



Overview of Cashless Transaction and Manual Transaction in India

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ORIGINAL ARTICLE



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Received on : 21/10/2021

Revised on : ----

Accepted on : 28/10/2021

Plagiarism : 09% on 22/10/2021



Plagiarism Checker X Originality Report

Similarity Found: 9%

Date: Friday, October 22, 2021

Statistics: 203 words Plagiarized / 2268 Total words

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Overview of Cash Less Transaction and Manual Transaction in India: A case study in Jharkhand. Abstract- It is said in this study that with the help of cashless transactions in India, the financial approach has completely revolutionized this area. With this, the use of the internet along with mobile phones for making payments has increased

ABSTRACT

It's safe to say that cashless transactions have revolutionized the financial outlook of India. Utilizing mobile phones to make payments instead of opting for the traditional modes of payment has increased tremendously since demonetization. When the business operations of most SMEs came to a standstill during demonetization, the businesses that had shifted to cashless transactions managed to curb losses. The convenience and security associated with these payment modes is an important factor in the surge. With the recent introduction of several digital modes of payment in India, business owners are slowly adapting to the shift. In cashless transactions, payments are made or accepted without the use of hard cash. This includes payments made via credit/debit cards, cheques, DD, NEFT, RTGS, or any other form of online payment that removes the need for cash.

KEYWORDS

Credit/debit cards, cheques, DD, NEFT, and RTGS.

INTRODUCTION

In the present time of the cashless economic environment, there is significant growth in cashless transactions. Cashless transactions are a way of making payments without the use of physical cash, a gateway to technological advancement in the field of the world economy. Cashless payment is a behavioral change in the people where people eliminate the usage of money as a medium of exchange for goods and services by allowing electronic transfer payments or non-electronic payments via cheques. Our economic environment

has been characterized by continual technological advancement, especially since the last decade of the 20th century; moreover, not only have these changes been abundant, but they have also occurred at break-neck speed, causing significant alterations to how we carry out our day-to-day lives. Without having to look exhaustively or in the farthest places of the globe, one could find any number of middle-aged individuals who can still remember the ordeal implied by telecommunications not so long ago. Just for illustration purposes, allow us to refresh your memory by mentioning a couple of examples: we were subjected to either very expensive telephone calls of below-par quality that would disconnect without any warning, or we were supposed to print, cut and paste documents together so that they could be photocopied and later faxed to their destination. The almost incredible speed at which not all these changes are being thrown at us has allowed us yet to take a step back to try to understand and comprehend the whole picture implied by them. Nowadays, we have virtual games that create virtual realities and need virtual currencies to function, together with digital goods that are traded electronically, as opposed to the standard physical environment with traditional brick-and-mortar stores that we are used to dealing with in the Arrow-Debreu economies. On top of that, we also have many kinds of electronic purses and a variety of accounts that are needed to transact directly or indirectly in these virtual worlds or with digital goods. We must not forget to mention either the quickly expanding social networks, which create new necessities as well. Overall, we can hardly keep up with the pace of these innovations, and so we also struggle when trying to define these many newly created objects from the beginning of the payment system, we use some transaction system. The first system of transaction barter was changed by the time to cash or ornaments after the invention of cash system barter system become weak and slowly remove from the society, just like that present cash system will be a week and once it will be removed from the society.

Study of Cashless Economic Objective

1. To study the concept of cashless transactions.
2. Special studies to understand the methods of cashless transactions.
3. To understand the merits and demerits of cashless transactions, read them in detail.

Cashless Payment methods in India

1. Cheque: The cheque is one of the oldest methods of cashless payment.
2. Demand Draft: Demand draft is another rudimentary way of cashless transaction.
3. Online Transfer: NEFT or RTGS.
4. Credit Card or Debit Card.
5. E-Wallets.
6. Mobile Wallets.
7. UPI Apps.
8. Mobile Banking
9. Gift Card and Many More.

Description of cashless payment methods in India

The cashless payment system in India is as follows - Credit and debit cards have been introduced in this country on a popular scale to make online payments, not limited to cashless payment systems in this country, apart from this through other means. The provision to pay also has been kept in the category. And with this, there is also another option that is widely used in India.

E-wallets

E-Wallet is considered to be a popular mode of payment under the online system in India, with the most widely used system being adopted through Google pay & Many Digital Payments Quick Apps. Also, this user should register his/her mobile number with the app, and link his/her credit or debit card with the same to make payment. , and users must also provide their KYC details to make payments through digital wallets. And KYC is a verification process set up by the Reserve Bank of India, which requires firms to collect information from their customers, including their identity details and biometrics.

Mobile banking applications

Bankers in this country have mostly insisted on making payments through big bank banking apps, and at the same time, the business owner is also being instructed to transfer funds between bank accounts immediately.

This makes the provision of the UPI (Unified Payment Interface) system to be a system to enable instant transfer of funds between bank accounts. The right use of this app has the availability to transfer money after providing his/her account number, IFSC code and mobile number, and other means, such as bank account details.

Bhim app

This new technology has been launched in India on the call of Modi Ji, using this app is not limited to transferring funds between bank accounts but the amount is deposited in the account. And the debit card PIN is used smoothly along with the user's mobile number or Aadhar card number to make payment with it. The app also works on the UPI platform through this medium, but at the same time, customers do not need to download mobile applications from multiple banks. All they need to do is to install the BHIM app.

Aadhar payment app

This app has been launched in the year 2016 with the primary objective of promoting this app's online payment system smoothly in the country. And it also allows users to make payments and transfer funds through offline transactions between banks, using Aadhaar card details based on their biometrics for authentication.

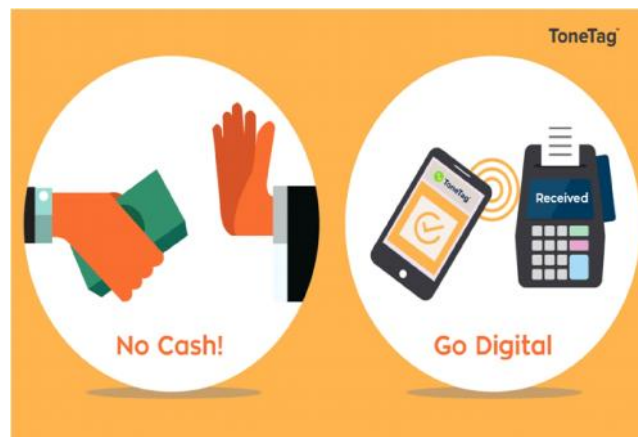
Along with the smooth promotion of online payment systems, bankers have noticed a reduction in long queues for bill payments, and physical access to showrooms and service centers to pay or recharge DTH and mobile services. There is an absolute need to be present. In this business owners and customers have adopted digital payment system methods for all types of transactions. Manual transaction means a transaction in Fund Shares concerning which instructions are received from Fund Clients (as defined immediately below)

BNYM systems

- (i) To have service provided by BNYM for mail through this US Postal Service at the address provided by BNYM.
- (ii) Hereby providing full information at the address provided by BNYM for delivery via UPS or Federal Express.
- (iii) Working in full on the telephone number provided for the facsimile transmission.
- (iv) For all transactions received by bankers through a fund or a call center maintained by a company, to be done through electronic means installed in "this image" (a component of the CRM system described in Schedule C from Exhibit 1).

Importance, Advantages & Disadvantages

To stop the circulation of counterfeit banknotes in this country, the Hon'ble Prime Minister of India, Shri Narendra Modi, during its full-fledged launch in the second week of November 2016, introduced Rs.500 and Rs.1,000 notes in India immediately. It has announced its closure with effect in time. Just a few days after the implementation of this policy, a new plan was adopted to make India a cashless economy. Along with this, one of the main objectives is to completely stop the circulation of black money and fake notes in the Indian economy. A cashless economy is known as an economy where no liquid money is fully utilized. Rather, all transactions in the country are paid through plastic cards or electronic means. Cashless Transactions Transfer of one's money with the help of Internet Banking, Credit Card, Debit Card, E-Wallet, etc. Apart from transactions through electronic means, one can also purchase articles at any time, pay their bills in full and can manage their finances smoothly from any place. And in cooperating to enable Kustumbara to Bhutan at any time with the help of a computer, smartphone or tablet.



(Source: feegenie.com)

1. Using this technology in India and reducing its circulation. Because the expenditure on printing of notes and minting of coins will be reduced to a great extent.
2. Through this cashless economy has resulted in the exchange of money with white money. And black money or a parallel economy cannot be fully sustained for long.
3. Electronic gadgets have become easier to handle and transact as compared to cash. This one has some more capacity to carry liquid money, as well as a smartphone or tablet to carry out full transactions of any amount. Carrying a tablet phone anywhere has become easier.
4. Theft and burglary by the business mind in the country will be almost zero because if money is used through electronic means in this economy.
5. Adopting illegal business activities in a society like drug trade, human trafficking, money laundering, prostitution, etc. cannot be continued for a long time. This is for a limited time only.
6. Banknotes and currencies in the country are becoming unhealthy as they contain germs. And in the case of electronic gadgets, there is no such provision in the country.
7. Cashless economy in the country facilitates the complete increase in the tax base, as well as most of the money transactions in the economy, can now be monitored by the government itself.
8. Promotes digitization of this cashless economy. It was asked by the residents of the country to adopt these electronic gadgets.

Its main purpose is as follows:

1. Adopting this method encourage individuals to opt for a digital payment system instead of currency.

2. Implementation of digital payment system in India.
3. It implements a digital payment system in universities.
4. In daily use digital payment system on the currency.
5. An exploratory study is to be made of this to suggest recommendations.

Research Methodology

The entire study presented in this subject is based exclusively on the natural level as descriptive. A complete study has been done based on the collection of available data in its secondary category. Thereafter, information was obtained as to the process of collecting secondary data from various sources. For example, articles published in various magazines and newspapers, published books, magazines, conference papers, working papers, and websites, etc. are mentioned in this form.

Statement of the Problem in Present Time

An extension of the process of demonetization in India is in this form, which is implemented on a large scale without the help of a cashless transaction system. With this significant changes have been effected in consumer behavior. Consumers in most of the states of India are heavily dependent on a cash-only economy, till now consumers have switched from cash to cashless transactions with the help of an electronic medium. Barring a few, most consumers are using cash more to purchase products and services. At present, the government has announced that all the restrictions for cash transactions in its traditional mode and the proposal of electronic transfer, the government is mainly motivated on this scheme to encourage consumers to adopt and implement cashless transactions according to their needs. So that the customer can pay special attention to this aspect.

Review of Literature

Kumar Rishu (2018) Examined cashless economy is an economic system in which there is little or very low cashflow in society and goods and services are bought and paid for through electronic media. There are many benefits of the cashless economy like faster transactions, increased sales, prompt settlement of transactions, convenience, and lower risk, transparency and accountability, and reduced maintenance costs. Despite many benefits, there are several challenges before cashless policy in India such as inadequate number of ATMs, digital illiteracy, lack of internet facilities, few banks in villages, costly swipe machines, etc. The findings revealed that there are no significant benefits of a cashless economy to the general public.

Borhan Omar Ahmad Al-Dalaïen 2019

Examined that many people positive opinion about cashless transactions and usefulness of cashless economy as it helps to fight against terrorism, corruption, money laundering but one major problem in the working of cashless economy in India is cybercrimes and illegal access to primary data. Therefore it's important to strengthen Internet Security from protection against online frauds. A huge number of the population in India is still below the literacy rate living in rural areas. For smooth implementation of the cashless system in India, the following measures are recommended Government have to bring transparency and efficiency in e-payment system, strategies used by the government and Reserve Bank of India to motivate cashless transactions by licensing payment banks, promoting mobile wallets, and withdrawing service charge on cards and digital payments. A financial literacy campaign should be conducted by the government to continue to make the population aware of the advantages of electronic payments (Preeti Garg & Manvi Panchal 2020).

This study focus on the cashless transaction is having along term impact on the lives of the people. As there are two sides to the coin, there is the positive and negative impact of the scenario generated after demonetization. With the increasing usage of cashless means, people tend to feel safe

as they are free from carrying a wallet full of physical notes along with us, which is not at all safe in a world full of anti-social activities. People rather prefer to use mobile as the most effective method of payment. Mobile has started serving as an important instrument for all kinds of transactions such as bill payments, fees payments, funds transfer, recharge, etc. In further to this, some other crimes such as burglary, extortion, bank robbery etc. are also declining. One of the most important motives to implement and motive cashless transactions is to take control of the illegal transactions and all activities related to terrorism (Dr. Anthonima K. Robin 2021).

CONCLUSION

The evolution of Digital Payments in India is adding the largest number of Smartphones in this region, along with Biometric Authentication with the support of Mobiles and Tablets, etc. introducing these devices in all regions of the country. India is being put under a slow process according to the social challenge to develop as a digital economy. And it can only be addressed in conjunction with the country. Its administrative humility and entrepreneurial determination. Rather than the use of digital payment apps is becoming more and more familiar in our country day by day. Its last option is to convert higher educational institutions to a completely digital system with a fundamental step that will train and educate the young generation towards a cashless economy, thereby creating a digitally empowered nation.

Suggestions

1. The foundation stone of cashless payment in the country should continue to grow in the country, as the implementation of digital payment transactions is being considered the best of the queue system.
2. The use of cashless prepaid card systems (similar to metro cards or bus passes) is now being introduced on campus to make purchases in canteens, stationery, and photocopy stores in all areas of India. Now it should be implemented in all the areas of the country.
3. Now it is the responsibility of the government to continue this system continues in the country, so that it can be stopped from black marketing.
4. Cashless and contactless payments should be encouraged within college and usage of smart cards must be available in all stores to be continued.

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