

A STUDY ON E-BANKING SERVICES WITH REFERENCE TO AXIS BANK

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ABSTRACT

This study investigates the evolution and financial impact of e-banking services at AXIS Bank across various modes. Utilizing bank-provided data on credit cards, ATM networks, UPI transactions, digital channel engagement, deposits, borrowings, advances, and profitability metrics, the research identifies significant growth trends in both digital and traditional banking operations. The analysis reveals a robust expansion in mobile and internet banking usage, underpinned by strategic feature enhancements and network augmentation, which contributed to substantial increases in deposits, advances, and net profit over the study period.

Despite these achievements, the study uncovers limitations related to data granularity, lack of qualitative customer insights, and singular institutional focus. Accordingly, it offers targeted recommendations for enhancing analytics capabilities, customer feedback integration, and fintech partnerships. Practical implications underscore the necessity for finance managers to balance digital innovation with prudent risk management, while future research directions advocate for mixed-methods approaches and multi-bank comparative analyses to deepen understanding of digital banking dynamics.

INTRODUCTION

The emergence of electronic banking has brought a transformative shift in the global financial landscape, redefining the operational mechanisms of traditional banking institutions. In the Indian context, the rise of e-banking has been particularly significant due to the rapid digitization of financial services and government-led initiatives such as Digital India. AXIS Bank, as one of the leading private sector banks in India, embraced this transformation by integrating a wide spectrum of e-banking services into its core operations. The bank utilized technology not merely as a supplementary tool, but as a strategic enabler to enhance customer satisfaction, operational efficiency, and financial performance. The development of e-banking services at AXIS Bank reflected a strategic shift from conventional over-the-counter banking practices to more agile, secure, and convenient digital platforms.

The digitalization of banking services in AXIS Bank was driven by the evolving demands of technologically adept customers who prioritized accessibility, speed, and flexibility in financial transactions. In response to these consumer expectations, AXIS Bank expanded its digital infrastructure by incorporating advanced technologies such as real-time online banking, mobile banking applications, and secure transaction platforms. The bank adopted a customer-centric approach that emphasized personalization, user-friendliness, and 24/7 accessibility. E-banking services were not confined merely to fund transfers or balance

inquiries but extended to comprehensive offerings such as online loan applications, digital investment solutions, and utility payments. These services collectively positioned AXIS Bank as a progressive entity within the Indian banking sector.

REVIEW OF LITERATURE

Abikari (2023) in their investigation had explored how negative emotions shaped consumers' behavioral intentions to adopt emerging e-banking technologies. The study surveyed 320 potential banking users across the United Arab Emirates, measuring emotions such as anxiety and distrust. Structural equation modeling demonstrated that negative emotions exerted a significant inhibitory effect on adoption intentions, mediated by perceived risk and trust.

Angusamy (2022) in their empirical study had investigated factors affecting customer satisfaction in e-banking services. A sample of 300 banking customers in Sri Lanka was surveyed, and regression analysis was conducted. The research identified website quality, transaction speed, and customer support responsiveness as significant predictors of satisfaction. The paper recommended that banks invest in infrastructure upgrades and staff training to optimize operational efficiency and service responsiveness.

Mousa (2021) in their investigation had analyzed determinants of customer acceptance of e-banking in Iraq by employing the Technology Acceptance Model. Survey data from 280 e-banking users were subjected to SEM. Perceived usefulness, ease of use, and trust emerged as significant drivers of acceptance, while social influence and facilitating conditions played secondary roles.

Bashir (2020) in their study had evaluated the mediating effect of customer perceived value on the relationship between service quality and customer satisfaction in Bangladeshi e-banking contexts. Using data from 350 online banking users, the research applied Baron and Kenny's mediation approach and bootstrapping techniques.

NEED FOR THE STUDY

The study was necessitated by the dynamic changes in banking operations brought about by technological advancements and digital innovations. With the increasing competition in the private banking sector and the growing dependence on digital interfaces by customers, it became imperative to assess how e-banking services were transforming the strategic landscape of banking institutions. AXIS Bank, being a pioneer in digital adoption, provided an appropriate case for examining the operational, financial, and managerial dimensions of e-banking services. Furthermore, finance professionals required evidence-based insights to enhance digital banking infrastructure and service delivery in alignment with evolving consumer expectations and regulatory frameworks.

SCOPE OF THE STUDY

The scope of the study encompassed the evaluation of e-banking services offered by AXIS Bank, with a particular focus on their operational trends, customer adoption patterns, financial performance, and profitability metrics. The study was limited to secondary data sources and targeted a comprehensive assessment of digital service offerings and their impact

on the bank's overall performance. The scope also included the identification of challenges and opportunities within the digital ecosystem of AXIS Bank.

OBJECTIVES OF THE STUDY

1. To discuss the various e-banking services provided by AXIS Bank.
2. To know trend of e-banking services at AXIS Bank.
3. To analyze the financial performance of AXIS Bank.
4. To analyze the profitability of AXIS Bank.
5. To give suggestions for finance managers at AXIS Bank.

METHODOLOGY

The research methodology adopted in this study was structured to analyze the e-banking services provided by AXIS Bank with a particular emphasis on evaluating its financial performance and profitability through secondary data analysis

The research followed a descriptive research design, appropriate for financial studies based on secondary data. The design aimed to describe and analyze the financial performance metrics of AXIS Bank in relation to its e-banking initiatives without manipulating any variables.

DATA SOURCES

Although primary data was not directly collected from respondents, the analysis involved quantitative parameters that functioned as primary inputs for financial assessment.

Secondary data formed the backbone of the research and was collected from reliable sources including AXIS Bank's annual reports, company website, Reserve Bank of India publications, financial journals, academic books, and credible internet portals.

LIMITATIONS OF THE STUDY

1. Reliance on annual aggregate data may obscure seasonal and monthly variations in e-banking usage.
2. Comparative app trade values do not account for differences in user demographics and transaction types across platforms.
3. Market share figures based solely on transaction volume may not reflect customer satisfaction or service quality.

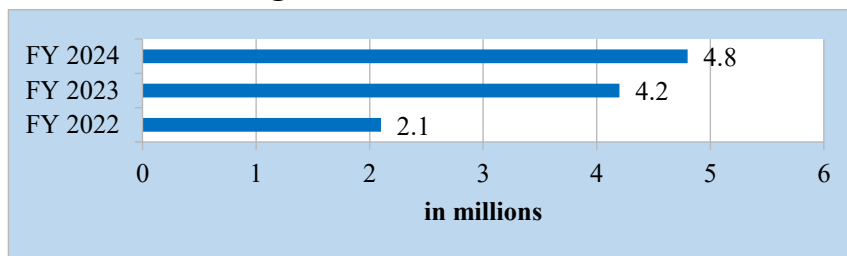
DATA ANALYSIS

1. Credit cards issued by AXIS Bank

Table 1: Credit cards

in Millions	
FY 2022	2.1
FY 2023	4.2
FY 2024	4.8

Figure 1: Credit cards



Interpretation

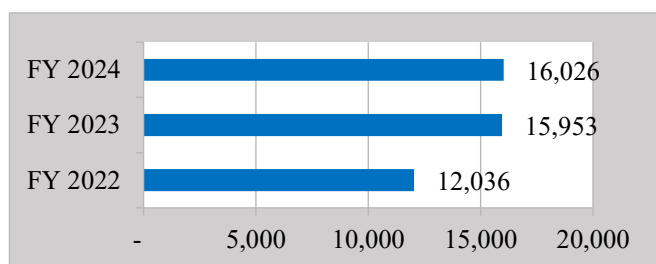
The near doubling of credit cards issued from 2.1 million in FY 2022 to 4.2 million in FY 2023, followed by a further increase to 4.8 million in FY 2024, indicates a concerted effort by AXIS Bank to expand its unsecured lending portfolio and deepen customer engagement through rewards and co-branding partnerships. This upward trajectory suggests that the bank’s marketing initiatives and product innovations—such as lifetime-free cards and premium offerings—have resonated with consumers, accelerating acquisition even as competitive pressures in the credit-card market intensify.

2. ATMs of AXIS Bank

Table 2: ATMs

FY 2022	12,036
FY 2023	15,953
FY 2024	16,026

Figure 2: ATMs



Interpretation

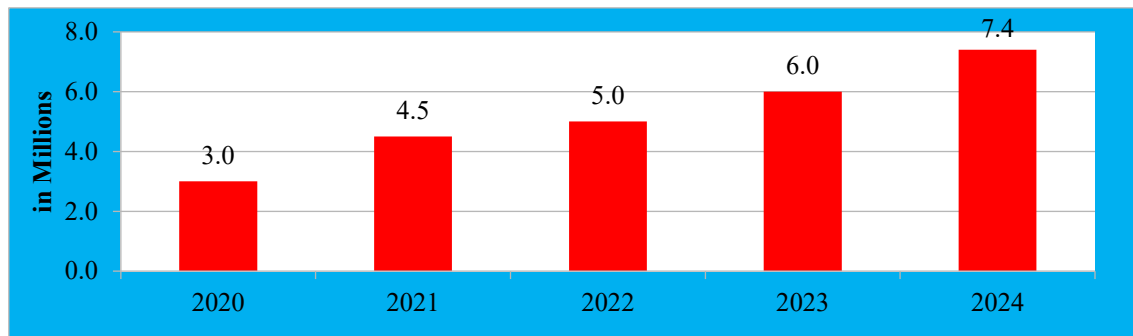
AXIS Bank’s ATM network grew from 12,036 units in FY 2022 to 15,953 in FY 2023 and marginally to 16,026 in FY 2024, reflecting an aggressive branch-less strategy to boost physical touchpoints. The significant expansion between FY 2022 and FY 2023 underscores the bank’s prioritization of financial inclusion and last-mile connectivity, while the plateauing growth in FY 2024 may indicate a strategic shift toward optimizing existing infrastructure or investing more heavily in digital channels.

4. Daily average UPI transaction of AXIS Bank

Table 3: UPI transactions

Year	In Millions
2020	3.0
2021	4.5
2022	5.0
2023	6.0
2024	7.4

Figure3: UPI transactions



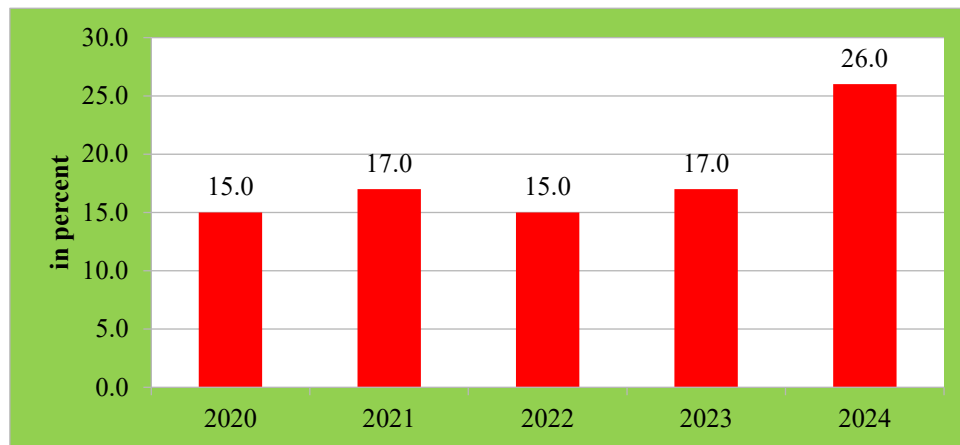
Interpretation

The steady rise in daily average UPI transactions—from 3 million in 2020 to 7.4 million in 2024—demonstrates AXIS Bank’s successful pivot to real-time, low-cost payment rails amid surging digital adoption. This four-year growth underscores not only customer trust in the bank’s UPI integration but also the “open” app’s evolving feature set, which has effectively captured incremental volume even as the overall UPI ecosystem becomes more competitive.

4. AXIS Bank UPI Market Share

Table 4: Share of UPI market

Year	Share of AXIS Bank
2020	15.00%
2021	17.00%
2022	15.00%
2023	17.00%
2024	26.00%

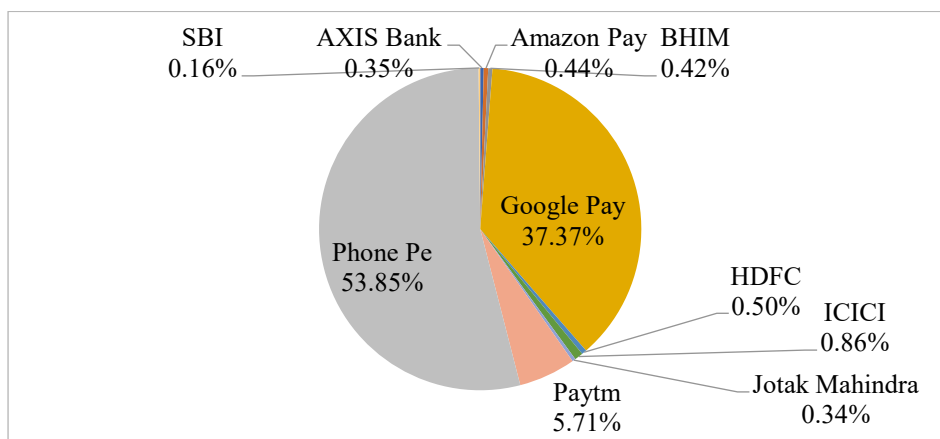
Figure 4: Share of UPI market**Interpretation**

AXIS Bank's UPI market share oscillated between 15 percent and 17 percent from 2020 to 2023 before jumping to 26 percent in 2024, signaling a late but decisive leap in platform competitiveness. This dramatic gain could be attributed to targeted merchant partnerships, enhancements in user experience, and strategic promotions, which together have enabled AXIS Bank to capture over one-quarter of total UPI volume despite earlier fluctuations.

5. Comparison of AXIS Bank app with other selected banks**Table 5: Comparison**

App	Trade Value (in INR Millions.)
AXIS Bank	77,691.70
Amazon Pay	98,434.70
BHIM	93,337.70
Google Pay	8,268,450.70
HDFC	110,864.20
ICICI	189,286.20
Jotak Mahindra	74,897.50
Paytm	1,263,134.50
Phone Pe	11,913,039.80
SBI	35,156.30

Figure 5: Comparison



Interpretation

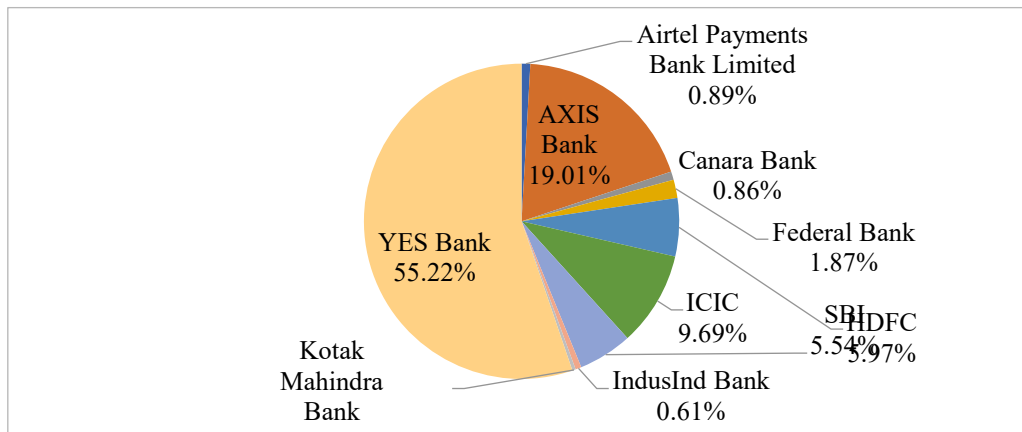
With a trade value of ₹77,691.7 million, AXIS Bank’s app lags significantly behind market leaders such as PhonePe (₹11,913,039.8 million) and Google Pay (₹8,268,450.7 million), yet it remains competitive against smaller wallets like Jio and Amazon Pay. This positioning highlights the bank’s mid-tier digital footprint: while the app has achieved substantial traction, closing the gap with fintech giants will require innovative features and deeper ecosystem integration to drive higher ticket sizes and transaction frequency.

6. Bank wise online transactions in relative to AXIS Bank

Table 6: Transactions comprison

S.No	Bank	Trade volume (in Millions)
1	Airtel Payments Bank Limited	156.81
2	AXIS Bank	3353.68
3	Canara Bank	151.47
4	Federal Bank	330.41
5	HDFC	1053.41
6	ICIC	1709.15
7	SBI	977.23
8	IndusInd Bank	107.35
9	Kotak Mahindra Bank	61.33
10	YES Bank	9744.8

Figure 6: Transactions comparis



Interpretation

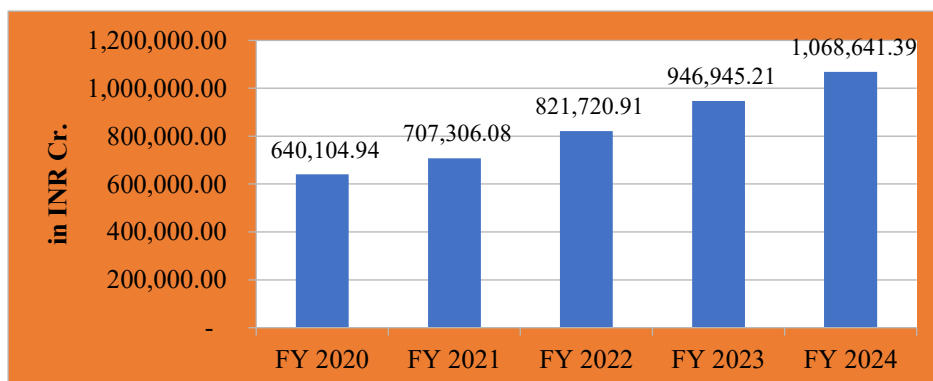
AXIS Bank’s online transaction volume of 3,353.68 million units far exceeds that of peers like HDFC (1,053.41 million) and SBI (977.23 million), but remains well below YES Bank’s 9,744.8 million, illustrating a strong digital core yet also pointing to pockets of underutilization. This comparative insight suggests that while AXIS Bank commands a leading position among traditional banks, there is scope to elevate digital engagement to rival neo-bank levels through targeted user acquisition and retention strategies.

7. Deposits of AXIS Bank

Table 7: Deposits

in INR Cr	
FY 2020	640,104.94
FY 2021	707,306.08
FY 2022	821,720.91
FY 2023	946,945.21
FY 2024	1,068,641.39

Figure 7: Deposits



Interpretation

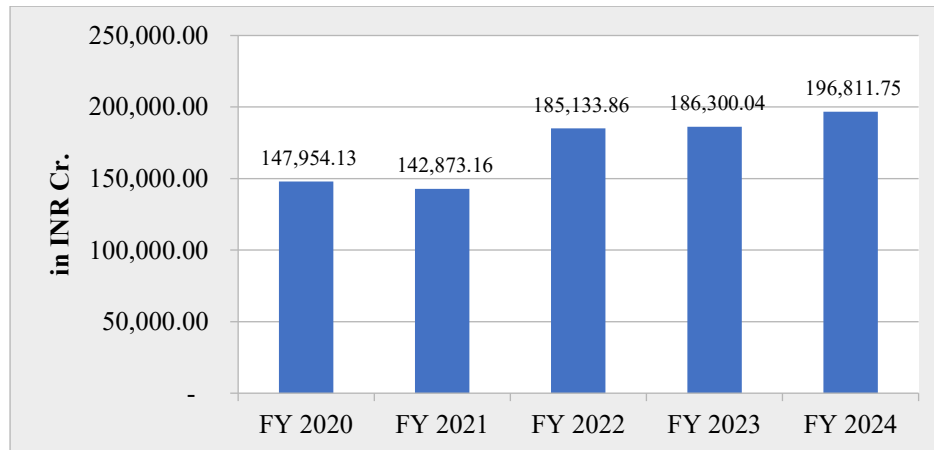
AXIS Bank's deposits climbed steadily from ₹640,105 crore in FY 2020 to over ₹1,068,641 crore in FY 2024—an increase exceeding ₹428,000 crore in four years. This robust growth testifies to the bank's effective mobilization of retail and corporate deposits through competitive rates, expanded branchless channels, and digital onboarding, thereby strengthening its funding base for continued asset expansion.

8. Borrowings of AXIS Bank

Table 8: Borrowings

in INR Cr	
FY 2020	147,954.13
FY 2021	142,873.16
FY 2022	185,133.86
FY 2023	186,300.04
FY 2024	196,811.75

Figure 8: Borrowings



Interpretation

After a slight reduction in borrowings from ₹147,954 crore in FY 2020 to ₹142,873 crore in FY 2021, AXIS Bank's reliance on wholesale funds climbed to ₹196,812 crore by FY 2024. The upward trajectory reflects both strategic leverage for asset growth and an adaptive funding mix in response to fluctuating market liquidity and interest-rate conditions, underscoring the bank's balancing act between cost-effective deposits and market borrowings.

FINDINGS

- The number of credit cards issued by AXIS Bank nearly doubled from FY 2022 to FY 3 2023 and continued to rise in FY 2024.
- The ATM network expanded substantially, with over 4,000 additional ATMs added between FY 2022 and FY 2024.
- Daily average UPI transactions grew steadily each year from 3 million in 2020 to 7.4 million in 2024.
- AXIS Bank's UPI market share fluctuated between 15 percent and 17 percent from 2020 to 2023 before surging to 26 percent in 2024.

SUGGESTIONS

- Expand data collection to include monthly and quarterly metrics for finer trend analysis.
- Conduct customer satisfaction surveys to complement quantitative usage data.
- Segment credit portfolio to assess performance across retail, corporate, and SME loans.
- Invest in advanced analytics for real-time monitoring of digital service performance.

CONCLUSION

The findings of this study reveal that AXIS Bank has effectively harnessed both traditional and digital channels to drive growth in credit cards, ATMs, and UPI transactions, positioning itself as a formidable player in India's e-banking landscape. Strategic enhancements to mobile and internet banking platforms, coupled with an expanding ATM network, have contributed to robust increases in user engagement and transaction volumes. However, the competitive intensity manifested by major fintech and banking players necessitates ongoing innovation and service differentiation.

Financial analysis indicates that the bank's deposit and advance portfolios expanded significantly between FY 2020 and FY 2024, underpinning strong revenue growth from e-banking perspective. While net profit experienced volatility, the overall upward trajectory suggests resilience amidst dynamic market conditions. Maintaining this momentum will require balancing growth initiatives with effective risk management and cost controls.

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