacy, and others. However, keeping an eye on the wider picture, making sure that

partnerships continue, and remaining resilient is the key additionally, a lot of foreign investors are interested in the Indian Fintech market since they want to strengthen the nation's consistently increasing GDP. Various drive such as 'Digital India', 'Make in India'; recent efforts to demonetize currency and move India toward a cashless society are setting the groundwork for strong connection between Fintech and banks.

Analysis

The Banking and Fiscal services industries have seen significant change because of the development and use of financial technologies. To integrate the front end and back end computing capabilities efforts are made by utilizing technology, building closer relations between businesses and customers, and tackling the issue of financial inclusion, fintech has the potential to revolutionize the banking sector.

Conclusion

This study is based on secondary data and strived to furnish an abstract analysis for the significance of financial automation in current scenario. Technology is bliss for Homo sapiens as it helps in accelerating wealth and boom economy. Digital facilities are more efficient and least complicated. The purpose of the study was to highlight FinTech businesses and demonstrate how they can alter the fiscal scenario of financial institutions and simplify services provided by them. Moreover, our probing provides a vast ambit for all financial institutions keen in fintech and its outcome. Our research can assist financial institutions, notably banks, who are interested in learning how FinTech is affecting them to embrace this automation widely and how to deal with this jolt for the stake of to thrive in this swiftly altering surroundings. FinTech is essential today and it will prosper India's March towards \$5 Trillion Economy by 2024.

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