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**CHILDREN WELFARE CENTRE'S  
CLARA'S COLLEGE OF COMMERCE**

Established-1999 – NAAC Accredited “B” Grade (2016-2021)  
Yari Road, Versova, Mumbai-400061. Tel.: 26365385/ 26315377



**Organises**

**One Day International Multi-Disciplinary Conference on 16<sup>th</sup> March 2019**

**“WORLD ROAD TO CASHLESS ECONOMY”**

*In collaboration with*

***University of Mumbai & India Accounting Association [Thane Branch]***

**(PEER REVIEWED)**

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Children Welfare Centre Trust is the meticulous stride of the eminent citizens of the city, who felt the need of having advanced educational institutions in their vicinity. It was formally registered under the Public Trust Act, 1950. The institution is strategically located amidst the rapidly developing locale of Andheri with full-fledged operative Pre-Primary School, Primary School, High School, Junior College, Degree College, B.Ed. College and Law College at Malad (W). Clara's College of Commerce was established in the year 1999 in the memory of Late Smt. Clara Kaul – an eminent educationist. The college has the following programmes: Bachelor of Commerce (B. Com), Bachelor of Management Studies (BMS), Bachelor of Mass Media (BMM), Bachelor of Commerce (Accounting and Finance) (BAF), Master in Commerce (M.Com) (Accountancy). The aim of the college is to continuously enhance the teaching methods in order to provide students with an opportunity for their all-round development. It also strives for excellence in academics and makes an effort to create an aura that induces passion for learning along with the inspiration for decisive thinking and assessment; and thereby helping them to become the best professionals in the chosen careers.

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## **ABOUT INDIAN ACCOUNTING ASSOCIATION**

The association was founded by academicians and professionals in accounting on March 17, 1969, and was inaugurated on February 14, 1970 by the Accountant General of Uttar Pradesh. It is a member organization of International Association of Accounting Education and Research (IAAER). It is also held in high esteem by American Accounting Association (AAA). At present, IAA has a network of 50 branches in India with more than 5500 life members, and a Research Foundation as an affiliate at Kolkata. It also brings out a biannual research journal 'Indian Journal of Accounting' in the months of June & December to give wider publicity to research findings. The Association also gives IAA Young Research Award and IAA fellowship. The Association offers Life Membership and Annual Membership for Individuals and Institutions through its chapters across India. Past conference have attracted a large number of delegates from across the country and abroad and this year also wide participation is expected.

## **ABOUT INDIAN ACADEMICIANS RESEARCHERS ASSOCIATION**

Indian Academicians and Researchers Association (IARA) is an educational and scientific research organization of Academicians, Research Scholars and practitioners responsible for sharing information about research activities, projects, conferences to its members. IARA offers an excellent opportunity for networking with other members and exchange knowledge. It also takes immense pride in its services offerings to undergraduate and graduate students. Students are provided opportunities to develop and clarify their research interests and skills as part of their preparation to become faculty members and researcher. Visit our website [www.iaraedu.com](http://www.iaraedu.com) for more details.

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## **PREFACE**

“Faceless, Paperless, Cashless” is one of the professed roles of Digital India. The government of India has an ambitious mission to drive India towards cashless economy. Cashless economy is system where there is no physical cash in circulation; payments are made through electronic modes, i.e credit debit card, net banking or E- wallets.

Globally both developed and developing countries are making great paces in curtailing the usage of physical currency. Cashless system brings down the cost associated with printing, storing and transporting of cash. It also removes the problem of counterfeit currency, hoarding of cash, black money and tax evasion. All the transactions that are done can be monitored and traced back to a given individual, so it will be difficult to evade tax. However, one has to recognize the risks and benefits of different payment instruments, the risks associated with electronic payment instruments are far more diverse and severe.

Clara’s College of Commerce is delighted in presenting before you research papers on the theme “World Road to Cashless Economy” at the International Conference which is organized by Clara’s College of Commerce in collaboration with University of Mumbai and India Accounting Association, Thane Chapter on 16<sup>th</sup> March, 2019.

This conference proceeding is an outcome of the researchers, academicians and students who have harnessed their creativity and exchanged their ideas, in order to broaden the horizon and help the researcher to explore a new range of opportunities with reference to Cashless Economy in different areas. Students aiming for a career in research or in academia learn that success depends not only on getting academic credentials but also on the quality of their contributions to such events.

We take this opportunity to express our deep sense of gratitude to all the Members of Advisory Committee, Review Committee, Managing Trustee Hon.Shri Ajay Kaul, Activity Chairman Mr. Prashant Kashid, Principal Dr. Madhukar Gitte for providing us with strong support and encouragement for organizing this International Conference.

We, on behalf of Clara’s College of Commerce are obliged to all the authors of research papers for their overwhelming response for the conference.

**Mrs. Babita A. Kanojia (Convener)**  
**Dr. Nishikant Jha (Secretary, IAA-Thane Chapter)**



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#### MESSAGE

I am pleased to know that Clara's College of Commerce, Mumbai, in association with University of Mumbai and Indian Accounting Association – Thane Chapter, is organizing a One Day International Multi-Disciplinary Conference on “*World Road to Cashless Economy*” on 16<sup>th</sup> March, 2019.

I hope the Conference will provide an opportunity for participants and researchers to express their opinion and outlook on digitalization of India on way to cashless economy. Students will gain knowledge about the functions and working of tools used in cashless economy like credit card, debit card, net banking and E-wallet. The conference will create awareness about safety and security measures while using these tools. The research paper presenters will share their opinions and ideas about the topic. It is expected that the Conference will yield constructive results.

I extend my best wishes to the Organizers of the International Conference and the participants and wish the publication every success.

(Prof. D.P. Singh)

14<sup>th</sup> February, 2019



## University of Mumbai

Mahatma Gandhi Road, Fort, Mumbai 400032, Maharashtra, India  
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Email: vice-chancellor@mu.ac.in • Website: <http://www.mu.ac.in>

Prof. Suhas Pednekar  
Vice Chancellor



### MESSAGE

*It gives me an immense pleasure to know that Clara's College of Commerce in association with Indian Accounting Association – Thane Chapter is organising a One-day International Multi Disciplinary Conference on "World Road to Cashless Economy" on 16<sup>th</sup> March, 2019.*

*It is certainly a positive step taken by the College. This Conference will enhance participants' knowledge about the cashless economy. It is an excellent platform for those who are enthusiastic in expressing their outlook on the present scenario regarding cashless economy and financial developments around the world. The Conference will definitely be an eye opener and fruitful for the participants.*

*I wish the delegates and the organizers of the conference all success in making this event a memorable and informative one.*

16<sup>th</sup> March, 2019  
Mumbai

Prof. Suhas Pednekar  
Vice Chancellor

## MESSAGE



**DR. SANJAY BHAYANI**

*Dean, Professor and Head Treasurer IAA*

*I am glad to learn that Clara's College of Commerce, University of Mumbai & Indian Accounting Association- Thane Chapter is organising International conference on “**World Road to Cashless Economy**”. I want to convey my best wishes to organizers and participants for grand success of this event and gratitude to all the contributors.*

A handwritten signature in black ink, appearing to read 'Sanjay Bhayani'.

**DR. SANJAY BHAYANI**

**Dean, Professor and Head Treasurer IAA**

## MESSAGE FROM MANAGING TRUSTEE



*Clara's College of Commerce in association with University of Mumbai and Indian Accounting Association – Thane Chapter is going to organize a One Day International Multi Disciplinary Conference on “World Road to Cashless Economy” on 16<sup>th</sup> March, 2019. This conference is an excellent platform for those who are eager in knowing the present scenario regarding cashless economy and financial developments around the globe.*

*We on behalf of the Clara's college of Commerce welcome the participants, presenting the research papers for their overwhelming response for the conference. The college has always embattled holistic development for all its students and faculty. Our strong foresight helps us to adapt and make a mark of its own. The management continually focuses on arranging different workshops, seminars and conferences at state and national level on current topics around the world, with a keen eye for future expansion and advancement of knowledge.*

*The conference also aims to bridge the gap between the researchers working in academic world and other professionals through research paper presentations.*

*We express our best wishes for making this conference inspiring and fruitful.*

**Shri Ajay Kaul**  
General Secretary

## MESSAGE FROM PRINCIPAL



*On behalf of Clara's College of Commerce, I extend a very warm welcome to all the participants and delegates present for the International Multi-Disciplinary conference on "World Road to Cashless Economy" on 16<sup>th</sup> March 2019.*

*Currency has always been used as medium of exchange for all financial transactions taking place in the economy. However, worldwide high-tech progression ensuing in the overview of numerous non-cash payment alternatives such as plastic money, mobile wallets, etc has unlocked the paths to simplify payments without the use of physical currency.*

*Demonetization and digitalization has surfaced way for an enhanced and effective practice of the digital payment system. These measures will drive the expansion and transformation of the payment system already in place, making it more translucent and answerable thereby decreasing the generation of black money in the economy to a degree. The International Conference "World Road to Cashless Economy" aims at creating awareness about the ongoing cashless movement in the world, and brings forth the available non-cash payment methods.*

*The college has taken great steps in inculcating and evolving research culture in the institution by organizing various seminars and conferences. This International Conference provides a path to all the academicians, research scholars, and learners to express and share their views on the conference theme.*

*I would like to express my appreciation towards University of Mumbai and Indian Accounting Association – Thane Chapter. I am overwhelmed by the support and coordination from the members of advisory board, reviewers, and session chairpersons.*

*Last but not least, I would also like to express my sincere thanks Management, organizing committee, editorial board, presenters and participants for contributing to the grand success of this conference.*

**Prin. Dr. Madhukar Gitte**  
Clara's College of Commerce

## MESSAGE



**DR. ARVIND LUHAR**  
*Chairman, IAA Thane Chapter*

*It gives me immense pleasure to acknowledge and announce that Clara's College of Commerce, University of Mumbai & Indian Accounting Association [Thane Chapter] organising One Day International Multi-Disciplinary Conference on "World Road to Cashless Economy" which provides a platform to scholars, researchers & professionals of diverse disciplines like Accounting, Marketing, ICT & Education, Banking Finance & Insurance, Commerce and Management, and Legal Perspective to name a few, to discuss the various aspects of cashless economy.*

*Hearty congratulations to Clara's College of Commerce for this laudable effort and all the best wishes to all the research delegates. I am sure that there will be high level of deliberation and panel discussion on the theme and there will be learning for all who are part of this conference.*

*I extend my support and well wishes for the success of this conference which is ready to ignite the minds for a better tomorrow.*

**Dr. Arvind Luhar**  
*Chairman, IAA Thane Chapter*

## MESSAGE



**DR. NISHIKANT JHA**  
*(Secretary, IAA Thane Chapter)*

*It is a matter of delight to start off a new year with enthusiasm, zeal and determination. I heartily welcome all the new entrants who are on board for their New Voyage of Knowledge at Clara's College of Commerce. The College is well known for its quality education, knowledge enhancement, learning procedures and excellent work culture. The purpose of this conference is to provide an International Forum for Academicians, Research Scholars, Industrial Delegates and Students to present their state-of-art research on "World Road to Cashless Economy" to exchange ideas and explore new avenues of collaborations.*

*It is very much heartening to see the immense response received for the conference from the research community for its very first edition. A good number of distinguished professors and researchers have also agreed to deliver keynote addresses/ invited talks in the conference. Young scholars participating in the conference will immensely benefit from these. I wish to express our sincere gratitude to all the authors who contributed significantly for the enrichment of this issue. I am thankful to all who have contributed towards the success of the conference.*

A handwritten signature in black ink, appearing to be 'Nishikant Jha'.

**(Dr. Nishikant Jha)**  
*Secretary, IAA Thane Chapter*

## MESSAGE



**Dr. Tazyn Rahman**  
**Editor In Chief - IJAIR**

On behalf of IARA I am honored and delighted to welcome you to the International Multidisciplinary Conference on “World Road to Cashless Economy”.

A cashless society describes an economic state whereby financial transactions are not conducted with money in the form of physical banknotes or coins, but rather through the transfer of digital information (usually an electronic representation of money) between the transacting parties.

This concept is being discussed widely, because the world is experiencing a rapid and increasing use of digital methods of recording, managing, and exchanging money in commerce, investment and daily life in many parts of the world, and transactions which would historically have been undertaken with cash are often now undertaken electronically’.

A common measure of how close to a "cashless society" a country is becoming is some measure of the number of cashless payments or person to person transactions are done in that country. For instance the Nordic countries conduct more cashless transactions than most Europeans. Levels of cash in circulation can widely differ among two countries with similar measure of cashless transactions. For example, Denmark has more than double the amount of cash in circulation as Sweden and a considerably higher percent in the largest denomination banknote, the 1000kr bill.

Government of India led by Prime Minister Narendra Modi is also trying to reduce dependency of Indian economy on cash and to bring hoards of stashed black money lying unused into the banking system. The country embarked upon this transition to a cashless economy when the government took the revolutionary step of demonetization of old currency notes of Rs 500 and Rs 1000 on November 08, 2016. The benefits of this move have now started trickling in with more and more people switching to digital modes of receiving and making payment. India is gradually transitioning from a cash-centric to cashless economy.

So, the Topic of the Conference “World Road to Cashless Economy” is very relevant in today’s time. I hope the Conference will be well appreciated by all the delegates, faculty members and scholars. We’re looking forward to a great exchange of ideas among research scholars from different parts of India and abroad.

**Dr. Tazyn Rahman**  
Editor In Chief  
IJAIR

## MESSAGE FROM THE CONVENER



*It is our immense pleasure to invite you for International Conference on “World Road to Cashless Economy”. I, on behalf of Clara’s College of Commerce, welcome all the participants of the conference. The major aim of organizing this conference is to create awareness about cashless economy. As everyone knows that the cashless transfer means transferring money by digital or online transactions. Nowadays online transactions are done with the help of Net banking, Credit card, Debit card and E-wallet.*

*It is a good platform for those who are eager in knowing the present scenario regarding cashless economy and financial developments around the world. Cashless transaction will record each and every transaction. Now people will stop hoarding cash, and will switch on to digital mode of payments. This will restrain the corruption and curb black money; which will in turn lead to economic development.*

*Furthermore, this conference will also facilitate the participant’s representation. The participants will be able to share views and fresh ideas. The conference also aims to bridge the gap between the researchers working in academic world and other professionals through research paper presentations. Participants will get ample scope to widen their knowledge and network.*

*Dear all, conference is the culmination of many individuals. Therefore I thank the Conference Committee for extending their valuable time in organizing the program and all the authors, reviewers, and other contributors for their painstaking and meticulous efforts and their belief in the excellence for International Conference on “World Road to Cashless Economy” organized by Clara’s College of Commerce.*

**Mrs. Babita A. Kanojia** (Convener)  
Clara’s College of Commerce

## MESSAGE



**Dr. Kuldeep Sharma**  
*(Treasurer, IAA Thane Chapter)*

*It is a matter of great pleasure to see the Institute organizing its Multi- Disciplinary Conference in the form of a One Day International Conference on “World Road to Cashless Economy”. I could see the amount of efforts put in by the young faculty in organizing this conference in this new Institute with minimal infrastructure of its own.*

*It is cheering to see the enormous response received for the first publication of the conference from the research community. A number of distinguished professors and researchers have agreed to deliver keynote addresses & talks at the conference. Young scholars participating in the conference will immensely benefit from their experiences.*

*My best wishes to the organizing committee and all the delegates. I also express my gratitude to all the researchers and the delegates across the globe for sending their research work and participating in this conference and making this conference a grand success*

A handwritten signature in black ink, consisting of a stylized 'K' followed by a series of loops and a horizontal line.

**Dr. Kuldeep Sharma**  
*Treasurer, IAA Thane Chapter*

# International Journal of Advance and Innovative Research

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Catholic University of Eastern Africa, Nairobi, Kenya

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CVR College of Engineering, Hyderabad, Telangana

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Amity University, Jaipur

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VLB Janakiammal College of Arts and Science

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Vidhya Sagar Women's College, Chengalpet

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ITS Institute of Management, Ghaziabad

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Institute of Technology & Science, Ghaziabad

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Lovely Professional University, Punjab

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Scientist (Food Microbiology)  
West Bengal University of A. & F Sciences, Kolkata

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Assistant Professor, Department of Management  
Mahatma Gandhi University

**Dr. V. Subba Reddy**  
Assistant Professor,  
RGM Group of Institutions, Kadapa

**Dr. R. Jayanthi**  
Assistant Professor,  
Vidhya Sagar Women's College, Chengalpattu

**Dr. Nishikant Jha**  
HOD, Accounting & Finance,  
Thakur College, Mumbai

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**SEMI-QUALITATIVE RESEARCH REGARDING SPECIFIC ISSUES OF PEOPLE IN GALTARE VILLAGE****Yogesh P. Pawar and Khushit N. Shah**

Shree Halari Visa Oswal College of Commerce, Bhiwandi

**ABSTRACT**

*Villages propel countries towards development. As Mahatma Gandhi's stated that 'The future of India lies in its villages' and 'the development of villages is an essential precondition to development of the nation.'*<sup>[1]</sup>, it surmises that future of villages lies in its people. The people of the village expect sustainable infrastructure, quality education, convenient facilities and unbiased distribution of resources. The basis of this research paper is learning about Galtare village and knowing how the residents portray the conditions of the village. In this paper, using the means of semi-qualitative research methodology, the findings related to the specific issues of the people of Galtare village have been revealed.

**Keywords:** Galtare Village, Semi-qualitative Research, Conditions of Village, Questionnaire (survey tool), Issues of village people.

**INTRODUCTION**

Galtare Village is located in Wada Taluka, of Palghar District in Maharashtra, India. The Galtare village region is situated around one of the top ten biodiversity hotspots in the world. As per the administration register<sup>[2]</sup>, the village code of Galtare is 552030 and the village has 449 houses.

Life satisfaction can be defined as "[A] cognitive assessment of an underlying state thought to be relatively consistent and influenced by social factors"<sup>[3]</sup>. Through our research, we qualitatively try to find out the views of the people of Galtare village in respect to the conditions of their village. Since, it involves what the people think or know or do, qualitative method of research<sup>[4]</sup> has been used.

Our research involved asking participants about their experiences of things that happen in their lives. Qualitative research is useful for small-scale studies focusing on a limited sample and specific issues. Thus, in our research, using semi-qualitative means, we highlight the occupation, education and water related information of the sampled households of Galtare village, on the basis of which we can deduce the satisfaction of the people residing in the village.

**METHODOLOGY**

**Study design and setting:** Semi-qualitative research methodology, and specifically, grounded theory rather than interpretative phenomenological approach was selected to guide the research. Survey was conducted of 46 households, selected randomly in Galtare village, in order to collect the primary data.

**Data Collection:** A team of undergraduate students were selected and trained as interviewers for collecting the data. The data was collected on 25<sup>th</sup> December, 2018.

Questionnaire method<sup>[Annexure]</sup>, was used as a guide for the survey. The questions were based on three criteria related to general information, education and resources' handling system (water). The interviewees were of different age groups were selected and prior to the face to face interaction, they informed to take voluntary verbal consent. Which allowed villagers to freely express their ideas and point of views. The data was collected in the preferred language of the respondent, and after confirmation it was coded in English immediately.

**Ethical considerations:** Required permission was obtained from the respective officer/s of Galtare village for conducting the survey.

**Data Analysis:** The data noted down in the questionnaire was further thematically coded and findings were reported. Graphs and figures representing the extracted findings were prepared using spreadsheet software.

**RESEARCH FINDINGS**

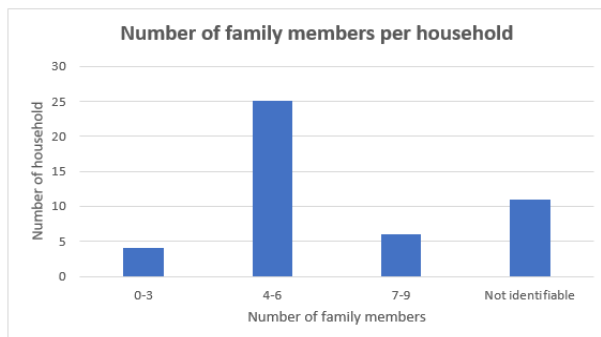
The findings based on the primary data collected during the survey, are as follows\*:

**(a) Number of family members per household:**

Number of family members	Number of houses
0-3	4
4-6	25

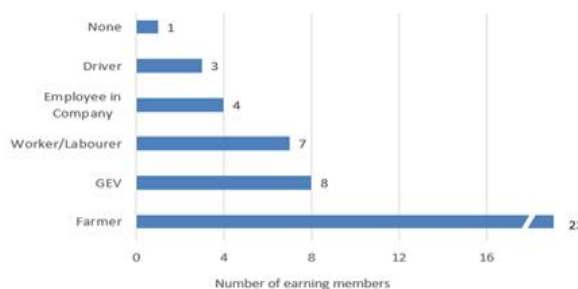
7-9	6
More than 9	11

### Graphical Representation:



Out of the sampled houses, 67% of the surveyed household have more than 4 members in a family which shows that the joint family system is prevalent in the village.

\*Wherever, the questions were not answered or not clearly stated, they have been considered as 'Non identifiable' or 'None'



From the data received, it is observed that majority of the earning members of the households are farmers. Apart from farming, there are drivers, employees in a company, labourers and workers in Govardhan Eco-village - a famous tourist attraction for spiritual and sustainable simple living.

### (b) Annual Income of Earning Member/s:

Earnings (₹)	Number of houses
Below 10 000	2
More than 10 000	21
More than 100000	23

Out of the sampled households, 57% of the households had earning between Rs. 10000 to Rs.100000 annually.

### (c) Satisfaction of the people regarding the quality of education provided in the village:

Based on the survey conducted, it is evident that 85% of the household in the village were satisfied with the quality of education provided in the village.

Rating of the quality of education provided in the village as per the survey:

Level of satisfaction regarding the quality of education	Number of households
Poor	5
Satisfactory	38
Not satisfactory	2
Up to the mark	1

**(d) Previous surveys conducted in the village:**

Based on the survey conducted, the residents also revealed that previously various surveys had been conducted in the village by different entities. The details of the surveys conducted and the responsible organization are as follows:

- Alcohol survey was conducted by students from Virar College.
- Survey regarding conservation and preservation of water was conducted by Shree Halari Visa Oswal College of Commerce, Bhiwandi
- Water resource handling and management survey was conducted by the Government of Maharashtra
- Water resources survey was conducted by GovardhanEcovillage

**(e) Water availability information and related issues in the village:**

**(i) Sources and Uses of water:**

As per the survey, it was noted that the sources of water are the Vaitarna River, Bore well, Boring, Tap water (pipeline) and other sources. The water from Vaitarnariver is used for Farming, washing, bathing, drinking and other home uses. Bore-well and tap water is used for bathing and washing whereas boring water is used for drinking and other household purposes. The other sources include harvested water and tankers.

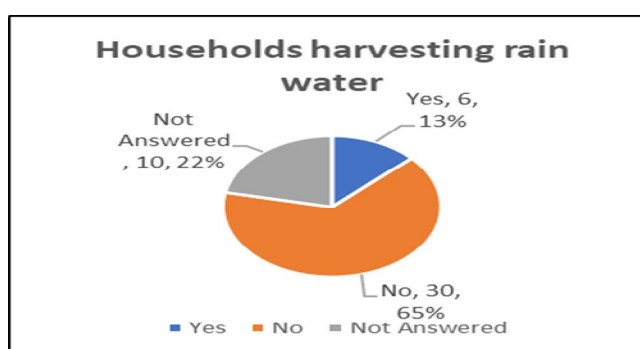
**(ii) Problems relating to water:**

Category of Problem related to water	% of Households which reported the problem
Availability of Water (Shortage/scarcity)	10.87
Quality of Water - Not good	54.35
Bad Taste/Odour/Colour of water	43.49
High* Level of Contamination	26.09
Pollution	28.26
Have to travel for water	4.35

\*High contamination in the month of May (58.33% of population who have voted for high contamination)

**(iii) Rain water harvesting:**

Based on the survey of the sampled households, the number of households having rain water harvesting depicted in given pie-chart below:



**(f) Opinion regarding development and problems in the village:**

Based on the survey conducted, the residents mentioned that as compared to previous year there has been significant development in infrastructure of the village, especially road development. The details are as follows:

- 54% households stated improvement
- 30% houses stated no improvement

**Suggestions provided by the interviewees:**

The interviewees have expressed their opinion and suggestions regarding various aspects of their lives, which are as follows:

- There is regular supervision and monitoring of the activities in the educational institution. However, the system is still weak as there is no higher education. In the words of one of the respondents, “There should be increase in school till 10<sup>th</sup> standard”, implying that schools should be developed for providing education up to tenth standard.
- After completing education there is no other opportunity for work and the children have to travel to other places for job. “After tenth and twelfth standard there isn’t job”, as mentioned by an interviewee. Their ward has to travel 20 kilometres away from village for secondary & higher secondary education.
- There is some help received by some of the people in terms of getting work opportunity from the Govardhan Ecovillage. However, even then, “There should be increase in other fields also apart from farming”, as proposed by an interviewee who meant to suggest that there should be development and creation of jobs in fields other than Agriculture.
- Infrastructure has been developed in terms of roads. However, there is need for better water facility, proper electricity supply and as distinguished by one of the villagers “Internet facility should be provided by the government.”
- Water is available but the quality is not good. As mentioned by Mrs. Jadhav, one of the village residents, “Contamination in the beginning of month of May is high. Would be nice if facility for water tank was provided”.

#### **DISCUSSION**

Through the collection of primary data, analysing and reporting the opinions, views and suggestions of the people of Galtare village, we have been able to have a better understanding of the conditions of the village and the life of the people residing in the village. According to the residents of the village there are water, education, economic and social issues in the village. Education facility in the village is very weak. There is school only up to fourth standard and there is need for the development of private schools and colleges in the village. There is mere work opportunity in the village. Just as Mahatma Gandhi stated, “The villagers want bread –and not butter– and disciplined work, some work that will supplement their agricultural avocations which do not go on for all the 12 months.”<sup>[5]</sup>, the village residents have requested for creation of work opportunities in other fields apart from agriculture. They suggest for improvement in quality and supply of water, proper power and electricity facility and that Internet facility be provided by the government.

Our research is based on only a sample of households belonging to Galtare village. We cannot generalize the conclusion for other villages based on this research. We believe that to arrive at a general picture of the village life, similar research could be conducted over larger populations and more villages to gain better understanding of the life and perspective of the people living in the village.

#### **CONCLUSION**

In our semi-qualitative study regarding specific issues of people in Galtare Village, views and suggestions are revealed from the perspective of the people living in the village. The research findings give us an overview of issues related to occupation, education and water in the village. We can conclude that the people of Galtare village affirm the development in road infrastructure in the village. The concern of the people regarding the quality of education is very high due to non-availability of higher educational institution in village. There is need for development of higher educational facilities, provision of quality water and better electricity supply. The job availability in the village is very low and the residents feel the need of job creation in fields other than Agriculture.

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**DEMONETISATION: A PUSH TOWARDS CASHLESS ECONOMY**

**Ainsley Granville Andre Jorge Bernard<sup>1</sup>, Dr. Brahma Edwin Barreto<sup>2</sup> and Dr. Rodney D'Silva<sup>3</sup>**  
 Assistant Professor<sup>1</sup> and Associate Professor<sup>2,3</sup>, Department of Commerce & Management, V.V.M's Shree  
 Damodar College of Commerce and Economics, Margao - Goa

**ABSTRACT**

*To combat counterfeit currency, terror financing, corruption, and black money, the Government of India decided to ban Rs 500 & Rs. 1000 notes effective from 8 November, 2016 followed by capping withdrawals from ATMs and banks. Prime Minister Narendra Modi proposed the initiative of a cashless society. This was an innovation unthought of by India's public sector; it was the beginning of an economic revolution which pulled millions of new users into the country's digital monetary grid by virtual fiat. India expects to create a more transparent and cleaner economy through digitalisation. It is expected that the impact of demonetisation will be felt in the reconstruction of India's payment structure, reduction in the banking service charges and also helping in curtailing banking related corruption. This study makes an attempt to understand how demonetisation has paved way for a digital and cashless economy in India. To understand the impact of demonetisation on making India embrace a cashless form of payment system, analysis of digital transactions as well as certain payment system indicators has been done for pre and post demonetisation period. The study also focuses on the various challenges India would face in its attempt to go cashless.*

*Keywords: demonetisation, cashless, digital, economy.*

**I. INTRODUCTION**

In a cashless economy all the transactions are completed using digital means and the circulation of hard currency is minimal. The surprise demonetisation on 8<sup>th</sup> November 2016 thrust millions of new users into India's digital economy grid which was for all these decades characterised by its very cash-centric economy. Cash accounted for more than 95% of all transactions, 90% of traders didn't have card readers or any means of receiving electronic payments, 85% of labour were paid in cash. Under these conditions India was not prepared for a cashless revolution that was brought about by demonetisation. India is presently in the midst of a big movement to refashion the way payments are done which is evident from the opening of new bank accounts at a heightened rate, brisk growth of e-payment services as well as the boom of the digitally focused online business. Even the street vendors have Paytm accounts where the buyers can scan their bar code and make payments. These changes signify towards a more comprehensive society in the future.

No economy can go entirely cashless. This will require plenty of ecosystem construction even to attain a tangible threshold. India culturally trusts in cash and a concept change in mindset will need both time and resources. Whether intentionally or not, this mindset change towards a cashless economy was initiated by the Government of India on 8<sup>th</sup> November, 2016. Cashless is now the buzzword in India and the juggernaut is rolling as the largest cash economy persists going digital.

**II. LITERATURE REVIEW**

Raul L. Katz and Pantelis Koutroumpis (2013) in their research described the paradigm shift in digitisation as a social alteration triggered by the substantial adoption of digital methods to generate, share, process and transact information. The results present strong support for the outcomes of digitisation across all development generating metrics.

Worthington (1995) in his research described a cashless society as the system where hard cash is substituted by efficient e-payments initiated by different types of plastic cards. The study outlines the justification of those who are eager to promote a cashless society and the repercussions for marketers intending to win consumer acceptance for compensation by plastic cards.

Hock-Han Tee and Hway-Boon Ong (2016) scrutinized the effects of implementing cashless payment systems in five countries within the EU namely, France, Austria, Belgium, Portugal and Germany for the period 2000 to 2012. The effects of adopting cashless payments on the economic growth are only significantly viewed in the long run. Hence, any strategy that promotes cashless transactions will not impinge on the economy immediately.

Raja, Velmurgan and Seetharaman (2008) examined the growth and evolution of e-technologies which can offer more progressive technical support for electronic transaction systems. The focus of the research was to identify and describe the different schemes of e-payment accessible to the mass population.

**III. OBJECTIVES**

1. To examine the role of demonetisation as a step towards a cashless economy.
2. To examine the status of electronic payment system in India.
3. To examine the challenges in cashless transaction methods in India.

**IV. CASHLESS TRANSACTIONS - AGLOBAL COMPARISON****Table 1: Total cashless transactions in developed and developing countries**

COUNTRIES	CASHLESS TRANSACTIONS
Singapore	61%
United Kingdom	52%
USA	45%
Japan	14%
China	10%
India	2%

Source: Huge Thomas 2016, Measuring progress towards cashless society

As evident from Table1, the immense adoption of digital technologies to produce, process, transact and share information has set-off the entire world to implement cashless transaction systems. In India is 98 per cent of overall economic transactions by number are made in cash. India is way behind compared to other developed nations in adoption of a digital payment system. The conduct of the Indian consumer who thinks that hard cash is the best alternative and does not trust virtual payment modes might be to blame for this situation.

**V. ANALYSIS OF DIGITAL TANSCTIONS (PRE AND POST DEMONETISATION)****Table 2: Payment System Indicators (In Volume)**

System	Volume (Million)			
	2017-18	2016-17	2015-16	2014-15
<b>1. Retail Electronic Clearing</b>	<b>5,467.29</b>	<b>4,204.96</b>	<b>3,141.53</b>	<b>1,687.44</b>
1.1 ECS DR	1.54	8.76	224.75	226.01
1.2 ECS CR (includes NECS)	6.14	10.10	39.00	115.35
1.3 EFT/NEFT	1,946.36	1,622.10	1,252.88	927.55
1.4 Immediate Payment Service (IMPS)	1,009.80	506.73	220.81	78.37
1.5 National Automated Clearing House (NACH)	2,503.46	2,057.27	1,404.08	340.17
<b>2. Cards</b>	<b>13,358.62</b>	<b>12,055.87</b>	<b>10,038.67</b>	<b>8,423.99</b>
2.1 Credit Cards	1,412.97	1,093.51	791.67	619.41
2.1.1 Usage at ATMs	7.81	6.37	6.00	4.29
2.1.2 Usage at POS	1,405.16	1,087.13	785.67	615.12
2.2 Debit Cards	11,945.65	10,962.36	9,247.00	7,804.57
2.2.1 Usage at ATMs	8,602.26	8,563.06	8,073.39	6,996.48
2.2.2 Usage at POS	3,343.39	2,399.30	1,173.61	808.09
<b>3. Prepaid Payment Instruments (PPIs)</b>	<b>3,459.05</b>	<b>1,963.66</b>	<b>748.02</b>	<b>314.46</b>
3.1 m-Wallet	3,025.98	1,629.98	603.98	255.00
3.2 PPI Cards	432.63	333.11	143.47	58.91
3.3 Paper Vouchers	0.44	0.51	0.56	0.55
<b>4. Mobile Banking</b>	<b>1,872.26</b>	<b>976.85</b>	<b>389.49</b>	<b>171.92</b>
<b>5. Cards Outstanding</b>	<b>898.56</b>	<b>801.49</b>	<b>686.04</b>	<b>574.56</b>

5.1 Credit Card	37.48	29.84	24.51	21.11
5.2 Debit Card	861.08	771.65	661.54	553.45
<b>6. Number of ATMs (in actuals)</b>	<b>222247</b>	<b>222475</b>	<b>212061</b>	<b>1,81,398</b>
<b>7. Number of POS (in actuals)</b>	<b>3083067</b>	<b>2529141</b>	<b>1385668</b>	<b>11,26,735</b>

Source: RBI, Monthly Bulletin

**Table 3: Payment System Indicators (In Value)**

System	Value (Rs. in Billion)			
	2017-18	2016-17	2015-16	2014-15
<b>1. Retail Electronic Clearing</b>	<b>1,92,017.98</b>	<b>1,32,250.12</b>	<b>91,408.14</b>	<b>65,365.51</b>
1.1 ECS DR	9.72	39.14	1,651.50	1,739.78
1.2 ECS CR (includes NECS)	118.64	144.08	1,059.44	2,019.14
1.3 EFT/NEFT	1,72,228.52	1,20,039.68	83,273.11	59,803.83
1.4 Immediate Payment Service (IMPS)	8,924.98	4,111.06	1,622.26	581.87
1.5 National Automated Clearing House (NACH)	10,736.12	7,916.17	3,801.83	1,220.88
<b>2. Cards</b>	<b>38,214.64</b>	<b>30,214.00</b>	<b>29,397.65</b>	<b>25,415.27</b>
2.1 Credit Cards	4,626.33	3,312.21	2,437.02	1,922.63
2.1.1 Usage at ATMs	36.68	28.39	30.41	23.47
2.1.2 Usage at POS	4,589.65	3,283.82	2,406.62	1,899.16
2.2 Debit Cards	33,588.31	26,901.79	26,960.63	23,492.65
2.2.1 Usage at ATMs	28,987.61	23,602.73	25,371.36	22,279.16
2.2.2 Usage at POS	4,600.70	3,299.07	1,589.27	1,213.49
<b>3. Prepaid Payment Instruments (PPIs)</b>	<b>1,416.34</b>	<b>838.01</b>	<b>487.58</b>	<b>213.42</b>
3.1 m-Wallet	1,086.75	532.42	205.84	81.84
3.2 PPI Cards	310.41	277.52	253.77	105.35
3.3 Paper Vouchers	19.19	25.36	27.97	26.24
<b>4. Mobile Banking</b>	<b>14,738.54</b>	<b>13,104.76</b>	<b>4,040.91</b>	<b>1,035.30</b>

Source: RBI, Monthly Bulletin

**DISCUSSION**

The cashless transaction system is growing day by day as the markets become more globalised, the banking sector gets more widespread and more the people move from cash to cashless system. India supports a variety of electronic payment and settlement systems, all of which have shown a considerable surge post demonetisation both in terms of volume and value. Retail Electronic Clearing rose from Rs. 65,365.51 billion to Rs. 1,92,017.98 billion between 2014-15 and 2017-18. Usage of Debit and Credit Cards at ATMs and POS gone up from Rs. 25,415.27 billion to Rs. 38,214.64 billion during the same period. Prepaid payment instruments such as M-Wallets, PPI Cards, and Paper Vouchers have shown a tremendous rise from Rs. 213.42 billion to Rs. 1416.34 billion over the 4 year period. Increase in usage of smartphones coupled with the benefits of using mobile banking facilities have led to a noteworthy increase in mobile banking from a meagre Rs. 1035.30 billion to Rs. 14,738.54 billion in 2017-18. The rise in number of ATMs and POS as indicated in Table 2 is also an evidence of India moving towards a less cash economy.

**VI. STEPS BY GOVERNMENT AND RBI TO DISCOURAGE CASH TRANSACTIONS**

1. Licensing of Payment banks and promotion of mobile wallets.
2. Promotion of e-commerce by liberalizing FDI norms.
3. Launch of UPI to make e-transactions much simpler and fast.
4. Removal of service charge, surcharge on digital and card payments.

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**VII. CHALLENGES IN MAKING INDIA A CASHLESS ECONOMY**

1. Internet bandwidth and financial literacy.
2. Bank accounts opened under Jan Dhan Yojana mostly remain un-operational. Unless people begin operating bank accounts a cashless economy is not feasible.
3. There are many having vested interests in remaining a cash economy.
4. India is dictated by small retailers, who don't have enough resources to invest in e-payment infrastructure.
5. The mindset of consumers that cash facilitates better negotiations.
6. Most cash and card users apprehend that they will have to pay more if they use a card, also, non-users of credit cards are unaware of the advantages of credit cards.
7. Indian banks make it difficult for digital wallets of private sector companies to be utilised on their websites.

**VIII. WAY FORWARD FOR INDIA**

India must learn lessons from developing countries, which have succeeded in reducing their dependence on cash.

The path forward is clear:

1. Invest in fabricating the required digital and financial infrastructure.
2. Undertake a nationwide digital and financial literacy movement along with a medium-term approach to develop awareness and access to electronic payments.
3. The government must accept the formidable task of altering mindsets towards digital transactions among merchants and customers.
4. Establish all essential cyber security measures.

**IX. CONCLUSION**

Despite widespread efforts, India remains a cash driven economy while e-payments are restricted to a tiny size of the population, when compared to cash transactions. Presently, there is a blend of cashless and cash transactions occurring across the country, even as many facilitators are working towards making the cashless country a reality. Big strides have been taken towards becoming a cashless economy, demonetisation being one of the major steps. However, it will take at least a generation to transform the convention of cash to cashless transactions. Plunging the economy towards a cashless state with no proper infrastructure and planning will be catastrophic and its outcomes will be ceaseless. A measured move towards a less-cash economy is the right way forward. Moreover, an important point to note is that if people begin flocking to alternative currencies, the government could end up losing a great deal of their power to control economic matters, like inflation and unemployment. Also, a government cannot decide an interest rate for establishments lending in a currency that isn't in its control.

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**A STUDY ON IMPACT OF DEMONETIZATION ON INDIAN ECONOMY**

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**Neha Riyaz Patni**Student, B.M.Ruia Girls' College

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**INTRODUCTION TO DEMONETIZATION**

In India, there was a circulation of fake notes that was likely to harm society. The usage of fake notes was used in various inflammatory activities such as spying, smuggling of arms, drugs and other illegal traffics in India. To track the same issues of fake currency notes and the invalidate black money, therefore the government decided and announced that Rs.500 and Rs.1000 notes of the Mahatma Gandhi Series will be no longer a legal tender from midnight 8<sup>th</sup> November 2016. These Rs.500 and Rs.1000 totally accounted to about 86% of the total currency. Prime Minister NarendraModi also gave time up to the end of the year for depositing the old notes and passed 2000 rupee and 500 rupee bill.

There was chaos in the cash dependent sector as with the declaration of demonetization, it was also declared that all the ATM's and banks would remain closed for the next two days. The new rupee had different specifications, including the size and the shape. Throughout the country, only 2,00,000 ATM's were working which accounts to 60% of the total ATM's, in which a few of them had lower denomination notes thus finding change was a big problem at that time. The small businesses and households struggled a lot to find cash and also workers did not receive their daily wages due to lack of cash and all these reasons led to a sharp fall of rupee against the dollar.

The Government's aim was to eliminate black money from the economy which was laundering and it also helped in terrorist financing activities. The cashless economy was also one aim of Mr. NarendraModi. Huge entities were forced to take their large denomination notes to the bank and were supposed to pay the remaining tax or pay a penalty of 200% of the owed amount. This helped in getting the taxes out from the big shots, also various laws were implemented on gold, precious gems, properties, bank balance, fixed deposits, etc and this was all done to remove the black money from the Indian Economy.

**INTRODUCTION TO INDIAN ECONOMY**

Indian economy is a developing mixed economy. It ranks 6<sup>th</sup> in nominal GDP. It is 3<sup>rd</sup> largest in purchasing power, it is also known as the fastest growing economy. India contains a large amount of young population that will result in the long term growth of the Indian Economy. It also has the fastest growth in the service sector. It is also a major exporter of IT services. In India, the largest employer is in the agriculture sector. India ranks 2<sup>nd</sup> in agriculture worldwide, there is a steady share of the manufacturing sector, one of the largest in the world is the Indian Automobile Industry.

Post – liberalization the collapse of the Soviet Union, which was India's major trading partner, and the Gulf War, which caused a spike in oil prices, resulted in a major crises of balance of payments for India, which was found facing the prospect of defaulting on the loans. India asked for a \$1.8 billion bailout loan from the International Monetary Fund (IMF), which demanded de-regulation.

The petroleum products have major contributions to India's Industrial GDP. India contains many oil refineries and petrochemical operations. India contains the world largest refinery in Jamnagar. The Indian Chemical Industry contains 3<sup>rd</sup> largest position in Asia. The Pharmaceutical industry in India has become a major manufacturer of health and care products.

The GDP of India is 2.26 Lakh Crores USD. India's GDP per capita income was last recorded as 1861.50 USD in 2016. The GDP per capita in India contains 15% of the world average. The GDP per capita has obtained by dividing country's GDP adjusted by inflation, by the total population. Actual value as per the forecast, chart, statistic, economic calendar and news shown by them.

**DEMONETIZATION KILLED GDP GROWTH**

The GDP number which came in 2017 was a reality check on the Economy as the first time in the last 3 years the GDP has come down to 5.7% which was earlier at 6.1%. This is the first time since 2013 December that the GDP number is below the psychological mark of 6 %. India no longer remains the fastest growing economy in the world as China GDP is now at 6.2 %.

The key reason for the lower GDP growth rate is:-

**1. Demonetization:**

The demonetization which was done with the objective of curbing black money did not serve any purpose as only 0.002 % of Rs. 500 notes and 0.0007% of Rs. 1000 notes were found to be fake. The RBI received around

Rs. 15.23 lakh crore due to demonetization whereas the earlier estimates were that around Rs. 3 to 4 lakh crore of currency would not come back to RBI as it was fake or black money. But nothing like that happened and total currency came back. This has resulted into absolute failure of demonetization drive which caused nothing but harassment to the common man an opportunity for everyone to convert black into white money. In FY 16 printing cost for currency was Rs. 3400 crore Which in FY 17 it has reached Rs. 7900 crore. This is sheer wastage of public money as the expenditure doubled without any tangible benefit.

## 2. Digital Drive failed:

During demonetization, digital payments usage was 73 % and now it has come down to 37% as the digital payment was done by the same people who were doing earlier but during demo drive, that usage had increased. It is to be noted that neither farmers were using digital payment during demo nor they are using digital payment now.

## 3. Job losses still not recovered:

Due to Demonetization, maximum job losses happened in the Real estate and construction segment along with SME where the daily and weekly salary were given in cash. It is estimated that 50 % of the total employment in India is still in informal sector where the payment is done in cash. As demonetization removed cash there was a knee jerk reaction in the economy.

## 4. GST to have effect in coming quarters:

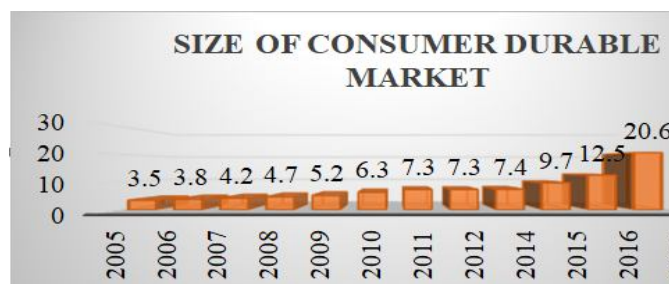
The impact of GST where the traders and also industry have not stocked any goods is also a reason for the slowdown in GDP. It has also been observed that cities in many restaurants are directly asking customers that if they don't take bill there will be no GST since 18 % and 28% are very high taxes which the common man feels. This may result in a higher amount of cash transactions rather than cheques or digital payment which the government has to figure out.

## DATA ANALYSIS OF DEMONETIZATION

### Pre – Demonetization

In the global consumer market, India scores the second position. Indian consumer market shows a positive growth from 2005 to 2015. The FMCG sector on an average is expected to increase from 2016 to 2020. The rural market share is also increasing, the food product in India is at a leading share of 43% of overall market share and personal care by 22%.

TABLE – 1: SIZE OF CONSUMER DURABLE MARKET



The above graph depicts the growing sales of consumer durables from 7.3 US\$ billion in the year 2010 to 12.5 US\$ Billion in 2016. By 2020 it's expected to touch 20.6 US\$ billion.

### Post– Demonetization

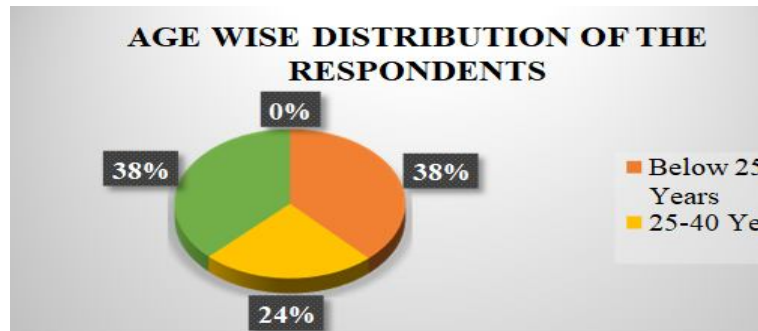
There are certain steps requires to bear the heat of cautious event of Demonetization. The downfall is clearly portrayed in the detailed figures below in the table. The automobile sales till October 2016, growing percentage was 4.5% but it started to fall down after announcement was made by Prime Minister NarendraModi. The aggressive sales push to thrash the year-end. The domestic sales were declined by 5.5% in the case of three wheelers it was dropped by 25.9%.

Domestic Value Growth Trends.

SEGMENT WISE SALES	DEC '15	DEC' 16	CHANGE (%)
Passenger Vehicles	230959	227824	1.40%
Commercial Vehicles	56840	53966	5.10%
Two Wheelers	1167621	910235	22.00%
Three Wheelers	46894	29904	36.20%

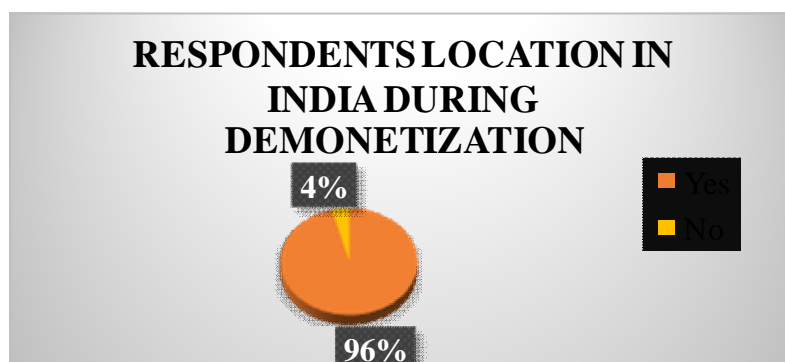
The effects of demonetization last more than six months from its declaration, where the flow of money slowed down with a fall in GDP. The demonetization lead to a fall in the circulation of the working capital and thus reducing the production level and the profits of the business and a fall in GDP was seen due to this. The other major problem was the change for the new 2000 rupee notes as the bank issued only new 2000 rupees note in exchange to the old 500 and 1000 rupees note and this caused a great problem by getting a slow momentum in the flow of cash in the country. Demonetization also affected the small and medium-sized enterprises as there was a fall in the flow of working capital.

TABLE – 2  
AGE WISE DISTRIBUTION OF THE RESPONDENTS



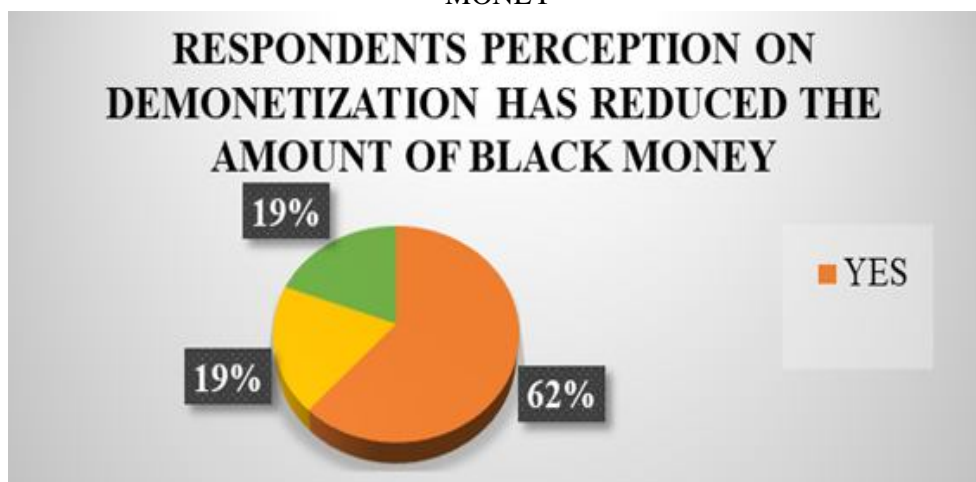
According to the survey done, there were 39% of people who belong to the age limit below 25 years of age, 25% were in the age group of 25-40 years and 36% were from the age bracket of 40-55 years of age.

TABLE – 3  
RESPONDENTS LOCATION IN INDIA DURING DEMONETIZATION



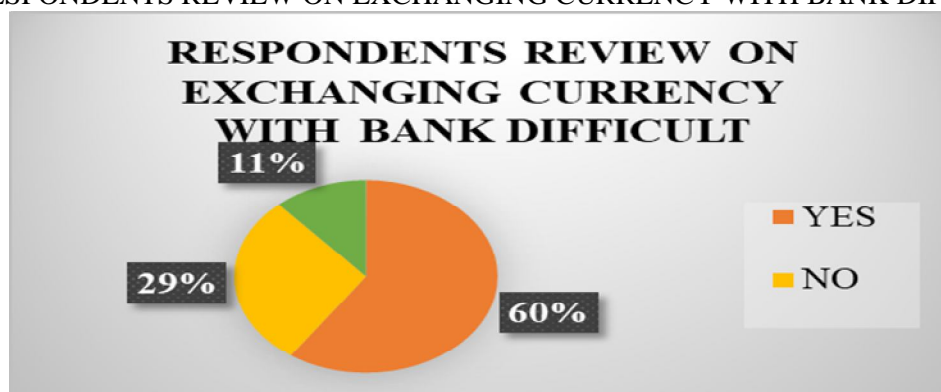
According to the survey, 96% of people were in India and only 4% were outside India for various reasons like work, studies, tourism, etc.

TABLE – 4  
RESPONDENTS PERCEPTION ON DEMONETIZATION HAS REDUCED THE AMOUNT OF BLACK MONEY



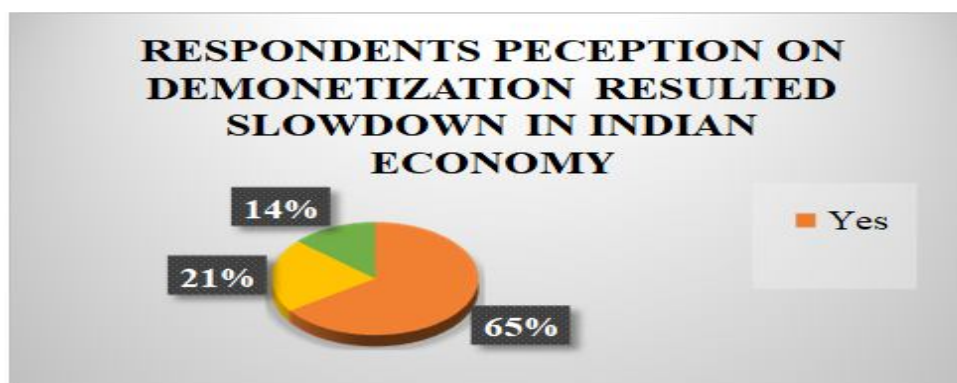
According to the survey done, 62% people voted for yes, 19% of people voted for no and 19% opted as maybe giving a neutral answer for the same.

TABLE – 5  
RESPONDENTS REVIEW ON EXCHANGING CURRENCY WITH BANK DIFFICULT



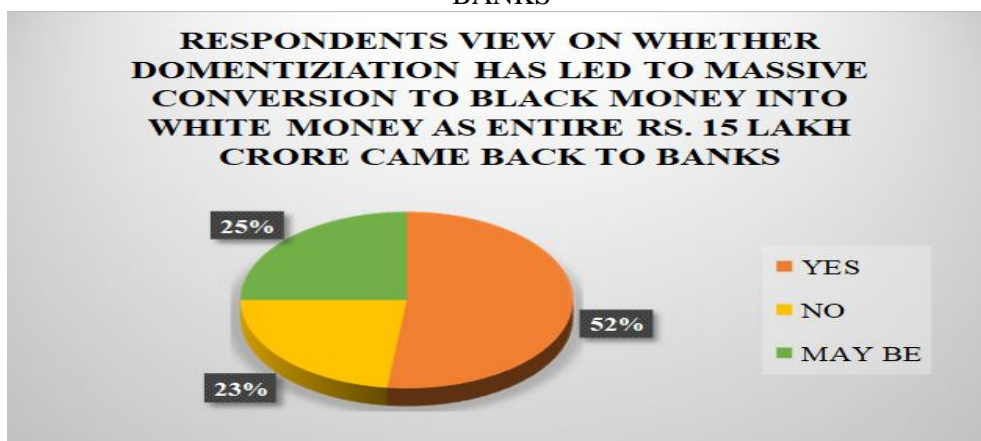
According to the survey done, it is seen that 60% of people faced difficulties during exchanging the currency, 29% people did not face any problem and 11% opted for maybe as an answer for the same.

TABLE – 6  
RESPONDENTS PERCEPTION ON DEMONETIZATION RESULTED IN SLOWDOWN IN INDIAN ECONOMY



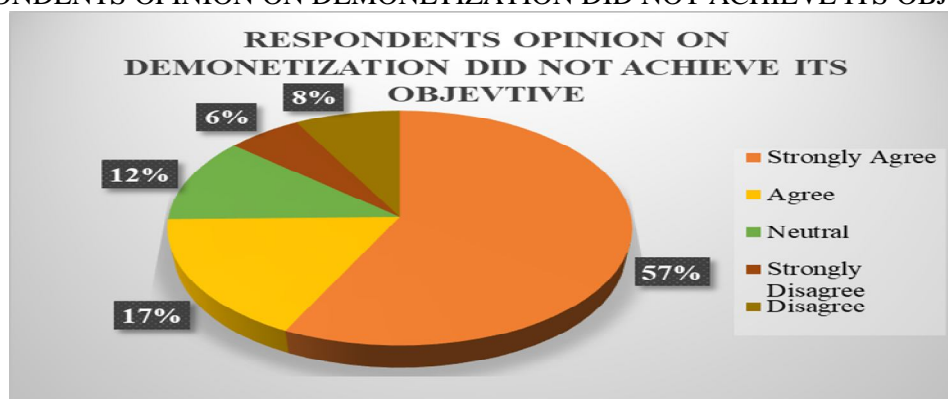
According to the survey, 65.40% of the people think that demonetization has got a slowdown in the Indian Economy, 21.20% thinks that demonetization has not got a slowdown in the Indian Economy and 13.50% opted for Maybe as the answer for the same.

TABLE – 7  
RESPONDENTS VIEW ON WHETHER DEMONETIZATION HAS LED TO MASSIVE CONVERSION TO BLACK MONEY INTO WHITE MONEY AS ENTIRE RS. 15 LAKH CRORE CAME BACK TO BANKS



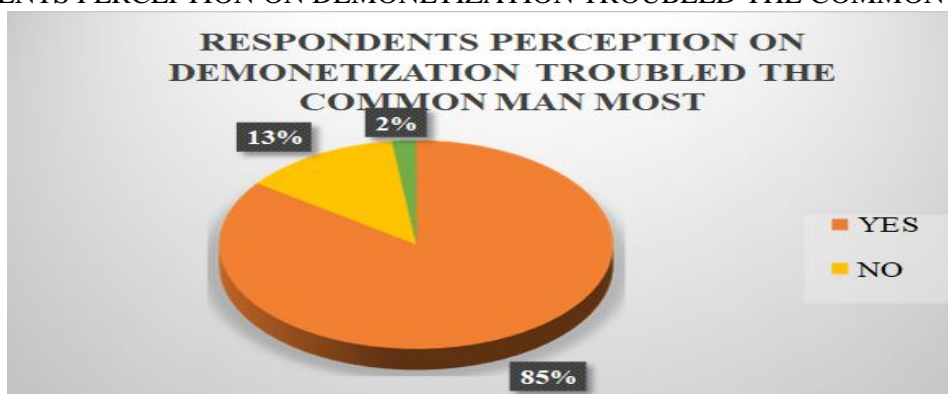
According to the survey, 52% people think that all the black money has been converted into white money, 25% people have answered it as may be as they are not sure about it and 23% people think that the black money has not got converted into white money.

TABLE – 8  
RESPONDENTS OPINION ON DEMONETIZATION DID NOT ACHIEVE ITS OBJECTIVE



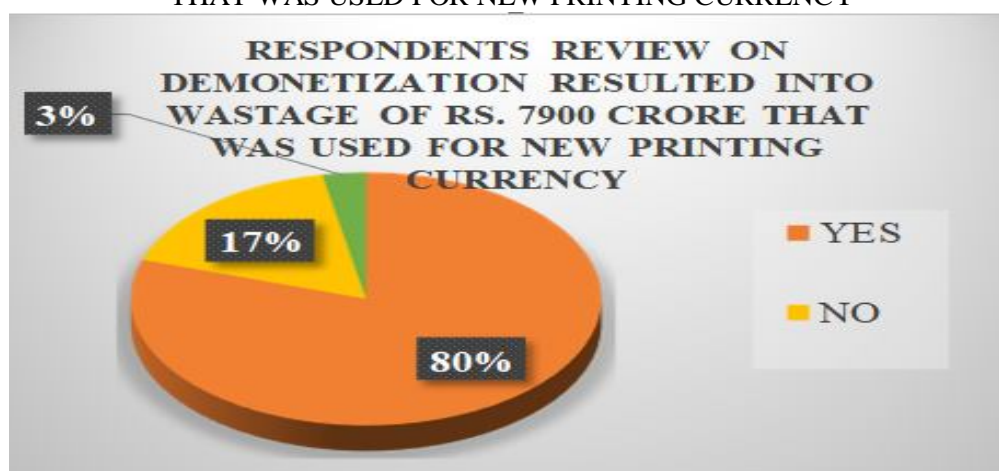
The above table depicts, 57% strongly agree, 17% agree on the statement that demonetization did not achieve its objectives, 12% people opted for neutral, 6% strongly disagree and 8% disagree that it has not attained its desired objectives.

TABLE – 9  
RESPONDENTS PERCEPTION ON DEMONETIZATION TROUBLED THE COMMON MAN MOST



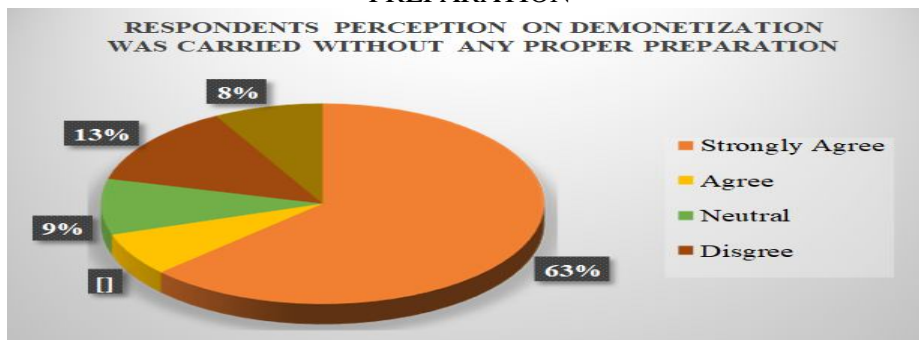
The above table shows, 85% people think that common man has suffered the most whereas 13% people feel that common man did not suffer the most and 2% have opted for maybe as an answer for the same.

TABLE – 10  
RESPONDENTS REVIEW ON DEMONETIZATION RESULTED INTO WASTAGE OF RS. 7900 CRORE THAT WAS USED FOR NEW PRINTING CURRENCY



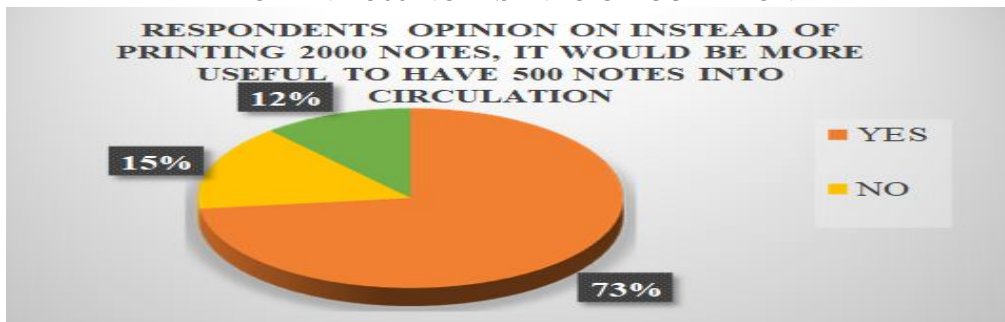
The above table depicts, 80% people opted for yes followed by 17% people staying no about the statement and 3% of people saying maybe, that the money used for printing is not a waste.

TABLE – 11  
RESPONDENTS PERCEPTION ON DEMONETIZATION WAS CARRIED WITHOUT ANY PROPER PREPARATION



According to the survey, 11.50% strongly disagree with the question, 21.20% disagree, 21.20% are neutral about it and 30.80% agree that the implementation lacked the preparation.

TABLE – 12  
RESPONDENTS OPINION ON INSTEAD OF PRINTING 2000 NOTES, IT WOULD BE MORE USEFUL TO HAVE 500 NOTES INTO CIRCULATION



According to the survey, 73.10% people said yes, 15.40% of people said that no followed by 11.50% who are neutral about the statement.

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**IMPACT OF DEMONETIZATION IN INDIAN ECONOMY**

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**Jayshree Chavan and Dr. Ankita Pathak**

Student, Sanjivani Arts Commerce &amp; Science College, Kopargaoan

Assistant Professor, Sanjivani College of Engineering, Kopargaoan

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**ABSTRACT**

*A decision taken on 8<sup>th</sup> November by the Prime Minister of India has made every citizen of India into panic attack. An unknown demonetization of Rs 500 and 1000 Rs note happened at late night. The late night demonetization has not given chance to people to manage black money they possess. Demonetization has shown comparative positive results in the economy. A study was framed to see the impact of demonetization in the working of the economy. A structured questionnaire was developed to meet the objective and result hypothesis. A sample of 250 was collected from the population of Udaipur with the help of Google Forms. Further to perform analysis SPSS V24 was used. The test like Reliability, correlation and regression are being performed to come to conclusion. The conclusion stated that demonetization has reduced the black money and fake currency from the economy. It has helped in reducing the corruption and illegal activities.*

*Keywords: Demonetization, Corruption, Black Money, Fake currency.*

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**INTRODUCTION**

8 November, 2016 is a memorable day for every Indian citizen. On that day Government of India has announced demonetization. The demonetization was done for all 1 series note of Mahatma Ghandi. Government has taken a step to reduce shadow economy and crack down on the usage of illicit and counterfeit cash for funding terrorism. A sudden announcement of demonetization has created a shortage of the cash and entire economy was threatened for the output. Prime Minister of India Narendra Modi announces the demonetization at 20.00 IST and declared that the currency of 500 and 1000 would not be used as a means of exchange. In order to maintain a flow of fund in an economy, a new currency note of 500 and 2000 were issued in exchange of old notes. The demonization resulted in reduction of corruption and illegal activities, black money and black currency, fake currency from the economy. The demonetization was drive to clean the economy from black money and in Indian history it is best drive which will benefit the economy till long run. Demonetization can be stated as a process of stripping of the currency as legal tender. It process of pulling the current currency from the market and to being new notes or coins in circulation. Depending upon the need of the country come takes a decision whether they want to replace entire currency or some series of currency.

Demonetization has not only affected the flow of currency in the market but effect of that was seen on BSE SENSEX and NIFTY too. The stock market has seen a fall over 6 percent at the day of demonetization. Demonetization has made people to stand in queues to change their notes and many cases of death were seen due to accidents. The move of demonetization was not a planned move which leads to strike, litigation etc. The move has reduced the production and GDP of the economy.

According to RBI data the number of old currency was almost 13 lakh crore rupees till 10 December, 2016 whereas 592616 crore rupees new notes was issued to the public between 10<sup>th</sup> November -19<sup>th</sup> December. In order to meet the demand of the demand of currency in market RBI has issued 22.6 billion pieces of notes among them 20.1 billion notes was of denomination of 10,20,50 and 100 and 1.7 billion of high denomination 500 and 2000. The difference between inflow and outflow was 707387 crore which cause cash crunch which affected the business, day to day life across the nation. Demonetization has helped to come up with the problem like corruption, fake currency, black money etc.

**Review of Literature:-Demonetization in World**

The concept of demonetization has come years back. Many countries have demonetized their currency with different mottos. In year 1984 government of Muhammadu Buhari in Nigeria banned old currency and issues the new currency. It has made the country debt ridden and inflation hit the country. It has collapsed the entire economy. In 1982 demonetization occurred in Ghana of 50 cedis note. The ban of the note was done to remove excess liquidity from the market and to handle the tax evasion but it acted as a fail. It backslides to black market and people invested the liquid money in physical assets which made economy weak. A demonetization happened in Pakistan in year 2016 to issue new design in currency notes. It was a planned demonetization where people got a year and half back to exchange a currency and have new notes. A decision of president of Zimbabwe, Robert Mugabe has the entire economy to move back. An order was pass to ban \$100,000,000,000,000 note (one hundred trillion dollar note). After the order made by the

president the value of trillion dollar has gone to \$0.5 dollar. A demonetization in Myanmar has leads to protest and several killing. In 1987 demonetization took place to check the black money in the Myanmar economy. Soviet Union under the governance of Mikhail Gorbachev, 1991 took a decision of demonetization which lead to takeover of Mikhail's leadership within eight month of demonetization. In year 2010, the economy of North Korea was broken-down because of the demonetization. People were starving for their basic necessities.

### **Demonetization in India contest**

The Prime Minister Narendra Modi was not the first person who has announced demonetization. Many demonizations have happened in an Indian Economy before 2016. The first demonization was done in year 1946, which removed the notes of RS 1000 and Rs 10000. It has not shown much influence on the economy as notes of higher denominator was not used by mango people. The notes of Rs 1000 and Rs 10000 were renewed in year 1954 and in addition to that Rs 5000 currency was also introduced. Back to back demonetization happens in year 1946 and 1978. The first note of RS 500 and Rs 1000 was introduced in year 1934 and after four years a note of RS 10000 notes was launched in the market. The second demonetization happened in year 1978 by Prime Minister India Morarji Desai. The motto behind the demonetization was to remove the black money from the country. It banned the 1000,500 and 10000 currency. There is resemblance between the ban happen in 1978 and 2016, both was done to control the black money in country. The high denomination notes were banned in both the years and it was not opened before announced on broadcast. An announcement of the demonetization has given panic attack to the millions of India as notes of 500 and 1000 would be banned and new notes of 500 and 2000 would be issued shortly.

### **OBJECTIVE**

- To study the concept of demonetization and with contest of India era.
- To study the awareness of the demonetization among the respondent
- To study the effect of demonetization on economy.
- To study the demographic variable of the respondent.

### **LIMITATIONS OF THE STUDY**

1. The demonetization of the India was only studied by the researcher.

Study is limited to the Demonetization in India only.

2. Study is limited to Udaipur only.

3. The data analysis was done on the basis of the respondent.

4. It can be biased

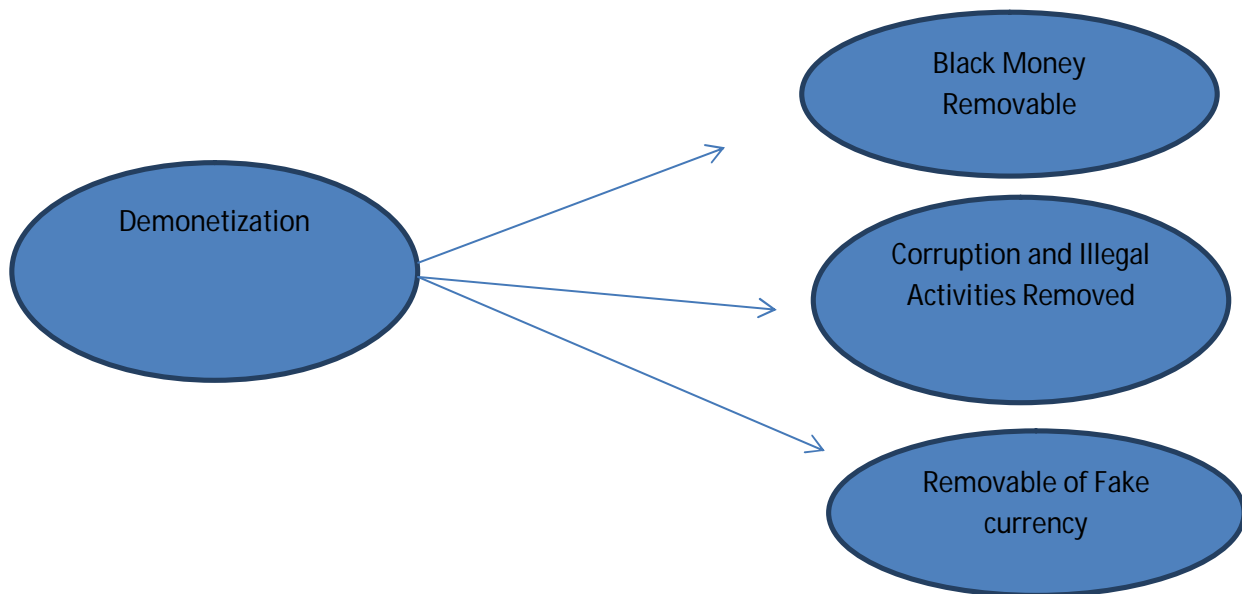
### **SCOPE OF STUDY**

The demonetization was done by government to takes measures for illegal funding, black money, fake currency, tax evasion etc. Some citizen came up with the excess then the limit amount which has made them to pay higher tax for hiding the money and not paying the right amount of tax. The government has a motive to reduce corruption, illegal activities and emphasis on the cashless economy. During the time of demonetization, a promotion was done for using E payment as there was scarcity of hard cash. It has moves an economy to cashless economy and where it was a good move to make an economy a cashless. The researcher has tried to find out the effect of cashless economy among the people Udaipur.

### **RESEARCH METHODOLOGY**

The research was done on the data collected from the 250 respondent from Udaipur region. A structured questionnaire was developed to analyses the hypothesis. The researcher has used both primary and secondary data to prove the hypothesis. The study is conducted to know the effect of demonetization on Indian economy. Demonetization has helped the economy in certain ways. A concept model was framed to see the effect of demonetization in Indian Economy. The demonetization is a dependent variable and there are five independent variables. A model is being shown in Figure 1

## Conceptual Model



\*Demonetization– Dependent Variable

\*\* Fake Currency, Corruption and Illegal Activities, Black Money- Independent variable

### Hypothesis:

H01: Demonetization has a positive impact on economy.

### Sample and Measurement Scale

Research has scale the questionnaire on the Likert five scale containing Strongly Agree to Strongly Disagree. The response was collected form the population of Udaipur between age group 20 to 60 and above. The responses has been collected with the help of Google forms. Various SPSS tools like correlation, regression; Anova is being used to analyze the data.

### DATA ANALYSIS:

#### • Reliability Test of Data:

To order to understand the effect of demonetization on the Indian Economy, reliability test is applied. The reliability test is done to know whether the data is reliable to perform various statistical analyses. In year 1967 Nunnally has given certain law for testing the reliability of the data. Table 2 contains the results of Reliability.

Table 2: Results of Cronbach's Alpha.

Independent Variables	Cronbach's alpha Coefficient
Black money removable	0.806
Corruption Removable	0.712
Fake money	0.700

The above factors have meets the standard criteria of measuring the reliability. The individual factor Cronbach Alpha value is greater than .70 and overall reliability is also greater than .70 which means data is reliable to perform various other analyses.

#### • Correlation Analysis:

Researcher has studied the correlation between dependent variable and independent variable. The below table shows the correction between Demonetization and Black money, corruption and Illegal Activities and fake currency.

Table 3 Correlations between Dependent Variable and Independent Variable.

Pearson Correlation		Demonetization	Black money	Corruption and Illegal activities	Fake Currency
	Demonetization	1.000	.349	.205	.235
	Black money	.349	1.000	.502	.547
	Corruption and	.205	.502	1.000	.673

	Illegal activities				
	Fake Currency	.235	.547	.673	1.000

The table number 3 shows the Karl Pearson Correlation and it states that r value should be greater than p value and is significance at 0.01 level (2 tail test). The table evidence there is a positive correlation between various independent variable and satisfaction of the customer.

### • Regression Analysis

The correlation has shown the positive relation between Dependent variable and Independent variable. The next step is to develop a regression model between the variables. Table 4 states the regression.

Table 4: Result of the Regression Analysis showing the Impact of demonetization on Independent variable.

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df 1	df2	Sig. F Change
1 Black Money	.349 <sup>a</sup>	.122	.118	.32257	.122	34.323	1	248	.000
2 Corruption and Illegal Activities	.350 <sup>b</sup>	.123	.116	.32300	.001	.334	1	247	.564
3 Fake Currency	.353 <sup>c</sup>	.124	.114	.32335	.002	.464	1	246	.497
a. Predictors: (Constant), VAR00006									
b. Predictors: (Constant), VAR00006, VAR00008									
c. Predictors: (Constant), VAR00006, VAR00008, VAR00009									

Table: 5 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	Demonetization	.910	.044		20.828	.000
	Black Money	.122	.021	.349	5.859	.000
2	Demonetization	.899	.048		18.863	.000
	Black Money	.115	.024	.329	4.770	.000
	Corruption and Illegal Activities	.013	.022	.040	.578	.564
3	Demonetization	.890	.049		18.056	.000
	Black Money	.110	.026	.312	4.280	.000
	Corruption and Illegal Activities	.003	.026	.009	.107	.914
	Fake Currency	.020	.030	.058	.681	.497
a. Dependent Variable: Demonetization						

As per the result we can analyze that all the bi variate correlation R value is greater than 0.200 which shows that there is a moderate relation between various independent variable and demonetization. The coefficient table 5 states that demonetization has leads to reduction of black money, fake currency and corruption and illegal activities. Demonetization has helped the economy from unethical activities.

The below table 6 has showed the demographic variables of the respondent. It contains mean deviation and standard deviation to explain the variables like age, gender, awareness of demonetization etc.

**Table: 6 Descriptive Analyses of the Data**

	N Statistic	Minimum Statistic	Maximum Statistic	Mean Statistic	Std. Deviation Statistic	Skewness	
						Statistic	Std. Error
Age	250	1.00	4.00	1.9560	.66621	.378	.154
Gender	250	1.00	2.00	1.4880	.50086	.048	.154
Awareness of Demonetization	250	1.00	2.00	1.1640	.37102	1.826	.154
Valid N (listwise)	250						

The demographic variables have an impact on successful implementation of demonetization. People are highly aware about the demonetization and they had knowledge how to exchange the currency with the banks to have new notes. The awareness could be because of the literacy and the campaign and assistance provide by the bank to perform the exchange task.

### CONCLUSION:

Researcher has proved that hypothesis that demonetization has led to decrease in black money, fake currency and also helped in reduction of illegal activities and corruption. The action taken by the government was not huge impact but still it benefitted the economy. The demonetization has given a rise to cashless economy. People were diverted from the hard cash to cashless transaction. The cashless economy will gradually reduce the corruption from the economy. The activeness of the bank to spread the literacy about the banking transaction will reduce the corruption. Hence it is concluded that demonetization has a positive impact in the economy.

### SUGGESTIONS:

In order to promote cashless and corruption free economy, government should incorporate following suggestion.

1. Create a literacy for banks and banking transaction. They should be motivated to see debit card and other online payment option to do day to day transaction.
2. In order to make strong economy government should print more currency of small denomination like Rs 10,20,50 so proper flow of currency is maintained in an economy.
3. Government should monitor the supply of currency at banks in both rural and urban areas. Bank should provide easy and reachable assess of ATMs to customer in rural as well as urban area.
4. Government and bank should plan the strategy of mobile ATM at offices of public, private and corporate sector where employees are more than 25 in number.

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**ENVIRONMENTAL PERCEPTIONS OF STUDENTS TOWARDS CASHLESS ECONOMY**

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**Singh Reetesh Rajesh Usha**Assistant Professor, Clara's College of Commerce, Andheri

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**ABSTRACT**

*The use of online platform is one of the attractive green practices and it can become an integral part in adoption of Cashless economy in India. This study was conducted to find out perceptions of students towards use of online platform and to reveal the level of their environmental concern as driving force for their inclination towards use of online platform.*

*Keywords: Cashless economy, green practices, adoption, online, inclination*

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**1. INTRODUCTION**

Having awareness of Environment will not be going to solve the problems that we are facing. Environmental awareness is defined as an understanding of natural systems combined with how they interact with human social systems. It implies not only knowledge about environment but also attitude, values and necessary skills to solve environment related problems. Moreover, environmental awareness is the initial step ultimately leading to the ability to carry on responsible behaviour by the citizens. The growing concern with environmental issues and their impact on general awareness is one of the most noticeable phenomena of the last two decades. Increase in economic activities in developing countries results in more energy and consumption demand which generally leads to environmental degradation. There is a conventional belief that such environmental degradation would resolve as soon as these countries grow economically, since that would enable them to afford environmental friendly technology as well as pro-environmental regulations and policies.

**2. REVIEW OF LITERATURE**

The study of Sharma, A. and Joshi, S. (2017) on green consumerism revealed that 'Environmental concern as a moderator with varying degree of levels for purchase intention and its impact on actual purchase has not been explored so far. The contention is that environmental concern can become a decisive factor only after more basic human needs are met otherwise only wealthy can afford this attitude (Mostafa, 2009). Bamberg (2003) observed a weak direct relationship in environmental concern and specific environment related behaviour. Román (2010) revealed that women were not satisfied in making online purchases due to the fear of fraudulent websites. Trust therefore can be developed. Perceived Enjoyment (PE) (Igbaria, Parasuraman, & Baroudi, 1996) is the intrinsic impulse to use new technology. Davis (1989) refers enjoyment as a level to which the activity of using the computer is perceived to be pleasant. Though women shop online less than men, they have greater growth potential than men in using online shopping (Zhou et al., 2007). Dr. R. Sivanesan, C. Monisha, P.V. Babisha, S.A. Abisha, (2017) conducted Comparative Study on Factors Influencing Online and Offline Shopping. The study reveals that the males are less doing the online shopping than female. The females are more into online shopping because they enjoy doing shopping whether it is traditional shopping or e-shopping. The young generation are more often purchasing from online sites because of the revolution in the technology among the youth population and they are able to use this technology for their well-being more than other age group category.

**3. OBJECTIVE OF THE STUDY**

- To find out the level of students' acceptance for using online platform.
- To find out whether gender and their preference for use of online platform or offline platform are dependent or not.
- To understand if gender has any preferential difference in selecting environmental concern as a driving force for using online platform.
- To understand if gender has any preferential difference in reasons for not inclining towards use of online platform.

**4. METHODOLOGY****4.1 DATA COLLECTION**

This study was considered for undergraduate students of first year of B.COM (Bachelor of Commerce) of Clara's College of Commerce, Yari Road, Andheri. The study is based on primary data. The population size was 180. The sample was collected by simple random sampling and the sample size selected was 123.

## 4.2 QUESTIONNAIRE

1) Which platform - online or offline do you PREFER for Shopping (mobile, clothes etc.) and Utility bill payment (light bill, phone recharge etc.)?

2) What do you think from the following is the main DRIVING FORCE for your INCLINATION towards use of online platform?

a) CONVENIENCE in the use of online platform b) You are concerned towards environment and you know that use of online platform is a green practice, i.e (ENVIRONMENTAL CONCERN)

3) What do you think from the following is the main DRIVING FORCE for NOT inclining you towards use of online platform? a) Risk involved in online platform b) Faith in offline platform.

## 4.3 DATA PROCESSING AND TOOLS OF ANALYSIS

Table one

	Male	% Male	Female	% Female	Total	Percentage Total
Total	65		58		123	
Preference for use of online platform	25	38.46%	18	31.03%	43	34.96%
Preference for use of offline platform	40	61.54%	40	68.97%	80	65.04%
Convenience as driving force for inclination towards use of online platform	11	16.92%	12	20.69%	23	18.70%
Environmental concern as driving force for inclination towards use of online platform	14	21.54%	6	10.34%	20	16.26%
Risk involved in use of online platform as Driving force not inclining towards use of online platform	16	24.62%	20	34.48%	36	29.27%
Faith in use of offline platform as Driving force not inclining towards use of online platform	24	36.92%	20	34.48%	44	35.77%

Table two

Offline users: 80			Online users: 43		
	Total	% Online user		Total	% Offline users
Risk involved in use of online platform as Driving force not inclining towards use of online platform	36	45.00%	Convenience as driving force for inclination towards use of online platform	23	53.49%
Faith in use of offline platform as Driving force not inclining towards use of online platform	44	55.00%	Environmental concern as driving force for inclination towards use of online platform	20	46.51%

**4.4 RESEARCH QUESTIONS (RQ)**

**RQ.1)** Do male and female have statistically different preference for using online or offline platform for shopping.

**RQ.2)** For Online Users: Do male and female have statistically differences in selecting the reason / driving force for their inclination towards use of online platform.

**RQ.3)** For Offline Users: Do male and female have statistically differences in selecting the reason / driving force for not inclining towards use of online platform.

**4.5 HYPOTHESIS OF THE STUDY & HYPOTHESIS TESTING****4.5.1. HYPOTHESIS FOR RESEARCH QUESTION 1 & HYPOTHESIS TESTING**

Null Hypothesis  $H_0$  : Gender and their respective preferences for using online platform or offline platform are independent.

Alternate Hypothesis  $H_a$  : Gender and their respective preferences for using online platform or offline platform are dependent.

Gender	Preference for using online platform	Preference for using offline platform	Marginal row total
Male	25	40	65
Female	18	40	58
Marginal column total	43	80	123

The chi-square statistic is 0.7436. The p-value is .38852. This result is not significant at  $p < .05$ .

The chi-square statistic with Yates correction is 0.4528. The p-value is .501007. Not significant at  $p < .05$ .

Thus we accept null hypothesis that means:-Gender and their respective preferences for using online platform or offline platform are independent.

**4.5.1. HYPOTHESIS FOR RESEARCH QUESTION 2 & HYPOTHESIS TESTING**

Null Hypothesis  $H_0$  : Gender and their reasons as driving force for inclining towards use of online platform are independent.

Alternate Hypothesis  $H_a$  : Gender and their reasons as driving force for inclining towards use of online platform are dependent.

Gender	'Convenience' as driving force for inclination towards use of online platform	'Environmental concern' as driving force for inclination towards use of online platform	Marginal row total
Male	11	14	25
Female	12	6	18
Marginal column total	23	20	43

Degree of freedom: 1, significance level: 0.05

The chi-square statistic is 2.1612. The p-value is .141533. This result is not significant at  $p < .05$ . The chi-square statistic with Yates correction is 1.3461. The p-value is .245954. Not significant at  $p < .05$ .

Thus we accept null hypothesis that means, Gender and their reasons as driving force for inclining towards use of online platform are independent.

**4.5.1. HYPOTHESIS FOR RESEARCH QUESTION 3 & HYPOTHESIS TESTING**

Null Hypothesis  $H_0$  : Gender and their reasons as driving force for NOT inclining towards use of online platform are independent.

Alternate Hypothesis  $H_a$  : Gender and their reasons as driving force for NOT inclining towards use of online platform are dependent.

Gender	Risk involved in online platform as driving force for not inclining towards use of online platform.	Faith in offline platform as driving force for not inclining towards use of online platform.	Marginal row total

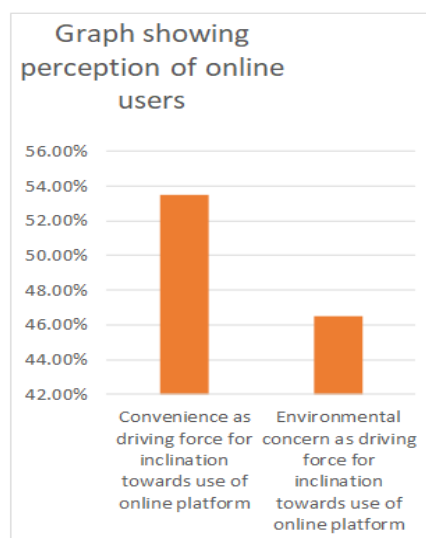
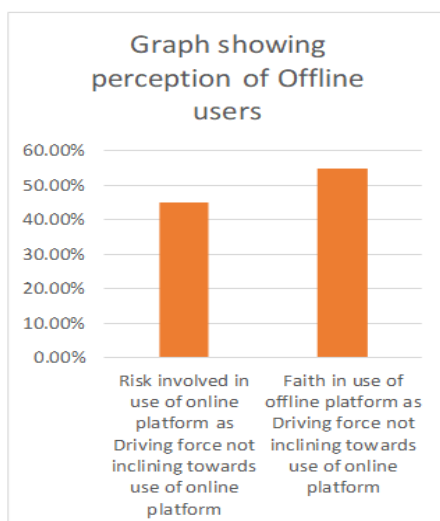
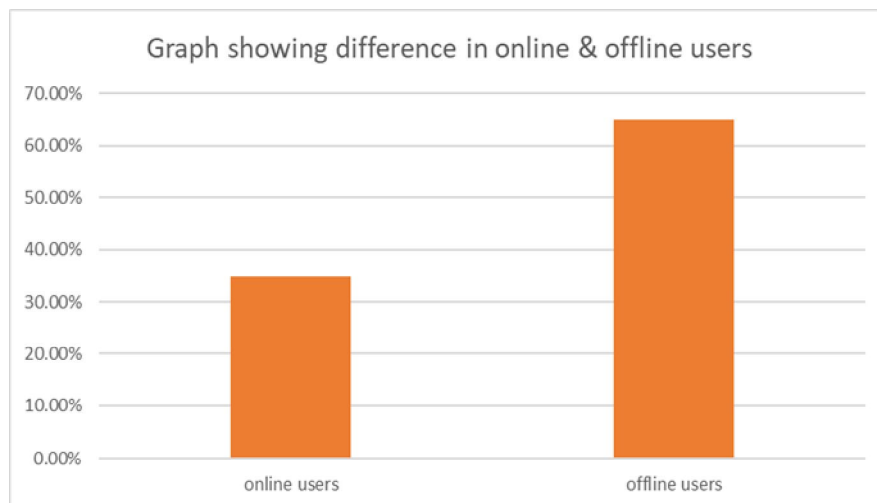
Male	16	24	40
Female	20	20	40
Marginal column total	36	44	80

Degree of freedom: 1 ,Significance level:0.05

The chi-square statistic is 0.8081. The p-value is .368688. This result is not significant at  $p < .05$ . The chi-square statistic with Yates correction is 0.4545. The p-value is .500184. Not significant at  $p < .05$ .

Thus we accept the null hypothesis that is - Gender and their reasons as driving force for NOT inclining towards use of online platform are independent.

#### 4.6 ANALYSIS



#### 5. RESEARCH FINDINGS

The study findings are

- ✓ 65.04 % students of sample size are preferring offline platform for shopping.
- ✓ 34.96 % students of sample size are preferring online platform for shopping.
- ✓ Gender and their respective preferences for using online platform or offline platform are independent.
- ✓ Gender and their reasons as driving force for inclining towards use of online platform are independent.
- ✓ Gender and their reasons as driving force for NOT inclining towards use of online platform are independent.

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**6. CONCLUSION**

The research findings reveal that the students from selected population are less inclined towards the use of online platform and is mainly because of convenience in the use of online platform and not majorly due to their concern towards environment. The study also reveals that gender and their respective preference towards using online platform is independent. For achieving sustainable development youth must understand that their acceptance for cashless economy via using green practices is important aspect. But at the same time the security in online transaction must be improved so that youth can develop more inclination towards use of online platform.

**7. LIMITATIONS**

As the study conducted for population size of 180 only and the samples are drawn from students of one College only. Thus the findings may not be leading to generalization and hence it gives scope for further study in terms of selecting large population size and including different zones, and different age groups.

**8. SCOPE FOR FURTHER STUDIES**

The level of awareness about green practices as a tool in adopting cashless economy among students can be studied and hence further ways to promote such practices can be find out.

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**CASH LESS ECONOMY: CHALLENGES AND OPPORTUNITIES BEFORE INDIAN ECONOMY**

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**Prof. Subodh S. Barve**Assistant Professor, Department of Commerce, Ramniranjan Jhunjhunwala College, Ghatkopar (W), Mumbai

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**ABSTRACT**

*Indian economy is one of the fastest growing economies in the world, but suffering from problems like black money, fake currency, inequality etc. have created hurdle for economic development. Hon'ble Prime Minister Narendra Modi continuously insisting to tackle these issues, economy should transform from cash base economy to cashless economy. Several economic reforms opened the gateway for cashless economy in the form of Credit and Debit cards, Net Banking, UPI, Mobile Wallet etc. Demonetisation of 500 and 1000 rupee notes in 2016 compelled the citizens to go for cash less transactions. It is seen cashless economy has both opportunities and challenges. The objective of this paper to find out important opportunities and challenges of cashless economy in India.*

*Keywords: cashless economy, credit card, credit card, digital payment.*

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**INTRODUCTION**

Cashless economy is a system where payments are made through different digital modes like debit card, credit card, internet banking, mobile banking etc.. Cash less economy means less cash economy. Since several years due to unorganised payment mechanism and lack of RBI's control India has witnessed parallel economy in the form of black money which has caused social problems like poverty, low GDP growth rate, corruption etc. Demonetisation in 2016 has increased cashless transaction volume from 523.33mn transactions worth Rs.93.9 lakhs cr. which was increased to 682.45mn amounting to 150.24 lakhs cr. During November, 2016 to March, 2017. Cashless movement seems to be failed because as per 01st June, 2018, RBI report currency in circulation was 17.9lakh cr. on November 2016 and by June 2018 amount reached to 19.3 lakhs cr. which is more than the amount in circulation before demonetisation.

**OBJECTIVES**

1. To understand the guidelines of the Central Government and the RBI to encourage digital payments in India in post demonetisation period.
2. To study the opportunities and challenges of digital payment in India.

**RESEARCH METHODOLOGY**

This paper is based on primary and secondary data. Primary data has been collected from different age groups by questionnaire method. The sample size for the study is 114 respondents.

Secondary data has been collected through books, journals, government publications, reports of research agencies, newspaper, websites etc.

The research is mainly exploratory in nature and analysis is on the basis of observations.

**HYPOTHESES**

1. H<sub>0</sub> - There is no specific guidelines for digital payments.  
H<sub>1</sub> - There is specific guideline for digital payment
2. H<sub>0</sub> - India has low opportunities and high challenges in digital payment.  
H<sub>1</sub> - India has vast opportunities and limited challenges in digital payment.

**Government initiatives for promoting digital payment after demonetisation**

1. 0.75% discount on purchase of petrol or diesel for payment through digital modes.
2. The Central Government through NABARD shall provide financial help to eligible banks to install 2 POS devices in 100000 villages with less than 10000 population. This covers 75% population to perform agriculture transactions.
3. Issue of "Rupay Kisan Cards" to 4.32 core Kisan Credit Card holders to facilitate them to make digital transactions at POS machines/Micro ATMs/ATMs.
4. From 1<sup>st</sup> January, 2017, Railway has started giving 0.5% discount on seasonal ticket and monthly tickets if payment is made through digital modes. And accidental insurance up to 10 laths

5. Public insurance companies like LIC and GIC started offering 8% and 10% discount respectively on new insurance policies taken through digital means.
6. Public sector banks are advised that merchant should not pay more than 100 per month for POS terminals, Micro ATMs.
7. No service tax for digital transactions up to Rs.2000/- per transaction.
8. For the payment of toll at Toll Plazas on National Highways using RFID card/Fast Tags, a discount of 10% will be available to users in the year 2016-17.
9. The Central Government has introduced its own payment mobile app called as 'BHIM' to facilitate digital payments.

#### Modes of Cashless payments and Trends

1. **Cheque and Demand Draft :-** it is a negotiable instrument use for small and big amount transactions.
2. **NEFT and RTGS :-** It facilitates quick transfer of funds and fast processing of cheque between banks.
3. **Internet Banking :-** in this mode people can perform several online financial transactions through bank web sites such as payment of tax, bills, fund transfer, investment in shares, etc.
4. **Electronic Clearing Service (ECS):-** in this mode large volume and amount of transactions can be processed. E.g. payment of salary,
5. **Credit and Debit cards :-** these cards are called as 'Plastic Money' and alternative to cash. These cards provide lot of convenience in payments..
6. **Unifies Payment Interface (UPI) :-** this system facilitates immediate transfer of funds between different banks through Smart mobile phones. It allows send and receive of money without disclosing bank information.. Eg.BHIM
7. **Mobile wallet :-** It allows user to load money in the wallet via Immediate Payment Service . It requires linking of bank account with mobile wallet. Banks and even private companies have developed mobile apps to facilitate payments. Eg. Pay tm,.
8. **Point of Sales:-** it is a machine which facilitates payment transactions only . Payments can be done by swiping debit or credit card. It is mainly used at shopping places like petrol pump, hotels, etc.
9. **Mobile Banking:-** several banks do have their mobile app to provide banking services like checking balance, NEFT, RTGS etc. It is different form mobile wallet.
10. **Immediate Payment Service (IMPS) :-** it is an instant payment interbank electronic fund transfer in India. This service is available on mobile phones across India. It is developed by NPCI with objective. This service is available round the clock and through the year even on bank holidays.

	Values in Billion Rupees		
	2015-16	2016-17	2017-18
<b>CTS</b>	69,889	74,035	79,451
<b>RTGS</b>	8,24,578	9,81,904	11,67,125
<b>NEFT</b>	83,273	1,20,040	1,72,229
<b>ECS DR.</b>	1,652	39	10
<b>ECS CR</b>	1059	144	115
<b>CREDIT CARDS</b>	2,407	3,284	4,590
<b>DEBIT CARDS</b>	1,589	3,299	4,601
<b>UPI</b>	---	<b>69</b>	<b>1098</b>
<b>IMPS</b>	1,622	4,116	8,925

Source : RBI Annual Report 29<sup>th</sup> August 2018

### Statistical analysis of Opportunities and challenges in Cashless Transactions in India :-

#### 1. Gender

Males	Females
69.6%	30.4%

#### 2. Occupational status

Salaried	51.8%
Unemployed	28.1%

#### 4. Cashless Transactions

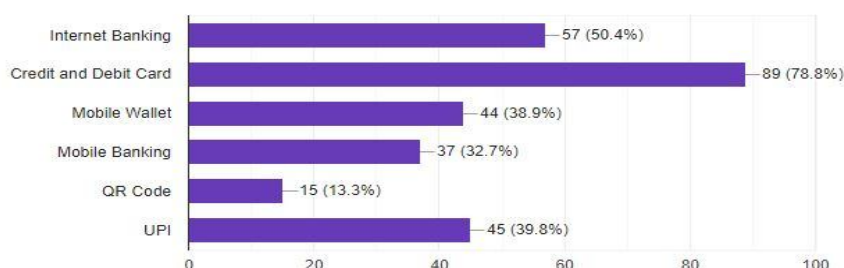
Professional	16.7%
Business	3.4%

#### 3. Age :-

### 6. Modes of Digital Payments

Which of the following Digital Mode of payment do you prefer for payment ?

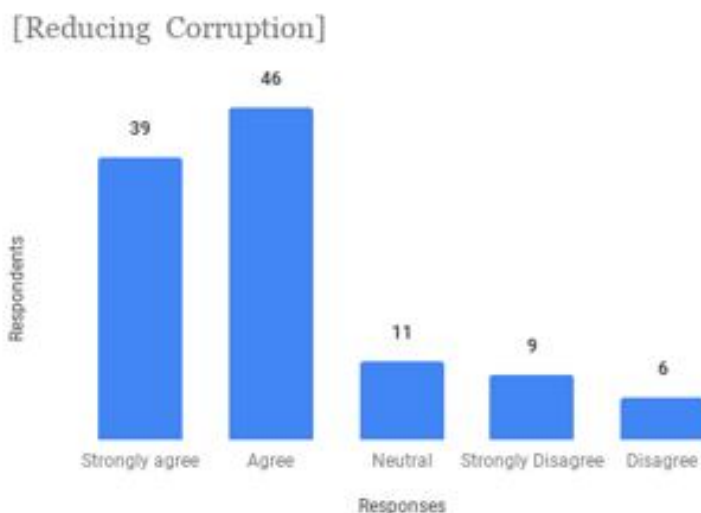
113 responses



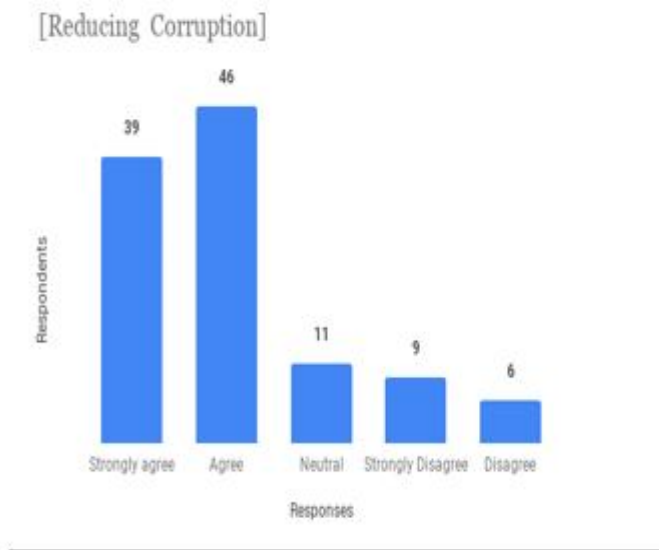
### Opportunities for Cash Less Transactions in India :-

#### 1. Reducing corruption:-

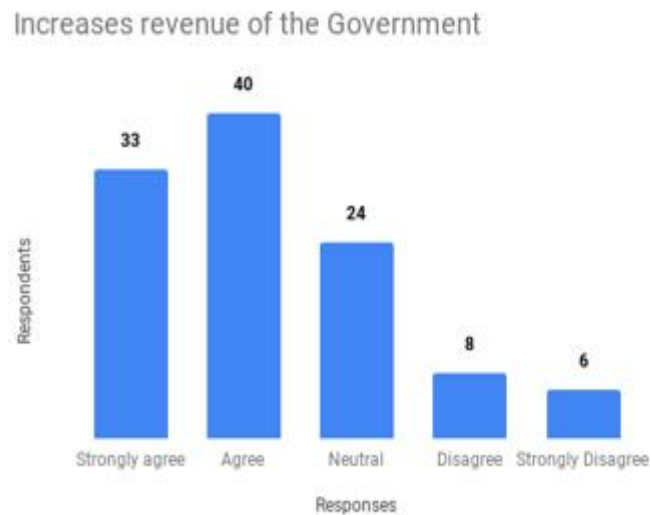
Cashless transactions will reduce some amount of corruption because of fairness of transactions. Out of 114 respondents around 70% agreed that digital transactions will reduce corruption



2. Control of fake currency :- Indian currency has been suffering from fake currency notes due to which its own value diminished. Out of 114 respondents 85 of them have expressed positive opinion that India can overcome counterfeit problem through cashless transactions



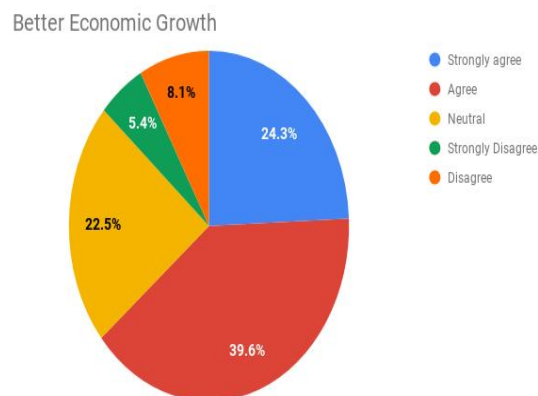
### Increases in Government Revenue:-



73 out of 114 respondents expressed that cashless movement will increase revenue of the government in form of tax, penalty and so on. After demonetisation in 2016, it

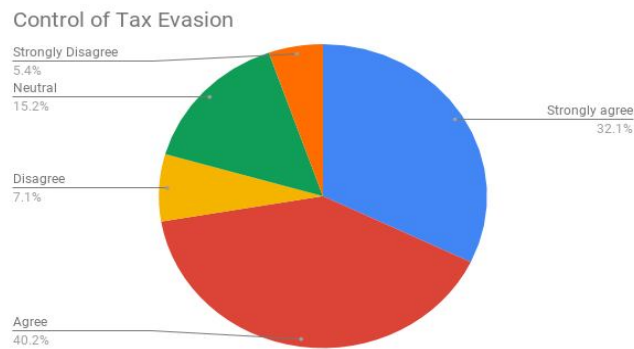
has been seen that number of tax payers have increased tremendously which is highest in last 10 years.

#### 1. **Better Economic Growth :-**



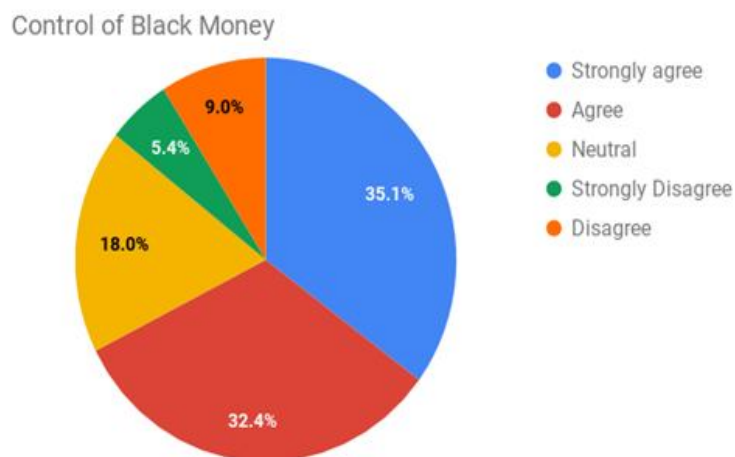
Since 2016, GDP has increased from 7.1% to 8% growth rate in Q1,2018. 64% respondents are of the opinion that digital mode of payments will accelerate economic growth in coming financial years.

5. Control Over Tax Evasion:



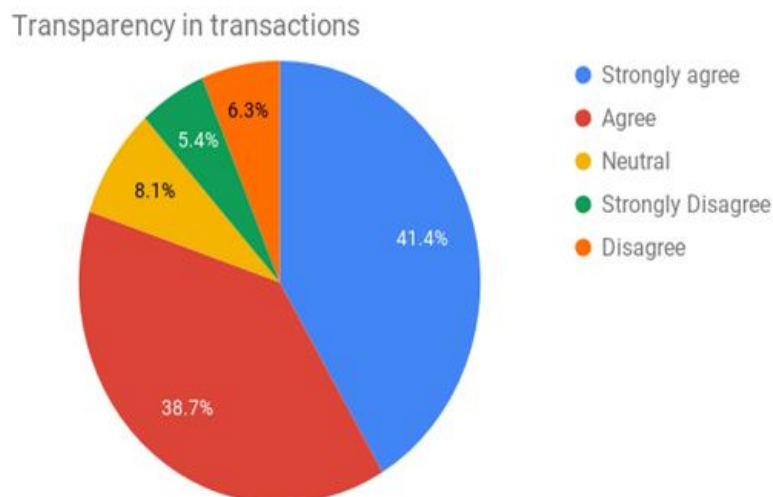
73% population is of the opinion that due to digital cash transaction tax evasion can be reduced which will lead to increase government revenue and transparency in business.

6. Control of Black Money :- Black money is a major hurdle in economic growth of the country results in to several social problems like poverty, inequality, etc.



Around 67% people are of the opinion that black money can be controlled through digital transactions because it reduces use of cash and also impel people to record transactions. This will gradually reduce volume of black money in the economy.

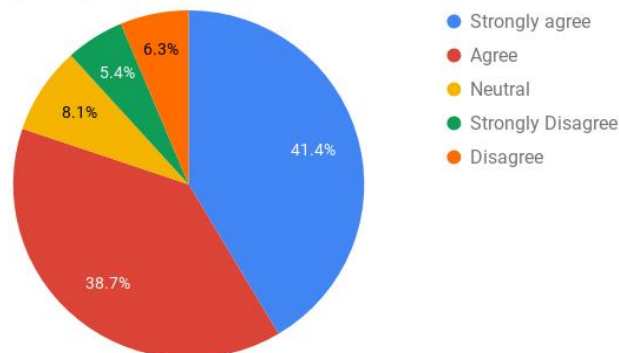
8. Trasnperancy in Transactions :-



80% population in the respondents are saying that use of digital mode of payments will bring transparency in business because book records are created, this will do away with creation of black money and evasion of taxes.

9. Reduction in crime :-

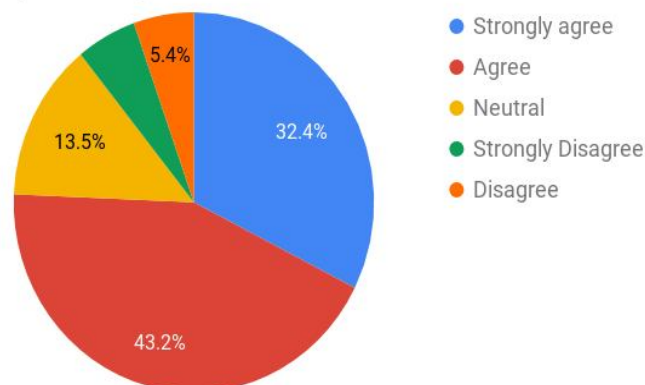
Transparency in transactions



Around less than 50% believe people feel that rate of crime can be controlled because of cashless transactions. But, at same time 30% population are neutral and cannot decide whether crime can be controlled or not. And remaining 20% are disagreed about reduction in crime.

10. A step to develop nation :-

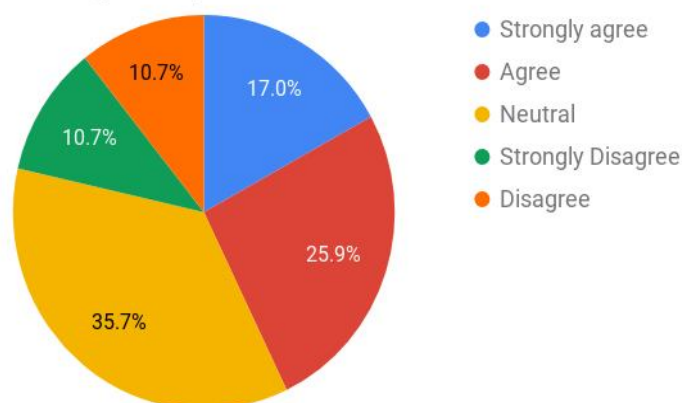
A step to Developed Nation



75% population is of the opinion that cashless economy is a step towards developed nation. India being developing country it is keenly needed to introduce cashless transactions. This will automatically curb social problems.

11. Overcoming social problems :-

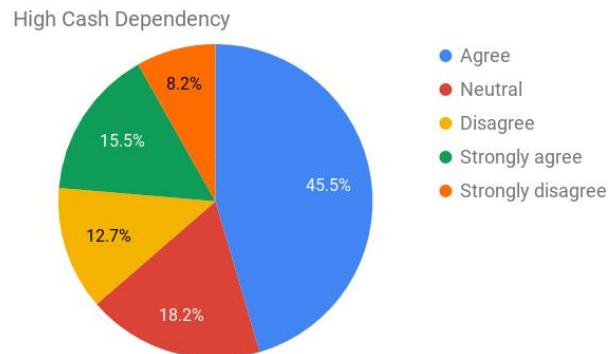
Over Coming Social problems



More that 60% population is of the opinion that promotion of cashless economy will overcome social problems in the time to come by avoiding leakages in the economy.

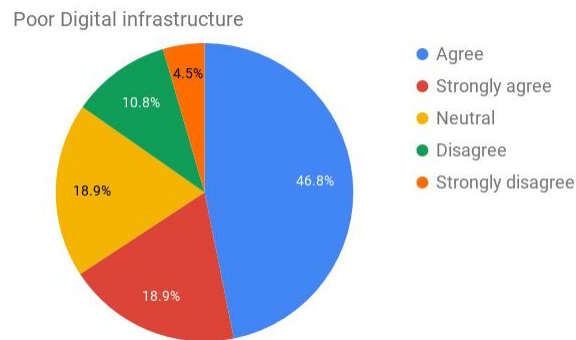
Challenges for Cash Less Transactions in India :-

1. High cash dependency :



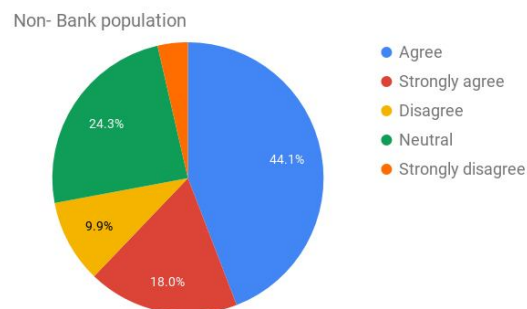
Indian people are very much habitual of using cash for large and small transactions. More than 63% respondents feel that use of excess cash in the economy is a majore challenge in cashless economy.

2. Poor Digital Infrastructure :-



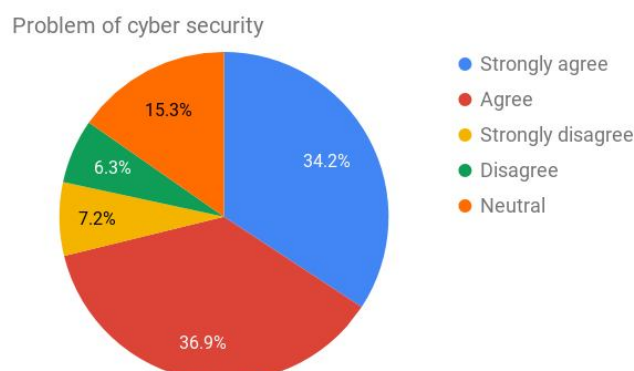
More than 63% respondents are of the feelings that poor digital infrastructure is the main challenge in making cashless economy. Poor infrastructure refers to low connectivity, limited covered etc.

1. Non Bank Population :-



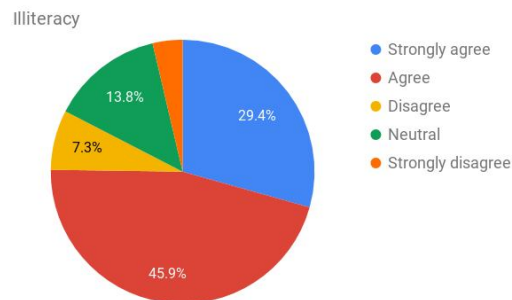
62% population feels that people not having bank account is the major challenge of cashless economy. Bank account is the basic requirement of digital transactions.

2. Problem Cyber security:-



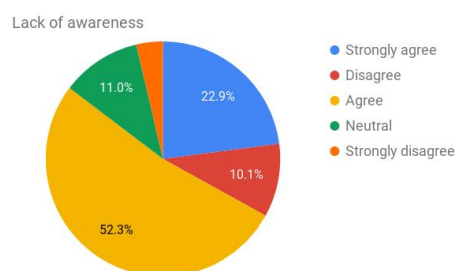
More than 70% respondents are of the opinion that they fear to perform cash less transactions because of low cyber security. Some people do not have knowledge about security which can be victims of cyber crimes.

### 3. Illiteracy:-



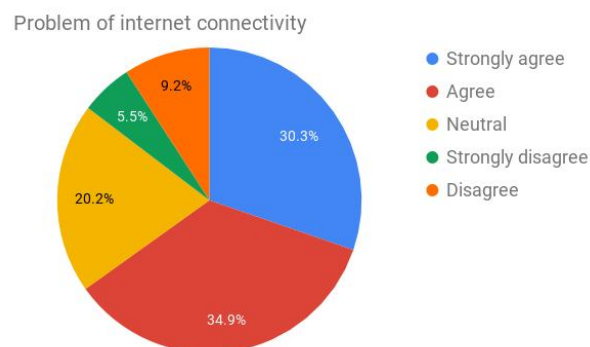
73% population said that illiteracy is a challenge in cashless movement. Even 8% people are not possible to decide whether illiteracy is a problem or not.

### 4. Lack of awareness :-



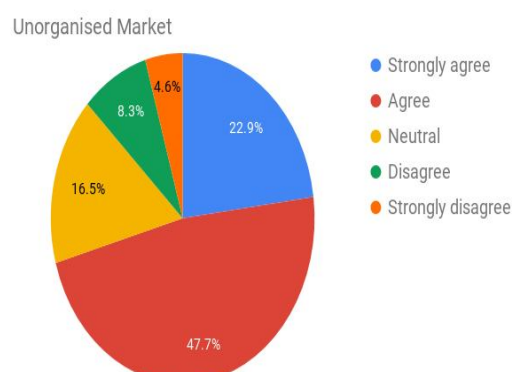
More than 80% people are of the expression that lack of awareness is a challenge to cashless transactions in India.

### 5. Problem of internet connectivity :-



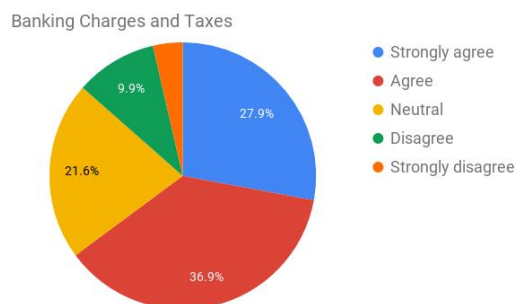
Around 65% respondents in the view that internet connectivity is not sufficient in different parts of the country which is utmost need for cash less transaction. This reduces willing to perform cashless transactions.

### 6. Unorganised Market:-



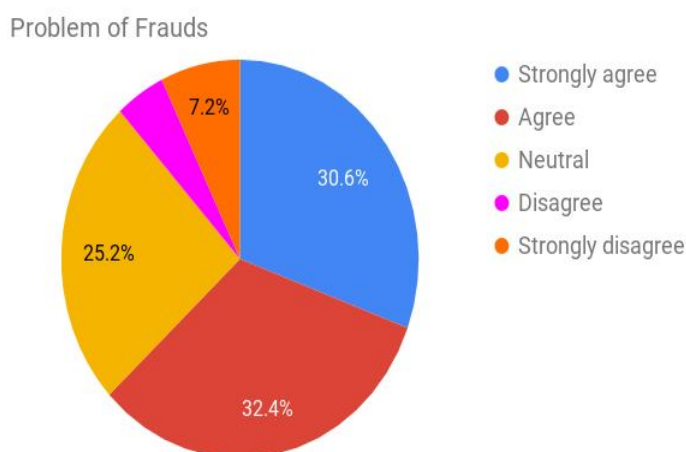
Indian markets are highly unorganised and as a result people tend to perform cash transactions rather than cash less transactions. 65% interviewees feel that unorganised market is hampering cashless movement.

## 7. Banking Charges and Taxes :-



Around 70% respondents are of the feelings that transactions through Credit card, NEFT, Debit card, Net Banking etc. attract banking charges and taxes also. These charges create unwillingness among the people to perform cashless transactions.

## 8. Problems of Fraud:-



62% respondents are agreed that cashless transactions will give rise to frauds in the form of hacking, cloning of cards etc.

## HYPOTHESIS TESTING

Hypotheses are tested on the basis of percentage method.

1. H<sub>0</sub>- null hypothesis is rejected because government has done specific guidelines for promoting cashless economy.
2. H<sub>0</sub>- null hypothesis is rejected because India has lot opportunities and less challenges in case of cashless economy.

## FINDINGS

1. People making payments through Credit and Debit cards are approx.79% followed by internet banking 50%. However, users of other modes of cashless transactions like UPI,Mobile Wallet, Mobile Banking, QR code etc are less than 40 % . .
2. Indian people are dependent on cash , This may be due to poor digital infrastructure, and lack of awareness.
3. Digital infrastructure which includes internet connectivity, speed, mobile connectivity etc.very poor especially in rural areas.
4. Bank account is an essential pre requisite for digital payments. Many Indian citizens do not have bank accounts. This is the big hurdle in cash less economy.
5. Many people are illiterate who cannot read and understand complexity of digital payments.
6. Still majority of the population does not know how to use credit card, debit card, internet bank etc. This seems that people are lacking in awareness of cashless economy and it benefits.

7. Indian markets are mainly unorganised in nature where most of the transactions are performed on cash basis rather than through digital mode.
8. It seems that due to bank charges for ATM, Debit and Credit Cards, POS machines etc. people are reluctant to do cashless transactions.
9. People feel that online transactions should be taxed.

### **RECOMMENDATIONS**

1. The Government should encourage opening of more bank accounts with Zero balance.
2. Banking Charges should be waived off for Debit Card, Credit card, NEFT and so on this will motivate people to use cashless transactions.
3. More focus should be given by the Internet Service Provider to improve connectivity and speed of the internet.
4. All transactions beyond Rs. 10000/- should be made compulsorily cashless to avoid creation of black money.
5. People should be educated through TV, Newspapers, Workshops and so on regarding use of Digital Payment modes.
6. Use of UPI, QR code, POS transactions must be facilitated to convert unorganised market into organised market.
7. Online transactions up to Rs. 10000/ should not be made liable for taxes.
8. Cyber security needs to be strengthening to avoid cyber frauds and develop the confidence of the people towards online transactions.
9. There should be insurance coverage for higher amount of transactions to protect against likely frauds.
10. Incentives must be given to regular users of digital payment modes.
11. Make payments BioMetric which will enable people do not remember passwords.

### **CONCLUSION**

After demonetisation Indian economy has gone through major changes in respect of cashless economy. It is seen by new UPI app, Mobile wallets, IMPS transactions and so on. Young population is techno savvy that can play a major role in making Indian economy cashless. India, through cashless transactions can tackle two major problems like black money and fake currency. Though there are several opportunities for cashless economy, but main challenge is high dependency on cash and persuade human minds for cashless transactions.

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**DIGITAL INDIA: A MOVE TOWARDS CASHLESS SOCIETY**

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**Prof. Pravin Ramesh Save<sup>1</sup>, Supriya Sawant<sup>2</sup> and Pratiksha Furia<sup>2</sup>**Lecturer and Student, Balbharati's MJP College of Commerce

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**ABSTRACT**

*A Cashless Economy is an economy in which all types of transactions are carried out through digital means. It includes e-banking (Mobile banking or banking through computers), debit and credit cards, card-swipe or point of sales (POS) machines and digital wallets. "We want to have one mission and target: Take the nation forward –Digitally and Economically". The "Digital India Initiative" has been set up to provide internet access and comprehensive mobile phone coverage across India, helping over a billion people to get online and utilize digital payment techniques. A cashless economy is one in which the purchase of goods and services and the payment of debts and remittances are done through electronic money media, either through credit and debit cards, direct transfers from one account to another, smart cards, mobile payment systems, and other technologies.*

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**1.INTRODUCTION****1.1 What Is Digital India?**

Digital payment is a way of payment which is made through digital modes. In digital payments, payer and payee both use digital modes to send and receive money. It is also called electronic payment. No hard cash is involved in digital payments. All the transactions in digital payments are completed online. It is an instant and convenient way to make payments.

Digital payments save you from long queues of ATMs and banks, because, if you pay digitally, you won't need to withdraw cash from your account. It also saves lots of time and a little bit money as well. Digital India was launched by the Prime Minister of India Shri Narendra Modi on 1<sup>st</sup> July 2015 with an objective of connecting rural areas with high-speed Internet networks and improving digital literacy. The vision of Digital India programme is inclusive growth in areas of electronic services, products, manufacturing and job opportunities. It is centred on three key areas – digital infrastructure as a utility to every citizen, governance and services on demand, and digital empowerment of citizens. The Government of India entity Bharat Broadband Network Limited (BBNL) which executes the Bharat Net project is the custodian of Digital India (DI) project. Bharat Net will connect all the 6,25,000 villages of India at the earliest.

**1.2 Government's Rural Push For Cashless Economy**

In an attempt to encourage poor and illiterate people in rural areas to make digital payments, the government is promoting Aadhar Pay which ensures financial transactions by just using fingerprint. "Faceless, Paperless, Cashless" is one of professed role of Digital India. As part of promoting cashless transactions and converting India into less-cash society, various modes of digital payments are available.

**2. OBJECTIVES**

- 1) To ensure the government service are made available to Indian citizen electronically.
- 2) To connect rural area with high speed internet network.
- 3) To improve India online infrastructure.
- 4) To increase internet connectivity in india.

**3. RESEARCH METHODOLOGY****3.1 Sources Of Data :**

The present study is based on secondary data.

**3.2 Data Collection :**

Secondary data is collected from websites & research paper

**4. LIMITATIONS OF THE STUDY**

- 1) The study is based on published data and information. No primary data is being collected.
- 2) Every care has been taken to entice qualitative and correct data, still secondary data had collected for the purpose other than problem at hand.
- 3) Time constraint remained the major limitation of the study.
- 4) Before using secondary data, it is important to evaluate them on above mentioned factors.

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**5. FINDINGS****5.1 Advantages Of Going Cashless:**

- Convenience
- Discounts
- Tracking spends
- Budget discipline
- Lower risk
- Small Gains
- It will help in decreasing crime if applied on whole.
- It will help in decreasing documentation.
- It will be a boost to industry; both large and small enterprises
- A Bank account for Immediate Benefit Transfers of subsidies and payments

**5.2 India Is Taking A Step On The Road To Cashless Economy**

- The government has been working hard to promote digital payment systems. So far, it seems to be working: the government has reported a 400- 1,000% increase in digital transactions since the demonetization.
- The National Payments Corporation of India, together with the RBI, has launched UPI (“united payment interface”)
- The “Digital India Initiative” has been set up to provide internet access and comprehensive mobile phone coverage across India, helping over a billion people to get online and utilize digital payment techniques.
- The RBI has been promoting a biometric authentication system for banking.

**5.3 Achieving A Cashless Economy On Rural Areas:**

- Rural areas are home to two thirds of the country’s population.
- Number of connected rural consumers is expected to increase from 120 million in 2015 to almost 315 in 2020.
- Over 93% of people in rural India have not done any digital transactions.
- The government has taken steps including announcing zero balance accounts for people, but growth of Bank branches has been comparatively very low.

**5.4 . Steps Taken By Rbi And Government To Discourage Use Of Cash**

- Government is also promoting mobile wallets. Recently, the RBI had issued certain guidelines that allow the users to increase their limit to Rs 1,00,000 based on certain Know Your Customer Verification. (KYC).
- Various incentives offered by government to promote digital India on Cashless India:
- On digital transactions certain charges (taxes) are waived off.
- Digital purchase of fuel through credit cards, mobile wallets or e-wallets, discount of 0.75% is available.
- Free accident insurance worth rupees 10 lakhs on account of online ticket buyers
- On purchase of new LIC policies online via its site, 8% discount is offered.
- Government has introduced various technologies like BHIM (Bharat Interface for Money) app to transact between each other as well as with other merchants.

In addition, to Government or RBI, Companies are also participating in combating of cybercrimes.

Microsoft opened full scale cyber security Centre called Cyber security Engagement Centre (CSEC) in India. This centre monitors how viruses are spreading, from where cyber attacks are originating and helping customers to tap pool of security specialists.

**5.5.Challenges In Making India A Cashless Economy:**

There are a number of obstacles in making India a cashless economy. Some of them are as under:

- Currency denominated economy:

- Transactions are mainly in cash:
- ATM use is mainly for cash withdrawals and not for settling online transactions
- Limited availability of point of sale terminals. (POS machines)
- Mobile Internet penetration remains weak in rural India

### 5.6. Digital Payment Methods

Below are the different modes of digital payments.

- 1) **UPI apps** : UPI UNIFIED PAYMENT INTERFERENCE a payment mode which is used to make fund transfers through the mobile app. You can transfer funds between two accounts using UPI apps. We have to register for mobile banking to use UPI apps. Currently, this service is only available for android phone users. Hence, we can use UPI only when we have an android phone. You need to download a UPI app and create a VPA or UPI ID. There are too many good UPI apps available. It is not mandatory to use the UPI app from your bank to enjoy UPI service. You can download and use any UPI app.

UPI apps are a faster solution to send money using VPA or even an account number. But they have some limitations also. If you do not have an android phone you cannot use UPI app, then, it is not for you. Lack of stable internet connection can also cause trouble for these apps.

- 2) **AEPS**

AEPS is an Aadhar based digital payment mode. The term AEPS stands for Aadhar Enabled Payment Service. Customer needs only his or her Aadhar number to pay to any merchant. AEPS allows bank to bank transactions. It means the money you pay will be deducted from your account and credited to the payee's account directly.

- 3) **Debit Cards** :

**Debit Cards** are issued by the bank where you have your account. You can use these cards for the money in your account. The payments you make with these cards is debited from your account and credited immediately to the payee's account. You can use these cards to make payments from one bank account to another.

- 4) **Prepaid Cards** :

**Prepaid Cards** are another type of cards which we use to pay digitally. You must have to recharge these cards before using just like prepaid SIM cards. Cards are one of the best modes when you pay at portals or E-commerce sites. But if we talk about paying to merchants it is not the most suitable way. It charges 0.75% – 2.0% on transactions. Also, you cannot use cards to pay if the merchant does not have a POS (swipe) machine.

- 5) **Credit Cards**

**Credit Cards** are issued by banks and some other entities authorized by RBI. These cards give you the ability to withdraw or use extra money. Credit cards are used for domestic as well as international payments

### 5.7. Internet Banking:

**Internet banking, is an electronic payment system. Different types of online financial transactions are here**

1. **National Electronic Funds Transfer (NEFT)**

NEFT is a nation-wide payment system facilitating one – to-one funds transfer. NEFT operates in hourly batches - there are twelve settlements from 8.00 a.m. to 7.00 p.m. on week days (Monday to Friday) and from 8.00 a.m. to 1.00 p.m. on Saturdays.

2. **Real Time Gross Settlement (RTGS)**

RTGS is defined as the continuous (real-time) settlement of funds transfers. The RTGS system is primarily meant for large value transactions. The minimum amount to be remitted through RTGS is 2 lakhs.

3. **Electronic Clearing System (ECS):**

ECS is an alternative method for effecting payment transactions in respect of the utility-bill-payments such as: telephone bills, electricity bills, insurance premium, card payments and loan repayments, etc.

4. **Immediate Payment Service (IMPS):**

IMPS offers an instant 24 x 7 interbank electronic fund transfer service through mobile phones.

### 5.8. Capacity Building And Awareness For Cashless Economy:

1. Impart education related to the digital payment ecosystem, its tools, benefits and processes.
2. Inform and educate citizens about Digital India – cashless and paperless.

3. Encourage citizens especially in rural and semi urban areas to use digital payments as well as other products and services offered by Digital India.
4. DigiShala Programme Portfolio.
5. Digital Finance for Rural India: Creating Awareness and Access through Common Service Centres (CSCs)
6. 2 lakhs Common Service Centres (CSCs) to provide capacity building,
7. Awareness access for digital payments methods to around 1 crore rural citizens and 25 lakhs merchants across India.
8. Each CSC would reach out to 40 households in the catchment area, covering one person from each household.
9. It also targets 10 Merchants per panchayat (for getting POS machines or digital payment mechanism.)

#### **5.9. Cyber Security For Digital Payments:**

- ☐ Digital payments are likely to cost more if the National Democratic Alliance (NDA) government decides to impose a token 'security fee' or cess on each online payment.
- ☐ According to several media reports, the government is contemplating imposing a cybersecurity cess on e-payments companies.
- ☐ This 'security fee' or cess like the Swachh Bharat cess, could be used to create better infrastructure for secure digital transactions.

#### **5.10. Facilities To Digitally Empower Citizens**

##### **Digital Locker:**

This facility will help citizens to digitally store their important documents like PAN card, passport, mark sheets and degree certificates. Digital Locker will provide secure access to Government issued documents. It uses authenticity services provided by Aadhar. It is aimed at eliminating the use of physical documents and enables the sharing of verified electronic documents across government agencies. Three key stakeholders of Digital Locker are Citizen, Issuer and request.

##### **Bpo& Job Growth:**

The government is planning to create 28,000 seats of BPOs in various states and set up atleast one Common Service Centre in each of the gram panchayats in the state

#### **6. CONCLUSION:**

A cashless economy is secure, it is clean. We have a leadership role to play in taking India towards an increasingly "digital economy". Thus, as citizens and youths of India, it is in our hands to promote this magnificent India, encouraged by our Prime Minister Shri Narendra Modi who has a bright vision towards the upcoming of future India. Big success and it will help to attain vision of "DIGITAL INDIA"

#### **7. RECOMMENDATIONS:**

- 1) Government needs to bring in more awareness programmes where in people can be thought about the terms related to digital India.
- 2) Government should collaborate with corporates to implement the initiative on large scale as earlier as possible.
- 3) Training and awareness sessions should be taken up in school and colleges.
- 4) Conference seminar workshops can be organised to extensively discuss and create awareness among youth about digital India initiative.

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**IMPACT OF CASHLESS TRANSACTIONS**

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**Prof. K. T. Koregaonkar**Assistant Professor, B. Y. K. College of Commerce

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**ABSTRACT**

*The present research paper emphasizes on the cashless policy that increased employment, reduced cash robbery and risk of carrying cash. Cash corruption is reduced. More foreign investors are attracted. Cashless economy can be proved right if the steps taken are in right direction. Cashless transactions shows its impact in form of payment system, reduced cost in the banking service, high secured education and curbed corruption. Electronic banking made banking transaction easier by bringing services closer to its customers thus refining banking industry performance. The financial protection over the digital payment channel is significant for forcing the cashless economy idea. A main difficulty for the rapid acceptance of substitute mode of payment is mobile internet saturation. This is vital because point of sale terminal works over mobile internet connection. The banks charge money on card-based transaction which is obstacle. India has been using electronic payment system for many years. However, the retail sector still has prevalence of cash transaction and payment through cash. It is yet to pick up card as one of the most safe, suitable mode of cashless payment in retail market.*

*Keywords: Cashless, Digital Payment, Payment Channel, Banking Transaction*

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**INTRODUCTION**

The Indian payment structure is speedily transiting to more and more IT based systems. In the retail sector there are very high volumes of money transactions. Other than cash, one of the rising payment methods adopted by merchants in the sector is payment cards. However, the whole exercises of moving from cash-driven economy to cashless economy have somehow been varied with demonetization. It was aimed to abstract liquidity from the system to excavate black money. With growing implementation of electronic payments, mainly those driving e-commerce and m-commerce, there is a rising demand for quicker payment services which in turn enables implicitly in accomplishing financial transactions.

**OBJECTIVE OF THE STUDY**

- To know the concept of Cashless Transaction
- To list out the impact of Cashless Transaction System
- To highlight the requirement of Cashless Transaction in future

**LITERATURE REVIEW**

Cashless economy is not the whole absenteeism of cash. It is an economic setting in which goods and services are bought and paid through electronic media.

It is said that the country's battle against fake currency is not getting easier. Many fakes go unnoticed. It is also stated that forgers previously had limited printing facilities which made it easier to notice fakes.

Jain, P.M (2006) - E-payments and E-banking preached that e-payments able to check black - An Analysis of Growth Pattern of Cashless Transaction System. Taking fullest benefit of know-how, rapid payments and transfers confirm optimum use of available funds for banks, financial institutions, business houses and common citizen. He also pointed out the need for e-payments and modes of e-payments and communication net works.

Srinivas N. (2006) - The defaults in credit card payments examine the socio-economic outline of the defaulters of credit cards. It identifies the set of factors which contributed to such defaults and suggest appropriate processes to diminish the default cases. Analysis showed that economic adversity is the major reason known by majority of the sample units that results in stiff payment structure and harm to job/ business. The key recommendation is that the banks concerned should reshape the payment structure of credit card defaulters in a flexible and reasonable instalment.

**RESEARCH METHODOLOGY**

The study is based on secondary sources of data/ information. Different books, journals, newspapers and relevant websites have been referred in order to make the study an effective one. The study efforts to observe the Impact of Cashless Transaction in India.

**Cashless Economy**

"A cashless economy is one in which all the transactions are done using cards or digital means. The give-and-take of physical currency is nominal." A Cashless Society explains an economic state whereby financial

transactions are not accompanied with money in the form of physical banknotes or coins, but rather through the transfer of digital information between the transacting parties.

**Process of Cashless Transaction:-** In this progressively digital world, it is not amazing that money will follow uniform as well. Recent developments display that digital money kept in mobile wallets will soon substitute physical cash and even credit cards.

**Examples of cashless transaction process:-**

- **Taxation:** With smaller availability of hard cash at homes and more in banks, there is lesser possibility of hiding income and avoiding tax. There are more tax payers which eventually lead to a lesser amount of tax evasion for the whole country.
- **Transparency and Accountability:** It becomes a lot easier to track the movement of money with every transaction being recorded with the buyer, seller as well as regulatory bodies. Thus it makes the system much more crystal clear and submissive. In the long term it leads to healthier business and investment scenarios for the economy in total.
- **Reduced Red Tapism and Bureaucracy:** With cashless transactions through electronic means the wire transfers are traced and individuals are accountable which in turn decreases exploitation and improves service time.
- **Less Availability of Cash for Illegal Activities:** When people are promoted to go cashless, there is lesser cash available with the people and there won't be a means to invest in other activities to use the idle cash.
- **Pack of Cards:** No prerequisite to carry huge notes in a case. Just carrying the requisite cards or mobile banking will do. More logic of security with a PIN secure card etc. which will work only with personal identifications.
- No terror of being picking pocketed unlike carrying cash and letting everyone recognize that there could be somewhat worth stealing.
- **Tracking of expenses:** It becomes easier to determine how much was spent where.
- The particular amount in small values can be paid. Unlike cash transactions, there is no need to pay marginal amount in case the particular amount is not available with either of the parties. The main, though apparently unimportant issue is that of cleanliness of the notes.
- Easier accounting straight payment to bank account. There is no prerequisite to go daily to credit cash in current account.
- **Easier transactions:** Transactions can be effortlessly done with safety.

**Impact of Cashless Transaction:-**

**Business Process:-**

- Businesses are legally strong.
- Proper audit.
- Rise in use of e-payment.
- Wallet hold business gets a benefit.

**Education Process:-**

- Control unaccounted cash will upset education institutions that take donations or capitation fees for admissions.
- Nursery admissions, private education institutions and professional higher education including medical and engineering are the sections which take donations extensively are going to sense the effect in a large manner.

**Economic Growth:-**

India's growth in the first half of FY 2017 was supported by strong private and public intake. This contrasted falling fixed investment, restrained industrial actions and weary exports.

**Information Technology:-**

Information technology condenses the cost of bank that result in lower service charges for customers.

Making Transaction is very easy by using information technology.

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New IT Technology like biometric are help to do safe and clear transaction.

## **RESULTS AND FINDINGS**

### **FUTURE PROSPECTS OF CASHLESS PAYMENTS IN INDIA:**

Smooth, simple and safe payment procedures will support to bring about interactive ups and downs and faster acceptance of digital payments and banking among un-banked sections. When new players move in the market, each with a marginally different take on the market and with different business models. The increased competition benefits the environment. It compromises more opportunities for consumers to select. A bigger pie with more players is certainly worthy for the fluctuating changing aspects of the payments industry, which is still emerging in India.

Indian consumption is still controlled by cash, with cards contributing only 5 per cent of the personal consumption expenditure. In developed countries, 30-50 per cent of expends occur through cards. So there is massive development prospect.

The fast progress of Smartphone's, Internet penetration and e-commerce is accompanying these card payment capacities have been growing in excess of 25 per cent. We expect this drift to last, assisted by the constantrise in debit card activation and norm. Debit card transactions have been growing at 31 per cent each year.

Extreme rivalry and tactical alliance among prevailing and new market contestants like the card payments, small banks and wallets. This helps balance approval and substitute more resource fullness, revolutionary and end users election. The future embraces sensational times for the payments industry in India. All the stakeholders and regulatory authorities come together to accomplish a "less-cash dependent" and ultimately "cashless" society.

## **CONCLUSION**

However, the paybacks of this change have now started dripping in with more and more people substituting to digital means of receiving and making payment. India is progressively transitioning from a cash-centric to cashless economy. Digital transactions are noticeable, hence effortlessly taxable, leaving no scope for the flow of black money. The entire country is experiencing the route of modernization in money transactions, with e-payment services attain in unparalleled motion. A big number of businesses, even street vendors, are now accepting electronic payments, encouraging the people to acquire to manage the cashless mode at a quicker step than ever before.

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**CREATING AWARENESS FOR THE CASHLESS ECONOMY**

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**Prof. K. T. Koregaonkar**Assistant Professor, B. Y. K. College of Commerce

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**ABSTRACT**

*The vision of cashless economy becomes imaginary due to the lack of responsiveness of cashless economy and drawbacks of cash transactions. The paper targets to emphasis on the importance of alertness among the society or the cashless transactions to reduce the cash transactions. The records and materials collected from newspapers, articles, magazines and internet websites. The effects of demonetization indicates to the cashless economy. The effect of cashless transaction decreased because of the lack of responsiveness among the society. This created the necessity of awareness for the progress of Indian economy.*

*Keywords: Cashless Economy, Social Awareness, Indian Economy*

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**INTRODUCTION**

The vision of cashless India can come into the reality only with the formation of the alertness about the continual and interchange of the existing cash transactions among the citizens. The movement of digital transactions has been positively increased during the last years but its rate is moderately low in nature. The change clearly acknowledged after the demonetization of 08<sup>th</sup> November 2016. The demonetization drifts cash economy after the sufficient availability of cash. The trance of cashless economy becomes dream like due to the lack of responsiveness of cashless economy and demerits of cash transactions. The focus is on the awareness programme for the society for the advancement of Indian economy.

**OBJECTIVE OF THE STUDY**

To understand the implication of responsiveness among the society for the cashless transactions and reduce the cash transactions

**RESEARCH METHODOLOGY**

The present study is descriptive and based on secondary sources. The data and information is collected from newspapers, articles, magazines and internet websites. The collected data and information processed for the understanding current state. Considering the existing situation of transactions, suitable methods have been suggested for the enhancement of cash economy to cashless or less cash economy for the progress of India.

**FINDINGS AND ANALYSIS**

The study is based on secondary data. The researcher has tried to justify the objectives based on information retrieved through various sources.

The Cashless means all dealings between two individuals will be made by payment through payment gateways or through the plastic money instead of cash. India is highest cash user in the world. These high cash uses strongly give backings to the creation informal economy. It also support smuggling, money laundering, drug trafficking, extortion, black activities, terrorism and illegal immigration. In the cashless or less cash economy, these will block and outcomes in augmented tax collections of government. People scan opt debit card, credit card, prepaid cards, mobile banking, e-banking, e-wallet or digital wallet, etc. for the contentment of transactions. It also helps for the clear businesses, saving and safe auditing.

**CHALLENGES TOWARDS CASHLESS ECONOMY**

Indian economy faces numerous limitations and trials to drive cashless economy as follows:

**Cash Economy:** Around 13 % cash circulated in India's GDP. It becomes a prevailing factor of economy in India.

**Huge Cash Transactions:** Approximate of 95% transactions are mainly done in cash. The informal, unorganized business and worker segment prefers cash based transactions. They do not have to digital knowledge and wakefulness.

**ATM for Cash Withdrawal:** Near about 92% of ATM cards used for the cash withdrawals only. Very low level of ATM uses for digital disbursement.

**Neglected rural areas:** Most of the banking sector providing the services in urban and semi urban areas and rural areas remain ignored.

**Poor Mobile Penetration in Rural Areas:** The internet connected mobile connections cannot provide operative services in rural areas due to the low connectivity. Furthermore poorer literacy level and availability of adequate infrastructure becomes prevailing complications in the rural areas.

**E- Illiteracy:** The internet literacy is very less. Around 30 % of people need to inform enough to use internet. The computer knowledge is not only enough but also need of internet knowledge satisfactory.

**Unreliable Electricity:** To drive towards the cashless India there is need for a continuous and ample electricity supply 24x7 in all portions of India. India is still front in enormous load shading and cannot achieve 100% electrification in India.

**Lack of Infrastructure:** The necessary infrastructure like card swipe machines, internet connectivity and other infrastructure is inadequate in nature and someplace is plainly non-existence.

**Affordability:** The ideas of e-wallets, online banking, online payment etc. cannot be complete without smart phone and internet. The required infrastructure is not feasible for the middle class Indian peoples.

**Lack of Awareness:** The most risky thing is that there is lack of responsiveness of cashless economy and drawbacks of cash transactions in Indian society. It becomes prevailing hindrances in the journey of cashless economy.

### AWARENESS ABOUT THE BENEFITS OF CASHLESS ECONOMY

1. The cashless economy preserves the clearness of economic transactions.
2. It is suitable way of payment comparatively to the cash payment.
3. With appropriate cyber security, it has moderately low risk to pay online.
4. It helps to cut the rate of printing currency.
5. It supports to moderate the rate of crime and hard to carry out for the unlawful and harmful undertakings.
6. The clearness of transactions increases the revenue collection.
7. It is good for bank sector due to less cash holding.
8. It becomes convenient for the citizens to escape robbery, stealing and cash related offenses and cases and retain the safety of personal assets.

### CONCLUSION

It is not easy to attain the 100 % cashless society but it can be started from less cash with the social alertness and digital knowledge and travel towards becoming cashless. With the support of technology and ICT the focus should be on the awareness and endorse towards less cash. With the minimization of numerous challenges in front of cashless transactions the cashless transactions should be enhanced. Cashless economy aids us in book keeping, growth in tax collections; cut the necessities to transfer the cash and risk of physical robberies. It gives lot of other profits like evade fake currencies and their fake uses, terrorist activities, money laundering etc. The outcomes of demonetization leads to the cashless economy but its effectiveness decreased due to the lack of awareness among the society and created the need of awareness the betterment of Indian economy.

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**EFFECT OF CASHLESS STRATEGY IN INDIA****Pooja Dipak Patel**

Assistant Professor, Department of Accountancy, St. Francis Jr. College of Commerce &amp; Science, Mumbai

**ABSTRACT**

*My Research Paper Contain All Fact About benefits Of cashless Strategy and Challenges of Cashless Strategy in India . Why our Government give more efforts for making India Digital ? and What Happen when we become cashless Society ?are covered here . My area of study in this research paper is to know how much population in our country are aware about cashless strategy and how many of them are believe that cashless transaction are benefited & how many are believe that cashless transaction are not safe . At last My Research Paper also contain effect of cashless Strategy in India for Economic Growth , Information Technology , On Employment & Business and how cashless Transaction help the economy for Reducing Corruption , Black money ?*

*Keyword: Cashless Transaction, Digitalisation, Economic Growth ,Non cash Payment , Corruption ,Black Money*

**INTRODUCTION**

Cash is a Important Element and basic necessity of an economy . Cash is the primary method of doing transaction in economy this is because people having habit to use cash , Immediate transaction are possible with cash , Tangibility but due to Global Technological Achievement many non – cash payment method are introduced like plastic money , electronic Transfer Like NEFT, RTGS ,Mobile Wallet, Paytm . Cashless Transaction is a world trend which India Need to catch up.

**OBJECTIVE :**

- 1.To Study the benefits of cashless Transaction.
2. To aware today's generation about the benefits of cashless transaction.
- 3.To Examine the different way of making payment Digitally .

**HYPOTHESIS :**

- 1.To Know how cashless transaction is helpful for economic Growth of country.
- 2.To Examine the benefits of cashless transaction .
- 3.To study the challenges with cashless transaction.

**RATIONALE:**

The Basic Reason Behind making this Research Paper is to know the benefits of Cashless Transaction and to aware the people who reading my research paper about benefits of cashless transaction .

**RESEARCH METHODOLOGY :**

For Making this research paper I am prefer both primary data and secondary data .For collection of primary data I prefer Self Constructed Questionnaire and for secondary data I am refer Few Research Journal and Website . The Detail of primary data are given below :

- 1.Research Design:- Descriptive Survey method is used.
- 2.Sample:- For the study, 100 people are selected from the western Mumbai Region. Sample Include both Literate and Illiterate People , and Both Gender.
- 3.Sampling Technique :- Simple Random Sampling is used.
- 4.Tool and Technique :- Self Constructed Structured Questionnaire was prepare it consisting 8 items used for collection of data. And for Data Analysis percentage method is used. Out of 100 people only 85 people give response to questionnaire . It can be said to be 85% Response.

Table No.1

Question	Frequency Of Respondent	Percentage Of Respondent
1.Have You Heard About India's Cashless Economy?		
Yes	79	92.94

No	04	4.71
Undecided	02	2.35
Total	85	100
2.Is Cashless Economy Should Be Introduced In India ?		
Yes	48	56.47
No	22	25.88
Undecided	15	17.65
Total	85	100

( Source: Compiled From Primary Data)

From the above Table We Observe that 92.94% of population are aware about cashless Society in India. we can say's that high degree of awareness among population .56.47% of population are agree with cashless economy should be Introduced in India.25.85 % of population are not agree with cashless transaction because Not prepare for using digital modes of payment ,Inadequate Technology ,Inadequate Technology and there are many other reason .

Table no.2

Question	Frequency of Respondent	Percentage of Respondent
3.Is Cashless Economy is helpful and benefited to reduced Corruption , Risk of Fake Currency ?		
Yes	70	82.35
No	8	9.41
Undecided	7	8.24
Total	85	100
4.Is Cashless Economy Can Stimulate Economic Growth ?		
Yes	44	51.76
No	18	21.18
Undecided	23	27.06
Total	85	100

( Source: Compiled From Primary Data)

From the above table we observe that 82.35% of people Believe that cashless economy is helpful and benefited to reduce corruption , Risk Of Fake Currency and Black money and 51.76% of people agree with the cashless economy can stimulate the economic Growth.

Table :-3

Question	Frequency Of Respondent	Percentage Of Response
5.Do You Think Cashless Transaction Have Challenges like cyber crime ,Internet Fraud ?		
Yes	57	67.06
No	12	14.12
Undecided	16	18.82
Total	85	100

( Source: Compiled From Primary Data )

From the Above Table We Observe That 67.06% of Respondent are agree with that cashless transaction have challenges like cyber Crime , Internet Fraud.

#### LIMITATION OF THE STUDY:

My all efforts were made to make Result Accurate as Possible , but the survey had the following Limitation

1. The study is particularly confined to the people in western Mumbai Region Which may not be Represent Total Population.
2. Few people unable to give response to Questionnaire due to their busy Schedule.

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**BENEFITS OF CASHLESS TRANSACTION**

1. Cashless Transaction is easy and more convenience.
2. Cashless Transaction is More secured as compared to transaction Involving cash withdrawals as Manual.
3. It Give Influence to modernisation of payment system.
4. As Environment Point of view No Tree will be cut for printing paper money.

**CHALLENGES WITH CASHLESS TRANSACTION:**

1. People have fear to use cashless transaction due to cyber crime , Internet Fraud .
2. People make use of ATM only for cash withdraw and not for Online Transaction.
3. Due to Inadequate Technology in remote areas they do not prefer cashless transaction.

**IMPACT OF CASHLESS TRANSACTION****Economic Growth:**

Cashless Economy is free from activities like corruption , has considerable less amount of black money in the circulation .It also give paves the way for the employment Opportunities , High Income , High Standard of living , Increase in demand and equal to economic growth in the economy.

**Information Technology:**

Cashless transaction are done through Electronic channel like NEFT, ATM, Mobile Banking Etc. Information Technology help the bank to reduced cost that will result in lower service charges for customer.

**Digitalisation:**

Government Making Efforts for making India Digital .Government Introduced Digilocker

Flagship program . It aim transforming India into a digitally empowered society and Knowledge Economy.

Various Mode Of Online Payment available Like Mobile Wallet , Paytm , Mobile Banking Etc For Cashless Transaction.

**SUGGESTION:**

My Suggestion after doing study on this topic is we all have to use cashless transaction Because cashless transaction help to Reduced Black Money that result more tax will get to Government . Government use that fund for the development of country and for social development that benefits will enjoy by we all only.

**CONCLUSION:**

From Data Analysis I Conclude that people are agree with the cashless economy as it helpful to protect against corruption , Black money , Fake Currency but the Problem with cashless transaction are cyber crime , Internet Fraud for that purpose it is very important to strengthen Internet Security from protection against Online Fraud . In Our Country 95% cash transaction are conducted as per November last year Report . we should try to reduced it and give more emphasis to cashless transaction so it help us to reduced corruption, Black money and It also help for economic growth of an economy . Time to time need to conduct campagain to educate the people about benefits of cashless transaction and how to use how to use digital modes of payment.

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**IMPACT OF CASHLESS SOCIETY ON RETAILERS AND CONSUMERS**

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**Rajshree Srivastava<sup>1</sup> and Dr. Girish Santosh Bagale<sup>2</sup>**

Assistant Professor<sup>1</sup>, Institute of Management and Computer Studies (IMCOST), Waghle Estate, Thane  
Associate Professor<sup>2</sup>, NMIMS University, Pravin Dalal School For Entrepreneurship & Family Business  
Management

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**ABSTRACT**

*This paper is an analysis on the views of researchers focusing the impact of cashless economy in India. Indian economy has conventionally been controlled by cash. Increasing adoption of smart phones together with positive regulations are making the economy to a less cash-reliant state, and promoting the usage of digital payments. From digital family pictures to an online banking app, the phone and consumer behaviour is adopting the new digital wallet. The major aim of this study is to evaluate the impact of cashless society on existing retailers and consumers and their perception about the change. This paper studies the strategies which adopted by retailers and customers to sustain and fight into the cashless economy and reap profits out of it. Though there was a time country was facing with cash crunch or liquid cash due to demonetisation, but this process paved the way to convert this cashless strategy into a new digital era, where every transaction was trying to get digitalise, customers got an opportunity to learn new concepts of digital payments and the marketers got the new platform of digital wallets to establish themselves and sustain into the competitive retail environment.*

*Keywords: Digital Payments, Digital Wallet, Consumer Behaviour, Cashless, Demonetisation.*

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**INTRODUCTION**

India has been an extremely cash-centric economy but the unexpected move of India by demonetizing 86% of currency notes in circulation without sufficient supply of new notes has pushed many sectors into circle of digital transactions. The instant effect of the announcement was the immediate hunt among consumers for alternative payment modes such as cards, mobile wallets etc. The industry saw an immediate surge as a result of the policy change and in the months following, digital payments increased and mobile wallets gained significant share of those transactions. Cash accounted for not less than of 95% of all transactions, but shortage of cash has significantly increased the use of digital modes of payment.

The progress in digital payments has resulted in the emergence of digital wallets. Cashless Society is characterized by the exchange of goods and services with cheque, debit or credit card, or digital payments or e-wallets, rather than the use of cash. A digital wallet system is a platform for noncash payments that allows customers to make purchases from their Smartphone's or other devices by acting as an "electronic wallet," digitizing payment information.

**LITERATURE REVIEW**

- Mr. Bhushan G. Shelar,(2017), in his study "Impact and Importance of Cashless Transaction in India" has tried to analyse the impact and importance of cashless policy in India. The paper suggests that its impact will be felt in modernization of payment system. It has been pointed that major reason for quicker adoption of digital and modes of payments is because of availability of wider mobile internet networks.
- Christina White,(2011), in his report at Sapient ,Thin Is In: The Future of Digital Wallets, aims to say that Retailers are the key drivers of consumers to use the digital wallet, because they are in direct contact with the consumer through day-to-day transactions. To differentiate themselves from the existing retailers they need to adopt the multichannel retailing so as to take the advantage of digital transactions which has become prevalent due to cashless society.
- Rajat Wahi, in his report of Deloitte, Leading the cashless charge-Evolution of digital wallet industry in India, The Indian economy has conventionally been dominated by cash. An increased adoption of smart phones together with regulatory decisions are taking the economy to a less cash-dependent state, and promoting the usage of digital payments. Demonetization of INR 500 and INR 1,000 notes, which held for over 80% of the currency in circulation, and the subsequent policy measures taken by Indian government and RBI have provided further momentum to digital payments.
- Sunil Kumar,(2017), in his research "Consumer Behaviour Towards Cashless Transactions", has analysed, the advantages of demonetisation which involves streaming with the increasing number of consumers

switching to computerized methods of accepting and making transactions. India is slowly moving from a currency driven to cashless economy. Advanced operations are now traceable, effectively measurable, elimination of any cheating. The entire nation is experiencing the procedure of modernisation in cash exchanges, with digital transactions .

- Abhik Chattopadhyay, IIM, Shillong , in his paper ,Cashless Society – Can India Be One, discusses that the fact cannot be denied that technology is the main cause of the cashless transactions. Penetration of Internet connections have become so widespread and increasing speedily. Key factor responsible for revolution in payment structure has been the emergence of advanced android phones.

### OBJECTIVES

- To evaluate the impact of cashless society on Retailers.
- To evaluate the impact of cashless society on Consumers.
- To assess the factors leading to Cashless society.

### RESEARCH METHODOLOGY

The study is based on secondary data and literature review of researcher's previous work in this field. Many books, reports, journals and relevant websites have been referred and studied in order to make the work an effective one. The study tries to evaluate the Impact of Cashless society on retailers and consumers in India and assess the factors which are accountable for making the economy a cashless one.

### CASHLESS SOCIETY

There is no denying the fact that technology is the main driver of the cashless transactions. Penetration of Internet is all time high and increasing in record speed. A cashless society is in which all the operations are done using cards or digitally. The movement of liquid cash is nominal."Cashless society in today's era is which involves less-cash transaction and preference is given to digital transactions for the purpose of shopping, mobile recharges, bill payments, fund transfer, etc. Though this concept got more focus and exposure after demonetisation in India, when consumers searched for alternatives and options to replace cash due to scarcity of liquid cash in the economy. Sweden can be a great example of success stories of cashless society. Swedish buses, Metros, Retailers, Magazine Sellers, Street Vendors even Churches have almost stopped taking cash & prefer mobile or card payments.

(Abhik Chattopadhyay, IIM, 2017)

### CASHLESS TO DIGITAL WALLETS

Increased adoption of smart phones and mobile data packages has been one of largest contributors to this growth and due to wider penetration of the technology and decrease in the costs of mobile data , the sector will surely move for further growth. The Mobile Wallet market has also benefited from a favourable regulatory environment, with policies of the government promoting alternative modes of payment to the traditional cash transaction. The development in the industry has been aided by demonetization as prepaid payment instruments went from 10% to 22% of total digital transactions in the months following the policy announcement.

#### Digital Payments Growth for Every 5 Years (BY VALUE)

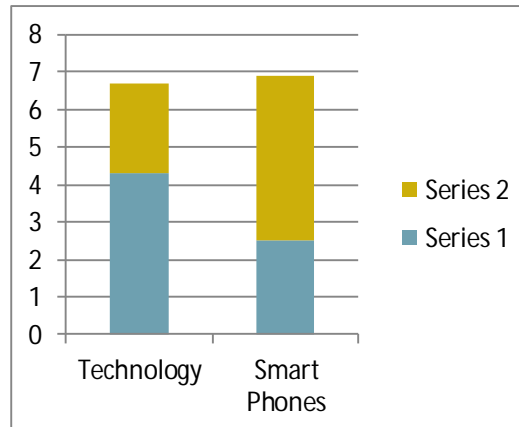
Digital Gateways	2009	2014	2019	5 Year Projected Growth
Card Payment	997	3506	6057	72.8%
Paper Payment	30211	46122	51075	10.7%
Electronic payments	1222	6501	14046	116.1%
M-Commerce	65	477	2189	358.9%

Source: Euro monitors International Analysis

Demonetisation and cashless drive has increased the growth curve of digital payments in India significantly, and by 2025, digital transactions in the country could be worth USD 1 trillion annually, says a report. The digital payments will further explode when the most popular application in India, WhatsApp, incorporates a payments button, reported by the researcher in a report by Credit Suisse.

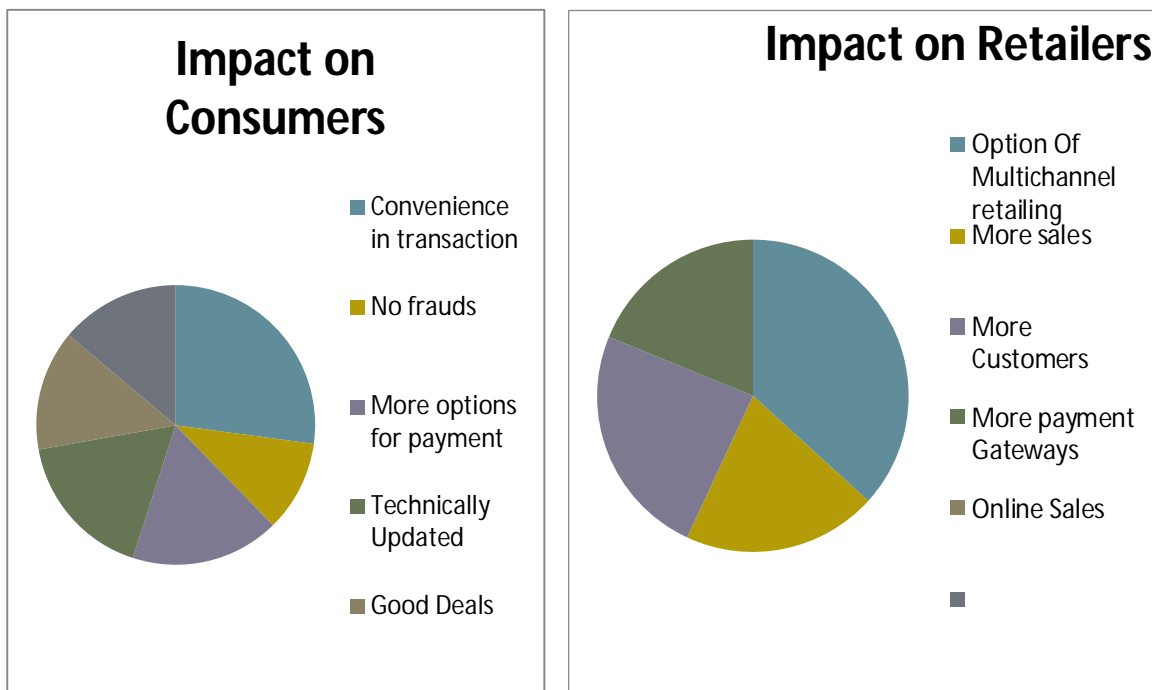
## ANALYSIS & INTERPRETATION

From the study of various researchers it has been analysed that Technology and Smart phones basically have been the major factor responsible for the promotion of making the cash less economy a digitalised one. Cash less Society has made the life of consumers and retailers in the society more convenient and easy .Analysis of various factors can be presented in the form of charts



Factors for Cashless to digital

After analyzing the viewpoints of researchers it has been observed that there are various reasons or facilitators which have the driven the society to go cashless and have impacted the marketers and the consumers to pull the society towards paperless economy. Majorly it is the technological developments in the market which is making the economy more a digital one.



## IMPACT ON RETAILERS

Cashless society has been a blessing for the retailers. It provided them a bag of profits and a new platform for relaunching themselves directly with the customers. Initially they faced a setback of cashless society due to technical issues and no footfall of customers because of withdrawal of currencies by the government. But later on they gained a pace with the growing technology and demand. Retailers took the advantage of the opportunity due to cashless scenario. They tried their level best to curb more customers and build new customers through various payment gateways like Paytm,Paypal,Google pay,M-pesa,Mobikwik, etc and provided ample opportunity to the customers for various which was previously done offline and later got replaced by online modes. The cashless society impacted Indian retailers very profitably. E-tailers, like Amazon, etc are investing a great deal to offer customers convenient ways of shopping by introducing e-wallets where customers can load

money and use for their future purchases. As with the growing technology, entire world is moving towards more technologically-focused payment options, digital currencies, such as Bitcoins, are also emerging. Ways in which retailers are impacted through Cashless Transaction are:

1. Retailers get the option of utilising multi channel retailing
2. Cashless society has benefitted them to attract customers in newer ways
3. It has provided retailers to offer more range of merchandise to customers through different channels.
4. Cash crunch has provided the retailers for digital payment transactions.
5. It has lead to more of online sales due to advancement in technology.

### **IMPACT ON CUSTOMERS**

Effect of demonetization by the government has given the revolution to digital era. Though the concept already existed in to the market but got more exposure after the cash crunch faced by the society. For some time, the cashless transactions proved to be bit painful for customers due non availability of liquid cash and not very familiar with any other means of payment. Banks too at that time had longer queues to do any transaction, which became quite difficult for consumers to be back to their normal routine. This cashless scenario gave an opportunity to the digital marketers to utilise technology for payments.ie. replacement of physical wallets with digital wallets to make the payments and that was easier for many to adopt because of the android cell phones people are using and this continues with making the economy a digital with less cash transaction.

Customers were primarily very much impacted out of this scenario but later with the nearness to technology provided them more options. Altogether it was a journey to make consumer aware about the new technology in the market. Few impacts can be listed below

1. Cashless society has provided the new technological options of payment to consumers.
2. Consumer is becoming more technically updated
3. It is due to cashless transaction they can now track their expenses through online availability of every transaction.
4. Lesser of negotiations and more of transparent transactions online can be done.
5. Regular usage of mobile payments and usage of digital payments would provide more good deals.

### **CONCLUSIONS:**

India is steadily switching from a cash-centric to less cash economy. Digital transactions are noticeable, therefore easily taxable, leaving no space for the flow of black money. The whole country is undergoing the course of modernization in monetary transactions, with e-payment services gaining extraordinary impetus. A large number of traders, even street vendors or local baniya shops are coping up with the new technologies, prompting the people to learn to transact the cashless way at a faster pace than ever before. Every customer and the retailers are competitively accepting and adopting the new technologies to replace the cash transactions with digital transactions which are more secure and convenient. Cashless society has for the time being created chaos in Indian market and society but in no time consumers and retailers have identified newer options to survive in the payment structure and in no time it will explore and expand in areas which is still to be occupied by the digital economy and thereby making it a less cash economy.

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**OVERVIEW OF OPINIONS OF YOUTH TOWARDS CASHLESS/LESS CASH ECONOMY IN INDIA  
WITH REFERENCE TO MUMBAI REGION**

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**Shubhangi M. Kedare<sup>1</sup> and Dr. Elizabeth Mathews<sup>2</sup>**Assistant Professor<sup>1</sup>, Department of Commerce, P. D. Karkhanis CollegeAssociate Professor<sup>2</sup>, Department of Commerce, Changu Kana Thakur College, New Panvel

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**ABSTRACT**

*This paper studied the views of young graduates and under-graduates on ease of cashless transactions. The study was conducted in Mumbai Region & data was collected with the help of structured questionnaire through google docs and analysed using*

*simple percentage method. Responses from respondents shows that cashless economy is a need of an hour. The senior citizens must be provided with the online transactions training. So that they will also feel comfortable while performing all online transactions. Major challenges that can hinder the implementation of the policy are cyber fraud, High illiteracy rate, attitude of people, lack of transparency & efficiency in digital payment system. The study shows that the introduction of cashless economy in India can be seen as a step-in right direction. It helps in growth and development of economy in India.*

*Keywords: cashless economy, less cash economy, cyber fraud*

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**INTRODUCTION:**

A Cashless Economy is an economy in which all types of transactions are carried out through digital means. It includes e-banking (Mobile banking or banking through computers), debit and credit cards, card-swipe or point of sales (POS) machines and digital wallets. A cashless transaction in India is an effort to move towards a cashless economy by reducing the use of physical cash. Cash less economy helps in curbing generation of black money.

We are in the era of RTGS and NEFT i.e. e-currency / plastic currency. Cashless or less cash less transactions are very much convenient, time and energy saving. Online banking, online shopping is gaining momentum now a days. The government has implemented a major change in economic environment by demonetizing the high value/denomination currency notes of Rs 500 and Rs.1000 from 8<sup>th</sup> November 2016 and pushed India towards cashless mode. Since then Paytm, BHIM app etc have become popular. ATM withdrawals have been increased tremendously. No need to stand in long queues anymore. Billing and various payments are made in digital form. Here an effort has been made to find out the attitude of youngsters at graduate and under-graduate levels towards cashless/digital economy.

In an attempt to encourage poor and illiterate people in rural areas to make digital payments, the government is promoting Aadhaar Pay which ensures financial transactions by just using fingerprint.

The “Digital India Initiative” has been set up to provide internet access and comprehensive mobile phone coverage across India, helping over a billion people to get online and utilize digital payment techniques.

- The RBI has been promoting a biometric authentication system for banking.
- The Aadhar Enabled Payment System (AEPS) can be used to open a Bank Account using just an identification number and fingerprint.

The government has been working hard to promote digital payment systems. So far, it seems to be working: the government has reported a 400- 1,000% increase in digital transactions since the demonetization. The National Payments Corporation of India, together with the RBI, has launched UPI (“united payment interface”)

- Digital purchase of fuel through credit cards, mobile wallets or e-wallets, discount of 0.75%
- Free accident insurance worth rupees 10 lakh on account of online ticket buyers
- On purchase of new LIC policies online via its site, 8% discount is offered. Government has introduced various technologies like BHIM (Bharat Interface for Money) app to transact between each other as well as with other merchants.

In addition to government or RBI, Companies are also participating in combating of cybercrimes. Microsoft opened full scale cyber security Centre called Cyber security Engagement centre (CSEC) in India. This centre monitor how viruses are spreading, from where cyber-attacks are originating and helping customers to tap pool of security specialists.

### OBJECTIVES:

1. to study the opinion of youngsters towards cashless economy.
2. to evaluate the impact of digital /cashless transactions.

### RESEARCH METHODOLOGY:

The study is based on both primary as well as secondary data. The study has been conducted by circulating google docs. Graduates and under-graduates are the target respondents under study. The data has been analysed by the simple percentage method.

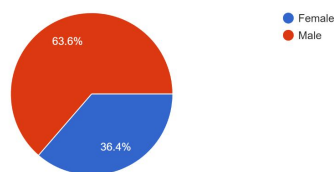
Secondary data has been collected from books, journals, Newspapers, official websites and government reports.

### STATEMENT OF SIGNIFICANCE:

As today's young generation is techno-savvy, they are technology friendly. To what extent they are using digital mode for performing various economic transactions, is important to study. The ease level, the problems faced by them while performing digital transactions is also important to know.

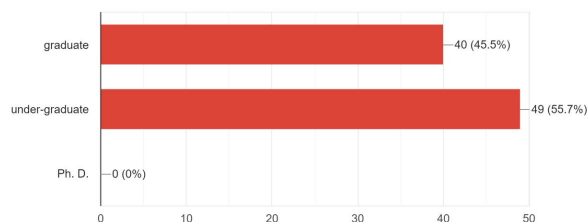
### DATA ANALYSIS AND INTERPRETATIONS:

Gender  
88 responses



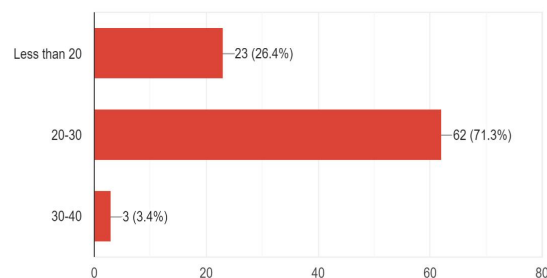
Out of 88 respondents 56 are males and 32 are females. It means male respondents are more in number as compared to female respondents.

Education  
88 responses



Out of 88 respondents under study 40 are graduates, 49 are under-graduates whereas PhD scholars are nil.

Age  
87 responses

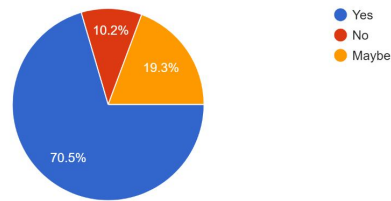


Most of the respondents falling in the age group 20-30. There are total 62 respondents, means 71.3%. very few respondents in 30-40 i.e. only 3. There are 23 respondents below 20 years of age.

### Findings:

#### Do you prefer cashless transactions?

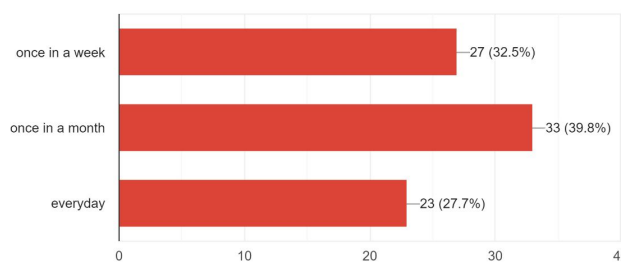
88 responses



70.5% respondents used cashless transaction. It's a good percentage. Cashless economy has become a way of life. Almost 20% are not using /preferring cashless transactions. Remaining 20% are not sure.

#### How often?

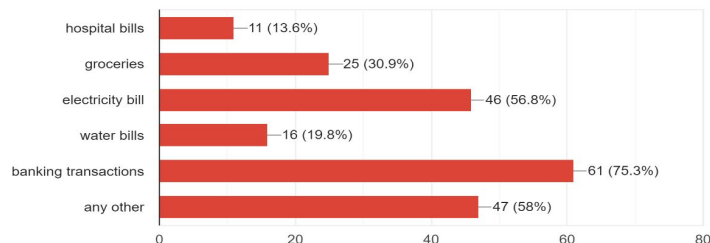
83 responses



33 respondents are using cashless transactions once in a month, 23 are using every day. Whereas 27 respondents are using once in a week. This clearly shows that major percentage of respondents prefer to perform cashless transactions once in a month. i.e. paying monthly electricity bills, water charges, online payments for petrol, diesel etc.

#### What all transaction u perform frequently cashless?

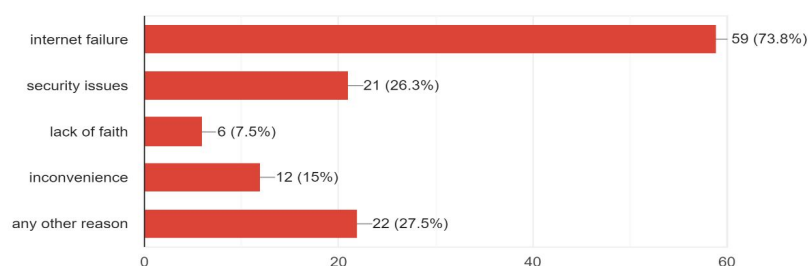
81 responses



The large number of respondents perform banking transactions online. 61 respondents out of 88 are using net banking frequently. 11 respondents are paying hospital bills online. 25 are spending on groceries online. Almost 46 respondents are paying electricity bills online which saves their time and energy which they used to waste in standing queues for long hours. 16 respondents pay water charges online. 47 respondents perform other transactions online i.e. paying for petrol, diesel, sending money to distant places etc.

#### Problems faced during cashless transaction

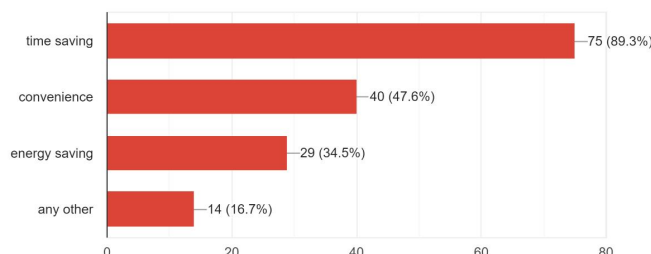
80 responses



Almost 59 respondents faced problem of internet failure while only 6 respondents have lack of faith in cashless transactions. 21 respondents felt security issue whereas 12 respondents felt inconvenience .22 respondents have other reasons.

According to you, benefits of cashless economy

84 responses

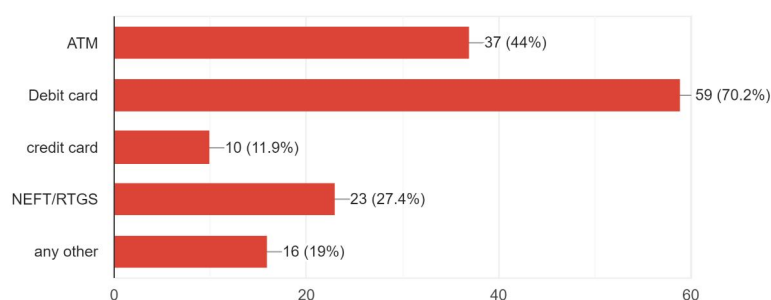


The benefits of cashless economy are as follows:

Out of 88, 75 respondents said that time saving is the biggest benefit of cashless economy. 40 says convenience is another benefit. 29 respondents goes with energy saving and 14 felt other benefits.

The mode u most prefer for cashless transaction

84 responses



Out of,59 respondents, almost 70% population under study are using debit cards for online transactions.

Followed by ATM with 44%. NEFT/RTGS with 23 respondents. Credit cards are used by only 10 respondents, this is the lowest percentage.

## FINDINGS AND RECOMMENDATIONS:

1. it has been found that there has been tremendous increase in the online transactions since demonetization in India.
2. The researchers have found out that male respondents are more in number who perform online cashless transactions as compared to female respondents under study.
3. Almost 70% respondents perform cashless transactions regularly. It's a good number. There should be more and more awareness workshops for public so that people are informed about safe and secured online/ cashless transactions. Such programs and workshops can be easily organised in colleges and university level too.
4. More than 60% respondents are performing banking transactions online. So major chunk of cashless transactions is being performed in the form of net banking. Banks need to take effective steps to make net banking transactions secured. There are a good number of people who are scared of cashless transaction due to cyber fraud. So, responsibility lies on the shoulders of bankers to provide fearless environment for online banking transactions.
5. The most commonly used medium for cashless transactions is debit card by consumers. All the risks associated with debit card usagemust be eliminated. The consumers must be educated about the safe use of debit cards.

After debit card, its ATM which is used more often for cashless transactions.ATM security must be assured.

6. Cash less transactions offertime saving benefit which is very significant as the time saved can be utilized for other productive purposes. Such as approaching banks for physical transactions, paying electricity bills etc.

**CONCLUSION:**

Thus, cashless economy is very much now imbibed in our life styles. The youth who are actually techno savvy are very much using these online transactions. They also have deep faith in security issues of online systems. In the suggestions given by respondents they have also suggested that old age people should be provided with online transaction training so that they will be confident in performing such cashless transactions on their own. The time saved due to cashless transactions can be used in the most productive work. But at the same time, it is also important to look after security measures and risk associated with online-transactions. Problem of hacking, identity theft, online banking frauds etc are serious issues to be tackled.

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**MAKE IN INDIA****Samita Sengupta**Assistant Professor, KES Shroff Degree College

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**1) INTRODUCTION**

*Make in India* is an initiative of the Government of India to encourage multinational, as well as domestic, companies to manufacture their products in India. It was launched by Prime Minister Shri. Narendra Modi on September 25, 2014. The objective is to make India as the top destination globally for foreign direct investment.

**2) OBJECTIVES OF THE STUDY**

The health of India's Manufacturing Sector cannot be revived only by announcing Campaigns or focusing on fiscal policy. The objective of the study is to analyse the key issues facing the "Make in India" campaign and recommend possible strategies to deal with the same in making "Make in India" campaign a success; making India a manufacturing hub and a bench mark of development and prosperity.

**3) RESEARCH METHODOLOGY**

1. I have used descriptive research, whereby I have collected secondary data from various books, articles, newspapers, magazines. Relevant information are downloaded from websites and analyzed to address the objectives of present study.
2. Origin and road map of 'Make In India', various initiatives launched to make this project successful, how this concept is of prime importance for business leaders are explained by descriptive research through secondary data.

**4) ORIGIN AND THE ROAD MAP**

On December 29, 2014, a workshop was organized by the Department of Industrial Policy and Promotion, (DIPP), Ministry of Commerce and Industry, Government of India which was attended by Prime Minister Modi, his cabinet ministers and chief secretaries of states as well as various industry leaders.

The major objective behind the initiative is to focus on job creation and skill enhancement in 25 sectors of the economy. The initiative also aims at high quality standards and minimizing the impact on the environment. Hence, the slogan *zero defect, zero effect* the slogan also aims to prevent products developed from India from being rejected by the global market. The initiative hopes to attract capital and technological investment in India.

Before the initiative was launched, foreign equity caps in various sectors had been relaxed. The application for licenses was made available online and the validity of licenses was increased to three years. Various other norms and procedures were also relaxed.

Make in India was launched against the backdrop of this crisis, and quickly became a rallying cry for India's innumerable stakeholders and partners. It was a powerful, galvanising call to action to India's citizens and business leaders, and an invitation to potential partners and investors around the world. Make in India is much more than an inspiring slogan. It represents a comprehensive and unprecedented overhaul of out-dated processes and policies. More importantly, it represents a complete change of the Government's mindset: a shift from issuing authority to business partner.

To start a movement, a strategy is needed that inspires, empowers and enables in equal measure. Make in India needed a different kind of campaign: instead of the typical statistics-laden newspaper advertisements, this exercise required messaging that was informative, well-packaged and credible. It had to: (a) inspire confidence in India's capabilities amongst potential partners abroad, the Indian business community and citizens at large; (b) provide a framework for a vast amount of technical information on 25 industry sectors; and (c) reach out to a vast local and global audience via social media and constantly keep them updated about opportunities, reforms etc.

**5) SECTORS IDENTIFIED**

Make in India focuses on the following 25 sectors of the economy

- 1) Automobiles, 2) Automobile components, 3) Aviation, 4) Biotechnology, 5) Chemicals, 6) Construction, 7) Defense manufacturing, 8) Electrical machinery, 9) Electronic systems, 10) Food processing, 11) Information technology and business process management, 12) Leather, 13) Media and entertainment, 14) Mining, 15) Oil and gas, 16) Pharmaceuticals, 17) Ports and shipping, 18) Railways, 19) Renewable energy, 20) Roads and highways.

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**6) FOUR PILLARS OF MAKE-IN-INDIA INITIATIVE**

The Department of Industrial Policy and Promotion (DIPP), in consultation with various Central Ministries, State Governments, industry leaders, and other stakeholders, has formulated a strategy for increasing the contribution of the manufacturing sector to 25 percent of the GDP by 2020.

The Government of India has set up Invest India as the national investment promotion and facilitation agency. With the objective of promoting investment in the country, a full-fledged investment facilitation cell has been set-up under the Make in India initiative, primarily to support all investment queries as well as to handhold and liaise with various agencies on behalf of potential investors.

**7) PROGRESS OF MAKE IN INDIA CAMPAIGN**

In a short space of time, the obsolete and obstructive Frameworks of the past have been dismantled and replaced with a transparent and user-friendly system that is helping drive investment foster innovation, develop skills, protect intellectual property (IP) and build best-in-class manufacturing infrastructure. The most striking indicator of progress is the unprecedented opening up of key sectors including railways, defense, insurance and medical devices—to dramatically higher levels of foreign direct investment (FDI).

Six industrial corridors are being developed across various regions of the country. Industrial cities will also come up along these corridors.

Presently\* India's credibility is stronger than ever. There is visible momentum, energy and optimism. Make in India is opening investment doors. Multiple enterprises are adopting its mantra. The world's largest democracy is well on its way to becoming the world's most powerful economy.

**8) FULFILLING THE MISSION**

The Government of India, knowing the importance of the sector to the country's industrial development, has taken a number of steps to further encourage investment and improve the economy, "Make in India" mission term initiative which will help realize the dream of transforming India into a manufacturing **hub**. The prime minister's call for zero defect and first time manufacturing resonates well with our industry as we grow and produce for the world with concern for the environment, the Government in the last few months has taken a lot of steps in this direction. Major ones being:

**9) KEY RECOMMENDATIONS****9.1) Tax Reforms**

- GST would metamorphose India in a single unified market which would enhance the realization of economies of scale.
- Tax sops for MSMEs to reduce dependence on imports and thereby encourage local sourcing. Sectors such as defence, telecom, petrochemicals and steel could get considered for such incentives.

**9.2) Simplification of Labour Laws and focus on Skill Development**

- Amendment to Industrial Disputes Act: On the lines of labour reforms in Rajasthan, companies can now employ up to 300 workers and will not need the approval of the State Government if they want to retrench staff. Previously, the limit was capped at 100 employees.
- This will provide relief to a large number of companies to realign their businesses. Because of the old norms, even though the promoters wanted to exit loss making businesses or lay off workers due to tough market conditions, the lengthy process to get permission only added to their woes.
- Vocational training to give fillip to labour intensive value added exports.

**9.3) Integration of Foreign Trade Policy with 'Make in India' programme**

- Recognizing the need to develop a 'Common Economic Agenda' across all "policy decisions, the Government has aligned the Foreign Trade Policy (2015-20) with 'Make in India'.
- Reducing export obligation for capital goods purchased from Indian suppliers under the Export Promotion Capital Goods (EPCG) scheme.
- Granting higher level of rewards under Merchandise Exports from India Scheme (MEIS) towards export for goods with high domestic content and value addition.

**9.4) Development of the Medium, Small and Micro Enterprise (MSME) Sector**

- Amend MSME definition: Raise cap for small and medium enterprises to 3.3 mn versus USD 0.83 - 1.6 mn currently, as this would enable more companies to avail tax benefits available to the sector. Further, the

definition should be in sync with international standards and also include manpower and turnover to reward employment generation and efficiency besides investment in plant and machinery.

- Simplification of procedures and formulation of policies to provide safety "nets" to MSMEs in the form of refinance - facilities and special credit windows.
- Exclusive Marketing Structure: In order to withstand competition in the era of globalization, MSMEs need to respond to changing dynamics of marketing and innovations. In this regard, the Government has initiated various schemes such as MSME Marketing Development Assistance, establishment of Marketing Intelligence Cell, among others.

## 10) STEPS FOR THE FUTURE

Indian needs to address supply and demand side. On the supply side we need resources, skill development, infrastructure and on the demand side we need innovative practices, technology deployment, low cost innovations, productivity improvement and integrated manufacturing.

**1) Ease of doing business :** According to World Bank, India ranks 142 out of 190 countries in terms of the ease of doing business. India performs especially poorly in categories that involve interface with the government (paying taxes, construction permits, etc.). With government's vision of "minimum government, maximum governance", India can climb up the ladder fairly quickly.

**2) Investment :** Huge investments are required for infrastructure development. But Domestic savings have come down from a peak of 37 per cent to 30 per cent of GDP and gross FDI inflows into India have averaged less than 2 per cent of GDP. Government has to open up sectors such as defence and insurance as India's gross investment rate will have to go up from 31 per cent of GDP in 2013-14 to 38-40 per cent of GDP.

**3) Labour law reform:** With the launch of "Make in India" Government has recently announced measures to end "Inspector Raj" with a system that is expected to sharply curb the element of discretion with labour inspectors and a single window compliance process for companies on labour-related issues. -These are the firm steps towards the goal of simplification of trade.

**4) Goods and Services tax (GST):** implementation of this indirect tax reform by 2016 will improve competitiveness of India's manufacturing and help India grow faster.

**5) Supporting Public Sector Units :** Government should focus on augmenting the strengths of the strong public sector units for efficient execution and create large entities based on the models of Temasek in Singapore and Khazanah Nasional in Malaysia, whereby both of these countries hold SOEs with significant international presence.

**6) Research & innovation:** Research and innovation are twined with each other. In Indian context, these are the 'Ram-baan' weapons for building competitive advantage. Today no longer innovation is not a point of difference (POD).

Given the need for a strong Intellectual Property (IP) regime also mandated by WTO, following steps need to be taken from a long-term point of view-

- (i) Improving IP enforcement mechanisms
- (ii) Accelerate the process of Patent Examination and according patents
- (iii) Encouraging joint IP filings by industry / academia / research institutes.

This will strengthen joint working amongst Industry, Academia and R&D institutes.

- (iv) Encouraging MSME sectors for filing IPs.

## 11) LIMITATIONS OF THE STUDY

1. The study is based on published data and information. No primary data is being collected.
2. Every care has been taken to entice qualitative and correct data; still secondary data have collected for the purposes other than problem at hand.
3. The objectives, nature and methods used to collect secondary data may not be appropriate to the present situation.

4. Secondary data may be lacking in accuracy, or they may not be completely current or dependable.
5. Time constraint remained the major limitation in the study
6. The biasness can always be there.

### **CONSLUSION**

“Make in India” campaign would work if government were to allow private sector to flourish and importantly, unlike in the past, focus only on the sectors where it is supposed to function. If free market is going to be the engine of growth, then government needs to provide the necessary lubricant for this engine. As discussed, center and states will have to bring necessary changes to the archaic industrial, labour and land acquisition laws which offer safe-guards to labour and landowners but do not stifle growth of manufacturing. Similarly, low savings rate to finance domestic investments will have to raise by incentives to household to invest in financial instruments rather than gold and promote financial inclusion of millions of households which do not even have a bank account today. And, while this will take time, FDI may be allowed to flow in along with its attendant technology transfer. However, for a smooth and substantive flow of FDI, government will have to ensure brining synergy in various local, state and central administrative clearances. Moreover, issues related to transfer pricing and tax avoidance must be conveyed in transparent manner in advance through Authority for Advance Ruling (AAR). These initiatives create much need confidence the foreign firms need for a sustained long-term presence in the country.

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### **Of The Digital Wallet**

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**INDIA'S GREEN GROWTH STRATEGY FOR SUSTAINABLE DEVELOPMENT: CASE STUDY - COCHIN INTERNATIONAL AIRPORT, KERALA**

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**Dr. Susan Alex**Assistant Professor, Department of Economics, K.P.B Hinduja College of Commerce

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**ABSTRACT**

*Today, globally rapid economic development has lead to many serious environmental issues and consequently the world needs a development strategy which would include human and ecological well-being also. The concept of Green Growth is the quest of economic growth and development, while avoiding expensive environmental degradation, climate change, biodiversity loss and unsustainable natural resource usage. Green growth through a sustainable development strategy evolved from the need for growth policies which ensured that the needs of the present are fulfilled without compromising the ability of future generations to meet their own needs. India is emerging as the one of the fastest growing economies in the world, but its remarkable success is blighted by environmental degradation and scarcity of natural resources. India needs to consider its natural resources and ecosystem services for an environmentally sustainable future. In order to maintain a growth rate without jeopardizing future environmental sustainability, India needs to make green growth a reality by introducing strategies for reduction in environmental degradation, conservation and efficient use of energy, preservation of biological diversity and climate adaptation in agriculture. This study uses the case study of the Cochin International Airport in Kerala, which is the world's first fully solar-powered airport to illustrate the point of green growth with sustainable development in India.*

*Keywords: Sustainable Development, Environmental Degradation, Environmental Sustainability, Green Growth, Solar Energy*

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**INTRODUCTION**

‘We need a healthy environment to survive. We need economic development to thrive.’

During the past decade, India's remarkable rapid economic growth record, has increased employment opportunities brought many benefits to its citizens and allowed millions to emerge from poverty, however, the environment has suffered, exposing the population serious air and water pollution. In India, environmental sustainability has become a major challenge. Globally, many nations face dual challenges: meeting the demands for better lives and expanded economic opportunities for an ever burgeoning universal population set to increase to around nine billion in 2050. Implementing green growth policies can help to achieve economic development and growth in more environmentally and socially sustainable manner.

The concept of green growth covers much beyond climate mitigation and adaptation; it aims at achieving economic growth that is socially inclusive and environmentally sustainable. Integrating the three pillars of sustainable development namely, environment, economic and social aspects, does require policy efforts, particularly for the environmental side. Green growth policies are a critical part of such efforts and an essential part of implementing sustainable development. This study focuses on the following objectives:

1. To understand Green Growth strategy and examine its impact.
2. To look at Green Growth as a key development strategy for the Indian economy
3. To focus on policy framework required for Green Growth in India.

**What is Green Growth?**

Green Growth is the quest of economic growth and development, while preventing expensive environmental degradation, biodiversity loss climate change, and unsustainable natural resource usage. It is a move away from the conventional economic strategy of “grow first, clean up later” to a more accountable economic growth with weightage given for environmental and social concerns. Green growth aims to unite mutually supportive economic and environment policies.

According to the definition formulated by the OECD (OECD, 2011a), green growth means taking measures conducive to growth and economic development, while ensuring that natural assets continue to provide the resources and environmental services which contribute to the country's prosperity.

Green growth is a strategy of investing in natural capital, thus making “Green” as driver of economic growth that is ecologically sustainable. Green Growth is framed as a transformative development model for enabling sustainable growth and creating prosperity by taking a holistic approach to development, which:

- values human, social and natural capital,
- efficiently and sustainably uses ecosystem goods and services, and:
- builds resilience in a changing world, where countries, industries and people are increasingly interconnected.

### What is Green Economy?

In 1989, 'Blueprint for a Green Economy' - a report by United Kingdom government first coined the term 'green economy'. A green economy requires social, economic and environmental dimensions of sustainable development to work in a mutually reinforcing fashion and also provides better quality of life for all contained by the ecological confines of the planet. "A green economy is one that results in improved human well-being and social equity, while significantly decreasing environmental risks and ecological scarcity". (UNEP, Green Economy Reports: A Preview, 2010, p. 4-5).

Green economy is characterized by a considerable increase in investment in sectors of economy creating and reinforcing the natural capital of the Earth or contributing to decreasing ecological deficiencies and environmental threats. These sectors include, in particular, renewable energy, low-emission transport, energy-efficient building, clean technologies, waste management improvement, sustainable agriculture and forest management and sustainable fishing.

### What is Sustainable Development?

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable Development refers to development that meets the needs and aspirations of the current generation, without compromising the ability to meet the needs of the future generations. Simple explanation is that inclusive green growth is the process that will lead to an equitable green economy, which is a stepping stone towards Sustainable development.

### The rationale for Green Growth

Green growth is economic growth that is *environmentally sustainable*. Green growth is a pre-requisite for building a green economy in the context of sustainable development and poverty reduction, is enhances the quality of growth and the end goal is to operationalise sustainable development. Green Growth helps to avoid natural resource overexploitation, makes growth resilient to climate change and other diverse environmental impacts, explore new employment opportunities, prepare the infrastructure for the future, ensure food, water and energy security and thereby to overcome poverty.

### Green Growth in India

India is emerging as the one of the fastest growing economies in the world and is currently Asia's third largest economy by GDP. India's gross national income for 2014–15 was `105.27 trillion with an annual growth rate of 7.4% (Economic Survey 2014–15). For India to achieve development objectives, its economy should continue to grow. But for a country like India, where development is an imperative, environmental consequences can be substantial as it will place serious constraints on natural resources such as land, water, minerals, and fossil fuels, driving up energy and commodity prices. While our economy has grown steadily, this growth has come at the cost of environmental sustainability and has failed to translate into better living conditions for the majority of the Indian people.

"Green growth involves rethinking growth strategies with regard to their impact(s) on environmental sustainability and the environmental resources available to poor and vulnerable groups." - Thirteenth Finance Commission Report, India.

Greening agricultural production can be achieved by conservation agriculture, which simultaneously yields environmental benefits (by reducing pollution of waterways from nutrients and increasing carbon sequestration in soils); increases the efficiency of production (by reducing the use of energy inputs); increases resilience (by frequently rotating crops); and increases agricultural productivity in the long run (by reducing erosion and enhancing soil structure).

### India's Green Growth Challenges

In 2018, with an Environmental Performance Index (EPI) of 30.57/100, India ranked 177 out of 180 countries in environmental performance in 2018 (Environmental Performance Report, 2018) judged on the parameters of Environmental Health and Ecosystem Vitality. Various key green growth indicators like water sources, forests, biodiversity, energy, air and water pollution, climate changes, biodiversity show the impact of environmental risks and ecological scarcities. A recent survey of 180 countries whose environments were surveyed, India

ranked 177th overall (far below all BRIC countries, China (120), Brazil (69), Russia (52), and South Africa (142)).

**Table No.1: 2018 EPI Rankings - Global and Region-wise Ranking of Countries in Asia**

Asian Rank	Country	Score	Global Rank	Asian Rank	Country	Score	Global Rank
1	Japan	74.69	20	14	Timor-Leste	49.54	124
2	Taiwan	72.84	23	15	Bhutan	47.22	131
3	Singapore	64.23	49	16	Viet Nam	46.96	132
4	Brunei Darussalam	63.57	53	17	Indonesia	46.92	133
5	South Korea	62.3	60	18	Myanmar	45.32	138
6	Sri Lanka	60.61	70	19	Cambodia	43.23	150
7	Malaysia	59.22	75	20	Laos	42.94	153
8	Philippines	57.65	82	21	Papua New Guinea	39.35	164
9	Mongolia	57.51	83	22	Afghanistan	37.74	168
10	Maldives	52.14	111	23	Pakistan	37.5	169
11	China	50.74	120	24	Nepal	31.44	176
12	Thailand	49.88	121	25	India	30.57	177
13	Micronesia	49.8	122	26	Bangladesh	29.56	179

**Source: 2018 ENVIRONMENTAL PERFORMANCE INDEX**

Green growth could play an important role in balancing the priorities of reducing the quantity of resources required over time to support economic growth that leads to enhancement of social equity and job creation. It is often observed that countries with higher human development have a higher ecological footprint and as India accelerates its development journey to lift the millions of people out of poverty, the challenge before it is to provide improved quality of life to their citizens within the ecological space and constraints.

Among key challenges for national policy making are fiscal deficits and public debts which could make technological change required for green growth more difficult as governments would tend to focus on financial health. Financing the transition to green economy is a challenge to be faced as environmental financial funds are required to support relevant areas for the green economy, like green technology, green projects and programs to shift towards a low-carbon, resource-efficient and climate-resilient economy. There is a risk that the “green economy”, can be inappropriately made use of by countries for trade protectionist purposes. The concept of “green economy” may be misused or taken out of context, and may give rise of unhelpful or negative developments, like the lack of technological knowledge and resources prompts another concern that developing countries will be unable to meet the required environmental standards imposed on their product export which would subsequently affect their economic development. In addition to the above, there is a need to prioritize the infrastructure projects which ensures that investments are compatible with long-term green economy objectives.

#### **The Green Growth Strategy: How can India get to a greener economy?**

The need for green growth strategies towards Green Growth, OCED, 2011, states “At the core of green growth are constraints or distortions in the economy which inhibit returns to “green” investment and innovation, i.e. activities which can foster economic growth and development while ensuring that natural assets continue to provide the resources and ecosystem services on which our well-being relies. Green growth strategies should focus on the most binding constraints, identifying major environmental priorities, and investigating any overlap between structural economic reform priorities and major constraints to green growth”.

Major constraint to green growth that have to be addressed: externalities, government failures; market failures and market imperfections. Green growth strategies should establish environmental priorities, diagnose key market constraints, and match these with structural economic reform. A green economy requires social, economic and environmental dimensions of sustainable development. This requires innovation, collaboration and governance.

#### **Green Growth Policy Framework: A Framework for the Development of Environment Statistics (FDES)**

The Framework for the Development of Environment Statistics (FDES) sets out the scope of environment statistics by relating the components of the environment to information categories that are based on the

recognition that environmental problems are the result of human activities and natural events reflecting a sequence of action, impact, and reaction.

#### Component-1: Environmental Conditions and Quality

Statistics on environmental conditions and qualities help measure the physical, biological and chemical characteristics of the environment. These measurements are taken to help assess the environmental health as well as to give clues to possible problems and show progress toward recovery after interventions.

#### Component 2: Environmental Resources and their Uses

Earth is abundant with natural resources that develop on this planet using its surrounding environment. Resources like land, water, air are crucial for survival of mankind while the rest of them like minerals, coal, gas, oil are used for satisfying the daily needs of people.

#### Component 3: Residuals

The economic growth and technological advancement have created pollutants and whether these are released into the water, the air, or the ground, waste no time spreading throughout an ecosystem affecting human health, as well as those of all species, thereby threatening the existence of life on earth.

#### Component 4: Extreme Events and Disasters

Climate Change, disaster and sustainable development –have manifested in unpredictable outcomes. One such case is that of natural extreme events.

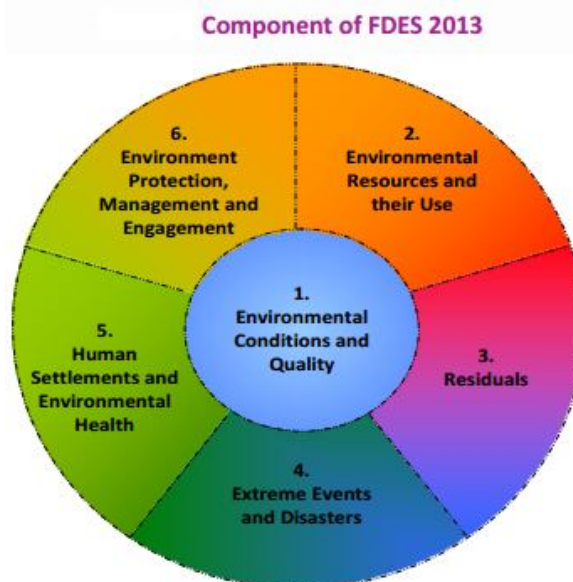
#### Component 5: Human Settlements and Environment Health

The quality of environment – both the natural environment (air, water, land and the biota) and the man-made environment (human settlements, shelter and infrastructure and the basic services like those of safe water, sanitation, health and transport) – has a significant impact on health and wellbeing.

#### Component 6: Environment Protection, Management and Regulation

Degradation of environment affects all nations and regulatory measures and laws are required to protect and preserve environment both national and international levels and are supposed to work in tandem.

Figure No. 1: Framework for the Development of Environment Statistics Components



**Any green growth strategy will require a framework that integrates the following four key aspects -**

- Redefining the wealth of an economy to include all types of capital: natural, human, physical.
- Incorporating the dual role played by natural capital in production – by providing inputs and providing ecosystem services which affect social welfare.
- Increasing public policy intervention in management of natural capital and increasing investment in natural capital.
- Encouraging innovations in greening growth.

The economic policies have to be formulated keeping in mind growth tradeoffs – depletion of nonrenewable resources and slow conversion of renewable resources like soil and fisheries into nonrenewable resources.

Economists have recommend a variety of incentive-based instruments to reduce environmental damage and depletion—such as taxes, tradable permits, subsidies, deposit refund schemes, and refunded emission payments and quotas.

### **Case Study on Green Growth in India: Cochin International Airport Limited (CIAL)**

Energy supply in India is heavily dependent on fossil fuels with coal and petroleum products together. Most of the oil consumed in the country is imported, posing serious challenges for long-term energy security. The contribution of aviation industry towards green house gas emission and carbon footprint of airport can be reduced by substituting the conventional source of energy with solar PV based power generation. The mandatory vast and free space areas around runways can be utilised for utility scale solar PV power plants.

As Indian Prime Minister Narendra Modi stated at the climate conference in Paris in 2015, the world must turn to the sun to meet its future energy demands. More than 300 days of sun and, in many regions, more than 2,500 hours of sunshine over the course of the year mean that India, boasts ideal conditions for generating solar energy and in the future, the country plans to make better use of these conditions.

The largest solar plant ever constructed for an airport was built at Cochin International Airport Limited (CIAL) in India in 2015. Cochin International Airport became the first fully solar powered airport in the world with the commissioning the plant. Covering an area spanning 50 hectares in size the 46,150 solar modules produce an average of 48,000 kilowatt hours of electricity every day. The modules, each weighing 23 kg and with a glass surface measuring around 1.5 meters by one meter, together add up to an impressive capacity of twelve megawatts.

The plant has been installed by the German-based M/s Bosch Ltd. It is capable of generating 50,000 units of electricity daily, and is equipped with a supervisory control and data acquisition system (SCADA), through which remote monitoring is carried out. This installation is expected to generate around 48,000 units per day, which along with the electricity generated from the existing 1.10 MWp plants, would be sufficient to meet the power requirement of the Airport. The solar array was erected in close proximity to the airport's runway. One of the main challenges involved in planning and constructing this major project was to exclude any possibility that objects could ever end up on the airfield. Another challenge was to ensure pilots are not distracted when taking off and landing their aircraft, namely by preventing them from being dazzled by light reflected by the solar modules.

### **Environmental Impact of Cochin International Airport Limited (CIAL)**

The Cochin International Airport in Kerala, world's first fully solar-powered, has been chosen for the prestigious Champion of Earth Prize – 2018 instituted by the United Nations (UN) and considered to be the UN's highest environmental accolade. This prize lauds the CIAL's achievements in renewable energy conservation and the vegetable cultivation in the solar park.

This green power project will produce a clean source of energy equal to energy produced from coal-fired power plants using around than 3 lakh metric tonnes of coal. Hence, there will be no carbon dioxide emissions over the next 25 years. In fact, this solar plant will provide a carbon offset which is equivalent of planting 30 lakh trees. CIAL sets an example by effectively utilizing the vast and free space areas or buffer-zone area. The success of the solar experiment has prompted CIAL to double the installed capacity of solar power generation and to install another 10,000 panels in the remaining space to generate an additional 2.40 MW power. Around 4 MW would be generated from Panels to be installed atop the building and the new park, while another 7 MW would be generated through panels to be installed over the three km-long irrigation canal would take the total installed capacity to 26.50 MW. Thus, Solar powered Cochin airports have shown that it is economically and environmentally feasible and confirms its effectiveness in reducing the carbon footprint, leading to virtually zero emission, clean and green sustainable airport.

### **CONCLUSION**

Sustainability is not just about adopting the latest energy-efficient technologies or turning to renewable sources of power. Sustainability is the responsibility of every individual every day. It is about changing our behaviour and mindset to reduce power and water consumption, thereby helping to control emissions and pollution levels.

~ **Joe Kaeser**

India's achievement of rapid growth has been clouded by a degrading environment and a growing scarcity of natural resources despite growing awareness of the issues. Today, India is ranked 177<sup>th</sup> among the 180 countries accounting for all measurable environmental indicators. The deteriorating environment is taking its toll on the people's health and productivity – and costing the economy a staggering Rs. 3.75 trillion each year

(US\$80 billion) - or 5.7 percent of GDP. Thus, growth has been achieved at the price of worsened air quality and other environmental degradation. Poverty remains both the cause and consequence of resource degradation and environmental degradation.

India's achievement of rapid growth has been clouded by a degrading environment and a growing scarcity of natural resources despite growing awareness of the issues. The greening of the Indian economy requires growing new industries, along with developing and disseminating new technologies. Green industrial policies can help disseminate new technologies and develop new competitive sectors.

Environmental sustainability therefore could become the next major challenge as India surges along its projected growth trajectory. For an environmentally sustainable future, India needs to value its natural resources, and ecosystem services to better inform policy and decision-making. India can make green growth a reality by introducing strategies to reduce environmental degradation at the minimal cost of 0.2% to 0.4% of average annual GDP growth rate. This alone will help India to maintain its growth rate without jeopardizing future environmental sustainability.

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**THE RACE TO MAKE WORLD CASHLESS ECONOMY**

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**Nisha Gupta**S. S & L. S Patkar Varde College of Commerce & Economics

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**ABSTRACT**

*Cashless doesn't mean without cash economy rather it means least or less cash into economy. It is a step towards the digital economy. This paper aims to focus on the significance of awareness among the society for the cashless transitions and reduce the cash transitions. The current data and information are collected from articles & internet websites. In the cashless world, governments are able to reduce costs, tackle corruption, boost tax revenues and even throttle cash-reliant black economies such as drug dealing: small businesses are able to grow customer base and income through innovative e-payment options, set up new revenue streams such as recurring payments and in doing so, increasing credibility. For individuals, e-payments can offer convenient, easier, more secure options to buy what they want or need, as well as provide services such as money transfers through text message.*

*Keywords: Cashless economy, Black money, Digital payments, Social Awareness*

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**OBJECTIVES**

To understand what is the concept of Cashless Economy.

To analyze various benefits citizens are going to derive by Cashless economy.

**INTRODUCTION**

A cashless economy is a system where the flow of cash or physical currency is non-existent and all monetary transactions are done electronically via internet-enabled banking or wallets. Such transactions can be purchased, bill and utility payments and clearances need to be transferred. In other words, there is no use of paper currency, but instead the transactions are processed electronically, via various platforms that are available.

Dozens of national legislatures have made moves toward becoming cashless economies during the past two decades, but so far no nation has "gone all the way." Many of the countries had started the process but with mixing results, India is one of those countries who are facing difficulties but with positive results. Except in Germany, the lawmakers in Germany are dead-set against the idea of cashless society, with large voting blocs on both conservative and liberal sides of the government fully opposed to going cashless. Some economists noticed that Germany's culture is based on paying debts and settling financial accounts in short order. The entire concept of cashless, or a credit, economy seems like monetary poison to serious Germans.

Except from few countries, all other countries had decided to go cashless and use electronic devices for transactions. India is most notable, biggest, and most recent example. Here is a quick look at some of the newest members of the "no-cash club," as the global economy gets ready for a volatile end of the decade, a new U.S. president, and perhaps the dissolution of the European Union:

**India**

One of the world's largest economies, India has made legislative moves in just past few month that could be the final piece of the cashless puzzle. Prime Minister Modi's recent politician made many changes, as he announced that most of the nation's high-denomination paper money would no longer be legal tender. There has been a lot of popular backlash against his heavy-handed edict, but for now Indian citizens have no choice. They have to "turn in" their high-denomination notes within three weeks (which is a euphemism for saying the government is confiscating the money). The reason given by Modi is that at least 20 percent of the nation's economy is "black," or not within the traditional banking system. Whether the Prime Minister's aggressive move will work or backfire, India is but one of many cashless, or nearly cashless, economies in the world.

**Belgium**

The Belgian government recent enacted legislation making it illegal to use cash for transactions in excess of 3,000 Euros, while more than 90 percent of all residents willingly opt for cashless transactions for common goods and services. Belgian banks and government agencies strongly encourage citizens to use cyber money rather than paper currency.

**Norway**

The "extreme" case of cashless is undoubtedly Norway, whose politicians decided several years ago to eliminate cash completely. Newspaper boys on street corners, as well as cart-pushing food vendors accept electronic

payment rather than cash. One reason the Norwegian government and big local corporations want a cashless economy is the elimination of crimes like money laundering and bank robbery (see Sweden, below). Still a few steps away from a totally cyber-money economy, some of Norway's biggest banks no longer use cash at all.

**Sweden**

One big advantage to cyber money is less crime. Sweden is the perfect example for this sometimes forgotten advantage to going cashless. Consider the following fact, In the three-year period from 2008 until 2011, the number of face-to-face bank robberies in Sweden declined from 110 to just 16. Because so few Swedish banks have any hard currency on hand, it's hard for robbers to make a living these days. In fact, of all monetary transactions in the nation, just over three percent involve actual paper money.

**Denmark**

One of the other nations whose leaders are more serious about getting rid of cash, Denmark has actually passed laws which enable restaurants, cloths, and fuel sellers to refuse cash as a form of payment. A formal government policy has set the year 2030 as a soft deadline for being totally cashless. But even today, a full third of the population uses a popular phone app to transact all their bill paying and purchasing.

**Kenya**

Like Norway, Kenya has already become a nearly cashless place. There are at least 15 million of the nation's citizens who do all their financial business via a phone app. The African country is one of about three nations that have made cash virtually obsolete.

**Canada**

The largest North American economy to move toward a cashless economy, Canada's population overwhelmingly opts for cyber/online transactions or the use of striped cards. More than half of the nation's consumers prefer using an "online wallet" to carrying paper money in their real wallets.

**Somaliland**

Against every conception and expectation, one of the world's poorest nations is at the forefront of the quest toward a cyber economy. Percentage-wise, more of the nation's citizens choose electronic banking than any other nation in the world. Street vendors and tiny village kiosks accept e-payments, while paper currency is practically non-existent. Compared with citizens in every other nation of the world, people in Somaliland conduct more online transactions per month. For a traditional culture and one of Africa's most underdeveloped nations, e-money seems to be a roaring success.

**United Kingdom**

Not one of the leading proponents of cashless business, the UK is still much further in case of cyber money than the U.S. i.e. As of late 2016, about 90 percent of UK residents use digital cash for their transportation needs as well as routine consumer purchases.

**France**

The French always have their own way of doing process. When it comes to the global cashless trend, they indeed have a unique approach. Not content to use standard mobile payment systems, French banks have championed cards that require no physical contact with a device, as well as chip and magnetic-stripe cards. So far, about 92 percent of French citizens conduct most of their financial business with cards.

**South Korea**

South Korea is not Asia's largest nation by any measure, It is still an important piece of the Pacific Rim economy and an important leader of the region, along with China and Japan. While other Asian nations are avoiding the cashless trend, South Korea has forged ahead, enacting legislation that favors consumers who use e-cash rather than the real thing. The country's VAT (value-added tax) is much higher for cash payers than for consumers who opt to pay with their electronic cash cards.



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Below are THE WORLD'S MOST TOP 10 CASHLESS COUNTRIES:-

1. Canada
2. Sweden
3. UK
4. France
5. USA
6. China
7. Australia
8. Germany
9. Japan
10. Russia

### **BENEFITS OF CASHLESS ECONOMY**

1. The cashless economy maintains the transparency of economic transitions.
2. It is convenient mode of payment relatively to the cash payment.
3. With proper cyber security, it has relatively low risk to pay online.
4. It helps to reduce the cost of printing currency.
5. It supports to reduce the rate of crime and difficult to carry out for the illegal and antisocial activities.
6. The transparency of transactions enhances the revenue collection.
7. It is good for bank sector due to less cash holding.
8. It becomes useful for the citizens to avoid theft, robbery and other money related crimes and incidents and maintain the security of own assets.

### **Review Of Literature**

Review of literature paves way for a clear understanding of the areas of research already undertaken and throws a light on the potential areas which are yet to be covered. Keeping this view in mind, an attempt has been made to make a brief survey of the work undertaken on the field of Cashless economy. The reviews of some of the important studies are presented below:-

Cashless economy is not the complete absence of cash, it is an economic setting in which goods and services are bought and paid for through electronic media. According to Woodford (2003), Cashless economy is defined as one in which there are assumed to be no transactions frictions that can be reduced through the use of money balances, and that accordingly provide a reason for holding such balances even when they earn rate of return. In a cashless economy, how much cash in your wallet is practically irrelevant. You can pay for your purchases by any one of a plethora of credit cards or bank transfer (Roth, 2010) observed that developed countries of the world, to a large extent, are moving away from paper payment instruments toward electronic ones, especially payment cards. Some aspects of the functioning of the cashless economy are enhanced by e-finance, e-money, e-brokering and e-exchanges. These all refer to how transactions and payments are effected in a cashless economy (Moses-Ashike, 2011). Marco and Bandiera (2004) argue that increased usage of cashless banking instruments strengthens monetary policy effectiveness and that the current level of e-money usage does not pose a threat to the stability of the financial system. However, it does conclude that central banks can lose control over monetary policy if the government does not run a responsible fiscal policy.

### **RESEARCH METHODOLOGY**

For the same paper, the data and information is collected from articles, magazines, internet websites. The collected data and information processed for the understanding current scenario. With the consideration of existing situation of transitions.

### **CONCLUSION**

In today's fast growing economy no one has time to wait for days or hours to transmit a message or to stand in queues to withdraw money to pay their bills. Even ladies today are going out to earn and do not even have time to buy grocery. Though many steps have been taken to facilitate digitalization of India and many schemes have been launched but all this is not enough as the goal is very important to achieve and needs huge attention.

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**A STUDY ON CASHLESS ECONOMY AND ITS IMPACT ON THE INDIAN MIDDLE-CLASS**

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**Jaisal Singh Shergill and Akshaj Khemka**  
Student, Jai Hind College, Churchgate, Mumbai

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**INTRODUCTION**

The study aims at analysing and understanding the various changes that have come about due to the rise in focus on a cashless economy and how it in turn affects the spending patterns of individuals in the economy. The study will include primary data on particular participants of the economy that have made these changes in their way of transacting money. The study will also try to gauge the effect of this shift to a cashless economy on the environment.

**OBJECTIVES OF THE STUDY**

To understand the process of how an economy deviates to a cashless economy.

To understand the changes in spending patterns being brought about because of the shift to cashless transactions.

To analyse the effect of this shift on the environment.

**RESEARCH METHODOLOGY**

Keeping the Objective of the Research in the Focal Point, under Primary data we have Chosen Survey Method to address and throw light upon the effect of the advent of cashless transactions on the environment and economy.

Sources like websites, newspaper articles, magazine articles have also been used as a part of secondary data for the study.

A cashless economy is basically an economy where transactions are made not with hard cash or physical cash, but with facilities like credit cards, debit cards and online transactions by means of fund transfer and using e-wallets. The Indian government has already started taking major strides in the direction of a cashless economy, the biggest one being its demonetisation policy in 2016. A shift to cashless transactions not only frees the economy of black money circulation and black money, but also paves the way for equal economic growth and more employment opportunities.

**REASONS FOR SHIFTING TO A CASHLESS ECONOMY:**

1. Cost of cash- The Reserve Bank of India (RBI) spends a significant amount of time and effort in the process of printing and circulating currency to its consumers. In 2017-18, approximately Rs. 4912 crores were spent on the printing of banknotes, and Rs. 115 crores were spent on the remittance of currency. Apart from this, there are also several expenses involved in setting up and maintaining ATMs.
2. Provision of anonymity- Using physical cash not only increases the governments spending, but also increases the chances of tax evasion and circulation of black money, since physical cash is extremely tough to keep track of.
3. Financial Inclusion- The advent of a cashless economy will require all the residents to have a bank account which will lead to higher rates of financial inclusion and help bridge the gap between rural and urban India. Digital transactions will also drastically reduce instances of tax evasion and will, in the long term, make it far easier for the government to implement any of its policies.
4. Decrease in prices- A cashless economy aims at setting the black market aside. This in turn will lead to a system where the prices of products decrease.

**PROBLEMS IN ESTABLISHING A CASHLESS ECONOMY:**

1. Poor Infrastructure- There are still several areas in India, especially rural, where there are no banking facilities available. There are no basic ATMs or IT facilities. This causes a huge problem in dissemination of these facilities.
2. Lack of education- There are several people in India that are still uneducated when it comes to any kind of technological involvement in a process like transacting money. This poses a problem when it comes to using debit or credit cards, setting up e-wallets, or making any kind of online transactions.
3. Lack of access to technology- Even the few rural areas that have the sufficient infrastructure required to undertake cashless transactions, there is a problem in availing the technology required to do the same.

Problems such as unavailability of internet connection, absence of computing software and inability to access information are some of the problems that are bound to come up. Another major problem with regard to the access to technology is the lack of availability of smartphones amongst majority of the rural population, which takes away the opportunity to make any kind of online transactions or payments.

4. Negative mindset- Majority of the people living in rural areas have a negative mindset when it comes to anything to do with technology. This is because of the lack of exposure to these developments. They also feel that using such technology will unnecessarily increase their expenditure, that can be minimised by using traditional methods of transacting cash.

#### **EFFECTS OF A CASHLESS ECONOMY OF THE ENVIRONMENT - CASES**

The government since its inception has bought out its key intention to lay the foundation of a new financial system carved by E-payments and a cashless economy. In 2016, a new component to levy this was introduced called, *India Stacks – a series of connected and secured systems that allow people to store and share personal data such as addresses, bank statements, employment records, and tax filings*. According to a report by Forbes, from a span of 12 months this incubated the growth of many firms that started to impact the consumer spending patterns in a cashless economy

The middle-class population closely comprises of almost 20 percent of the total population in India.

#### **2016**

A case report done by economic times bought forward how demonetization affected the lives of some middle-class individuals and the stakeholders reacted to it. A retailer and wholesaler of groceries in Mumbai, initial transacting majorly in cash saw a drop in sales and for 45 days faced issues and hence has to adopt E-payment systems and transact through E-wallets. After a steady 45 days, the business started to regain momentum as sales grew.

Similarly, the Chief Digital Officer of Yes Bank, Mr Ritesh Pai added that the usage of plastic money was rather stagnant in India and *Cash has always been the first preference for Indians* but demonetization helped cashless transaction grow by 2.75 times during that subsequent period pushing India's Digital journey by 4 years which is extremely meritorious.

This was complimented by another case of Ms Arunima Lahiri, a professor who faced issues while transacting for 2 months and after a year she is majorly relying on debit/credit cards along with array of E-payment methods.

#### **2017 & 2018**

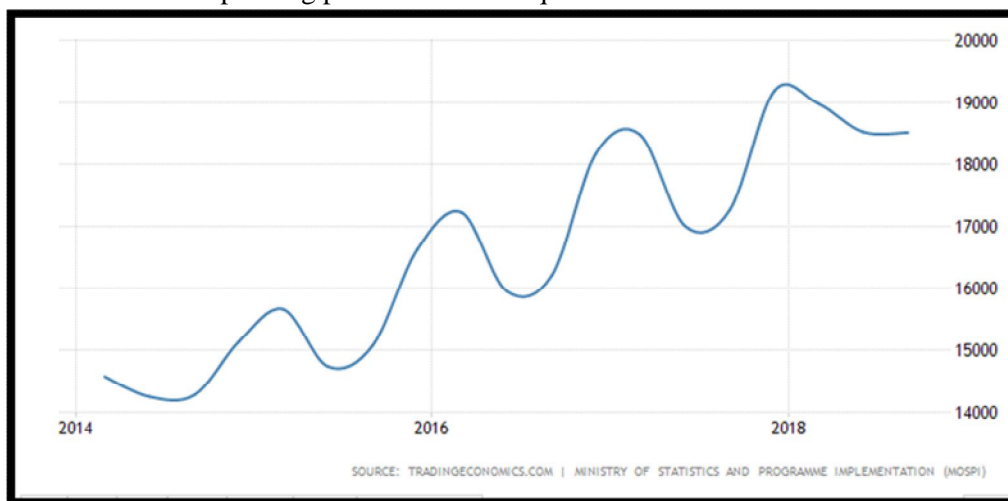
A case around PayTM, wherein they introduced new services whilst promoting existing ones in 2017 and 2018 gaining immense prominence in the industry. According to a report by Hindustan Times, they registered a 600 % growth in UPI payments leading to approximately 179 Million transaction in October of 2018. They introduced a promoted PayTM money, claimed KYC-compliance for 100 million wallets, touching an annual run rate of 5 billion transaction in the year with approximately \$50 billion of annual gross transaction value in July 2018.

Indians have often psychologically been privy to transactions with cash – a feeling of profound security and reliability. Demonetization was a driving force which did anticipate a little disruption as seen in the cases ultimately promoting the real essence of a digital economy along a set timeline in the future. The effect on firms and the business environment was very evident as UPI based transaction saw a 7000 % increase in from 2017 to 2018 from a mere 2 million transaction after demonetization was implemented in 2016.

Prepaid payment instruments and Digital wallets along with interfaces like IMPS and BHIM saw an uptrend in the number of transactions as *Digital transactions in India reached a new peak of \$2.4 billion* in January of 2018 and the value indicating that the middle class are the most dynamic society in India. 2016 halted and affected their spending and earning while critics led to believe the failure would overshadow the positives of a cashless economy, but as said the market corrected and with penetrative and immense Above the line and below the line promotions, the nature, the psychology and transacting methodology for middle class Indians surged to regain confidence and induce spending and earnings. An imperative saying that the bitter medicine always benefits was seen in reality as this move with the relevant mix of marketing by E-payment firms and the government seemed to be a boon for the middle class Indian population.

## SPENDING PATTERNS, THE MIDDLE CLASS AND BUSINESS ENVIRONMENT – CASHLESS ECONOMY

The spending patterns comprise a large chunk of transactions by the middle class, and seen in the graph below, a stable uptrend is seen in the spending pattern till the 3<sup>rd</sup> quarter of 2018.



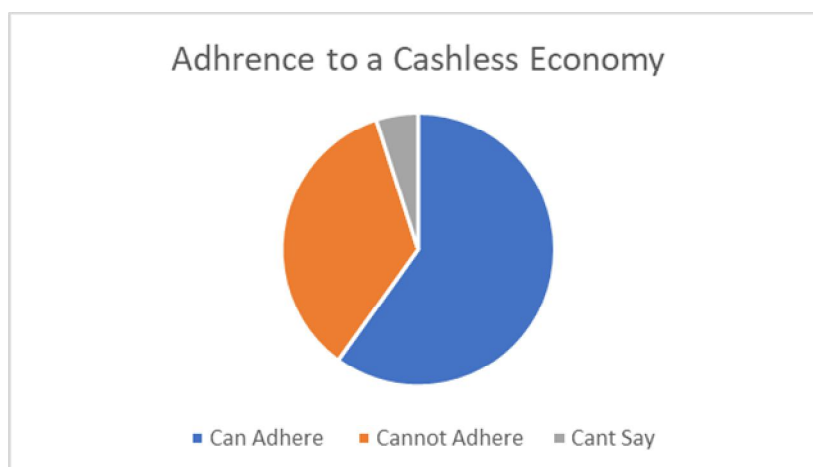
Business confidence, ease of transfers and making payments will MSME's to intercept on animal spirits in the coming years in the market that will directly have a further effect on spending patterns. Indians tend to spend more in a cashless economy is a basis set by the graph and this will link to higher sales, improved liquidity, innovations in the market as well as a booming GDP.

Though the idea behind demonetization to counter black money was recently questioned as the circulation of cash in 2019 was seen to revive, what the government as an underlying concept helped promote through private players like MobiQuik, PayTM or Freecharge or even Tez – a cashless digital economy was very well intertwined and surged spending as well as ease of transactions.

### DATA ANALYSIS AND INTERPRETATION

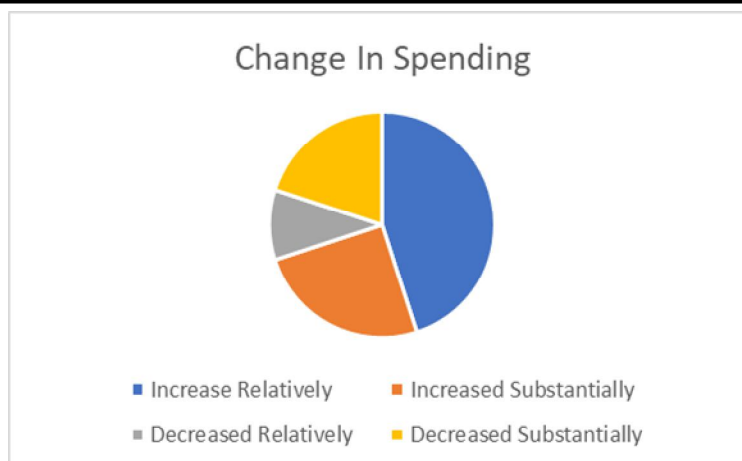
Q. To what extent do you think you can adhere to a completely digital cashless economy?

A. After a survey with a selective focus group comprising of middle-class respondents the responses clearly indicated that 60 percent individuals thought adhering entirely to E payments and transacting through their E wallets offered a much more convenient, secure and faster mode of buying and selling while 35 percent indicated that there will be issues relating to availability and trust. 5 percent individuals were not receptive. This clearly indicated the shift in the mind-set that will initiate a digital economy.



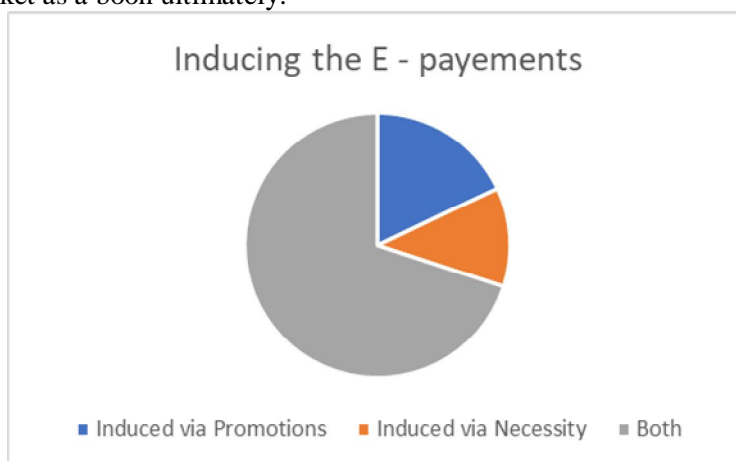
Q. How has your spending increased or decreased with the introduction of cashless systems?

A. The sample group asked this question rather replied in a non-conventional way wherein 45 percent individuals stated the spending relatively increased and 25 percent individuals stated it increased substantially. 20 percent individuals stated the spending decreased while 10 percent individuals stated it decreased relatively. The analysis brought forward the argument that a certain focus of people did actually increase their spending and this was also directly co related with spending on E – commerce websites which is soundly positive.



Q. Do you think spending and transactions being cashless were induced due to the promotions of E-wallet apps or out of necessity?

A. The group of people evaluated and connected the question with a prominent promotional strategy as well as the induction of new products and services being offered. 70 percent individuals selected the option for both citing the occurrence of demonetization and private firms at the same time capitalising on that incentive and promoting cashless transactions. This directly co-related and states a vast majority of the individuals did feel the marketing and promotions by both private firms and the government led to the change in their spending and transacting patterns. 18 percent individuals said it was induced due to promotions while only 12 percent said it was due to a necessity. This proclaims how a cashless economy was pushed by a right marketing at the right time for right target market as a boon ultimately.



## CONCLUSIONS AND RECOMMENDATIONS

On the basis of the above study, the following conclusions can be derived:

- Some of the main issues that hamper the advancement of the technological advancement of the payment systems are the lack of infrastructure and technology, and the basic know-how of how to access these systems.
- Another conclusion that we can draw from the research is that a lot of people living in rural areas do not see the point of switching to technological money transaction systeyms.
- Several middle class individuals that have switched to technological and online payment systems find it extremely convenient and have in turn started spending a higher amount on facilities and goods available on these online platforms.

On the basis of the above mention conclusions, we recommend the following :

- One recommendation that would help acquiring a larger user base for the technological systems, would be higher investment in dissemination of such technology and imparting knowledge on how to use the same.
- Promoting saving through e-wallets is also a good way of inculcating the habit of saving amongst rural residents and would in turn help in eliminating illegal and corrupt moneylenders.
- A rise in access to electronic wallets and online transactions will also get rid of black markets that come up with a rise in the flow of black money in rural areas.

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**EFFECT OF CASHLESS ECONOMY ON GROWTH OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME'S)**

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**Prof. Kavita V. Gokhale<sup>1</sup> and Jay Gala<sup>2</sup>**

Lecturer<sup>1</sup>, Bal-Bharati's MJP College of Commerce,

Student<sup>2</sup>, Bal-Bharati's MJP College of Commerce

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**ABSTRACT**

*The digital economy is rapidly developing worldwide. Digitalisation has been driving innovation and growth. Digital technologies and big data now allow financial service providers to more effectively serve the financially excluded, with a "customer-centric" approach. The recent demonetization move that initially paralyzed the economy is now catalysing the country's digital payments ecosystem. India is witnessing an economic transition right now. Which aims to for a cleaner, more transparent economy via digitalization that will lead to an improved climate for foreign investment, boost economic growth, and ultimately propel the country's development..*

*The recent demonetisation drive has hit all sectors of the economy. It no longer optional to make digital payments. However, there are some sectors in the industry who have dealing in cash for ages. One of the most important sector which is also key driver of the Indian economy is the Micro, Small And Medium Enterprises (MSME). The MSMEs prefer to do all its transactions with conventional mode; sudden move by the demonetisation severely affected the MSME sector.*

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**OBJECTIVE OF THE STUDY :**

The objective of the study is to determine possible implications of a cashless economy on micro small medium enterprises in India. It also discusses challenges that MSMEs would face in a cashless society and points out some possible solutions.

**RESEARCH METHODOLOGY :**

**The study is based on collection of secondary data taken from websites of various financial newspapers.**

**1) Introduction:**

- MSME stands for Micro, Small and Medium Enterprises. MSME represents a collection of all small to medium sized enterprises in an economy. In developing economies like India, MSME's play a vital role in growth of the economy.
- The President of India amended the Government of India (Allocation of Business) Rules, 1961, under the notification dated 9 May 2007.
- Pursuant to this amendment, the ARI and SSI were merged into a single ministry, the current MSME.
- Often rightly termed as "**The Engine Of Growth**" for India, MSME has played a prominent role in the development of the country in terms of creating employment opportunities-MSME has employed more than **50 million people**, scaling manufacturing capabilities, curtailing regional disparities, balancing the distribution of wealth, and contributing to the **GDP-MSME sector forms 8% of GDP**. Though India is still facing infrastructural problems, lack of proper market linkages, and challenges in terms of flow of institutional credit, it has seen a tremendous growth in this sector.
- The micro, small and medium-sized enterprise (SME) sector, as we understand, is a big chunk of the economy, contributing to eight percent of the GDP whilst employing more than 80 million people year on year.
- A typical Micro has an investment below 25 lakh. A typical Small Enterprises has an investment between Rs.25 lakh and Rs.1cr. A typical Medium Enterprises has an investment between Rs.5cr and Rs.10cr.

**2) What Is Cashless Economy?**

- A system where no physical cash is in circulation is a cashless system.
- It is also a system where any type of money transactions are done through digital means like debit cards, electronic fund transfer, mobile payments, internet banking, mobile wallets, and other newly evolved payment channels, this will leave very little scope for flow of hard cash in economy.

**3) Importance of cashless economy**

- According to Government of India the cashless policy will increase employment, reduce cash related robbery there by reducing risk of carrying cash. Cashless policy will also reduce cash related corruption and attract more foreign investors to the country. In many countries introduction of cashless economy can be seen as steps in the right direction. It is expected that its impact will be felt in modernization of payment system, Reduction in the cost of banking service, Reduction in high security and safety risk and also curb banking related corruption. Electronic banking will be made banking transaction to be easier by bringing services closer to its customers hence improving banking industry performance. The financial safety over the digital payment channel is important for pushing the cashless economy idea. A major obstacle for the quick adoption of alternate mode of payment is mobile internet penetration, which is crucial because point of sale terminal works over mobile internet connection, while banks have been charging money on card based transaction which is seen in hurdle. India has been using electronic payment system for many year now, However the retail sector still has predominance of cash transaction and payment through cash is yet to pick up card is the one of the most secure, convenient cmode of cashless payment in retail market.

**4) How going cashless/ digitalisation helps Indian MSMEs**

- Businesses should strive for improvement and perfection at each stage of growth.
- Technology and innovation play a major role in ensuring this for MSMEs.
- Businesses that use technology manage to move ahead, and those who don't, remain stagnant and fade out sooner or later.

**5) Advantages and disadvantages of digitalisation or going cashless for MSMEs in India:****A) Advantages:**

1. Physical cash movement involves security threats and withdrawing/ depositing cash in banks is another time-consuming task. However, when it comes to cashless transactions, they are not only faster but also very secure.
2. There is a lot of transparency in cashless transactions as compared to cash-only businesses. Only if companies maintain physical financial records of cash transactions, then the history of the transactions can be traced.
3. Going cashless has enhanced business efficiency. There are Enterprise Resource Planning (ERP) software's available today that are designed for small businesses. These can enhance business efficiency and maximise the ROI without high-cost implications.
4. Since going cashless means using online internet services, this has opened many doors to the online marketing industry .As per a report by IMRB International (a multi-country market research, survey, and business consultancy firm), the number of internet users in India could touch 450 million active users by mid-2017.By going the digital way to market their offerings, businesses can reach out to consumers beyond their geographical location, and go global over time.

**Go Digital, Get Discounts :** Following are some of the major discounts offered by the government to encourage digitalisation :

- Service tax: Waiver of service tax of 15% on digital transaction upto 2000.
- Fuel: 0.75% discount on digital purchase of fuel through credit/debit, e-wallets or mobile wallets.
- Rail tickets: 0.5% discount on monthly and seasonal suburban railway tickets. Online rail tickets buyers get up to 10 lakh free accident insurance too.
- Rail catering: 5% discount on digital payments for railway catering, accommodation, retiring rooms, etc.
- Highway toll: 10% discount on NH toll payment via RFID or fast-tags in 2016-17.
- Insurance: 10% discount by government general insurers on premium paid online via their portals. 8% discount on new LIC policies bought online via its site. POS: Rs 100 a month is the maximum rent that PSU banks can charge for PoS terminals.

These discounts are truly in the benefit of the industry as well as the consumers.

**B) Disadvantages:**

1. The labour wages in the MSME sector are largely paid in cash and wages have been adversely affected by the demonetisation move.

2. Unemployment has also been reported owing to decline in demand of SME goods as the purchasing power of the consumers has contracted in the short term. Other sectors within the SME space like restaurants and transport operators have also been negatively impacted since economic activity has declined and also due to the fact that there is high tendency in this segment to accept payments through cash only.

3. Wholesale vegetable markets have been witnessing declining demand and prices of tomatoes and other food items have fallen drastically making it economically unviable for the farmers to produce these crops.

4. In a digitized economy, transactions can be traced and with traceable exchanges, there are records which have the potential access. These traces make the transaction sensitive and accessible. Such exchanges permit organizations an approach to manufacture a customer's close to home profiles in light of their spending designs. The issue of information mining likewise come as a point of concern of moving towards a cashless society.

5. All the SMEs need is an Aadhaar-linked bank account, an Android smartphone with internet connectivity, a biometric reader and the Aadhaar Payment App to get instant credit into the bank account. This may seem feasible from an urban perspective, but this is still a dream in the rural sector.

6. In going cashless, all the customers need is a debit or credit card to swipe on the machine and the PIN code for the card. This is done using POS (point of sale) machine which the MSME's need to be provided with.

#### **6) 2019 Budget What Is Benefit To Micro, Small And Medium Enterprises**

Stung by DeMo and further hit by a rushed GST rollout, small businesses have been smarting under the twin blows. Last year's Budget had reduced the corporate tax on companies with turnover of under Rs 250 crore from 30 per cent to 25 percent. With cess, their median tax rate was 34 per cent. SMEs have been particularly affected by lack of access to loans. Centre may ensure greater availability of loans, reduce regulatory compliance for greater ease of doing business and may even consider the industry's demand for a further cut in tax rates to 20 per cent. The latter is least likely though.

On the other hand, rising protectionism will help all domestic businesses as the Centre is likely to raise customs duty to promote Make In India. Last year's Budget too made a departure from years of cutting customs duty and actually raised them which increased the domestic prices of automobiles, mobile phones, toys, perfumes, even diamonds and footwear. This Budget is likely to follow suit, specifically in components. Consumer Electronics and Appliances Manufacturers Association has prodded the Centre to raise import duties on finished goods such as ACs, TVs, washing machines and refrigerators. Society of Indian Automobile Manufacturers too has asked for an increase in import duty on fully-built commercial vehicles from the current 25% to 40%. These would raise the cost for the consumer but will benefit domestic businesses indirectly as they will be able to raise prices.

#### **7) CONCLUSION:**

Due to the recent demonetization drive and then the GST roll out, it goes to say without any doubt that the MSME sector has been drastically affected. The MSMEs are reluctant to digitise due to various reasons such as profitability concerns, complex tax and regulatory regime, informal reliability of cash transactions. Even after repeated efforts put in by the government to promote ease of business, MSME's are very reluctant in going cashless. Research done by the government states it costs upto 2% of MSME's revenue to comply with existing laws. Apart from this, poor infrastructure, low smart phone penetration and other perceived risks add to the reluctance of the MSME sector's reluctance to go cashless. However, it is not the end of the road for the MSME sector. There are a few suggestions which can help the MSME sector to not only get adjusted to going cashless but also flourish and become profitable. Incentivising digital transactions can go a long way in encouraging the MSME's in going cashless This can be achieved by improving access to formal credit, reducing cost of digital transactions, minimising incentives to transact in cash, introducing a three-year tax holiday specifically for MSMEs, simplifying compliance requirements and last but not least, making registration of MSMEs mandatory. Lastly, if both the MSME's and the government work hand in hand, then it will surely lead to sustainable growth of the MSME's which will in turn development of the Indian economy.

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**IMPACT OF MONOPOLY ON BUSINESS AND CONSUMERS**

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**Yashvi Gala**Student, NMIMS' Kirit P. Mehta College of Law

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**ABSTRACT**

*This research paper consist of monopoly and its impact on consumer and business. Monopoly refers to one firm, which has control over the supply of a product, which has no close substitute. It includes the features of a monopoly market. It consists of detailed analysis of how monopoly market has affected both consumer and business. The research paper consists of the important impacts of monopoly. Monopoly has its impact on the price of the commodity, the supply of the commodity, the growth of the business, the demand of the commodity and also on the consumer. This research paper has a detailed study of the impact of monopoly and the need for the study. Monopoly has no rivals and faces no competition. In monopoly there is price discrimination and the firm under monopoly is price maker and not the price taker. The monopolist always wants to earn supernormal profit.*

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**INTRODUCTION**

'Mono' means single and 'poly' means seller. Thus monopoly means that single vender United Nations agency has complete management over the provision of the artifact. There is no close substitute of the commodity. Due to absence of competition monopolizer could be a worth maker and not a worth taker. Monopoly refers to a company that could be a single seller of a services or products inside the market. Monopoly is alleged to exist once one firm is that the sole producer or vender of a product that has no shut substitute. A monopoly basically holds the complete marketplace, controls expenses and components and or it doesn't even allow opposition get a beginning because of excessive marketplace access prices and criminal restrictions. A marketplace structure characterized with the aid of an unmarried supplier, selling a unique product in the marketplace. In a monopoly marketplace, the seller faces no opposition, as he's the only dealer of goods without a near replacement. In a monopoly marketplace, factors like authorities' license, possession of assets, copyright and patent and excessive starting fee make an entity a single supplier of products. All these elements restrict the access of other dealers inside the market. Monopolies additionally own a few records that is not recognised to other sellers. Characteristics associated with a monopoly marketplace make the single dealer the market controller in addition to the rate maker. He enjoys the strength of putting the fee for his items.

**Features of Monopoly Market:**

1. Under monopoly, the firm has complete control over the delivery of a product. The elasticity of demand is zero for the goods.
2. There is a different dealer or a producer of a selected product, and there is no distinction among the company and the industry. The firm is itself an enterprise.
3. The corporations can have an impact on the price of a product and as a result, those are rate makers, now not the rate takers.
4. There are boundaries for the brand new entrants.
5. The demand curve under monopoly market is downward sloping, this means that the company can earn extra income best by increasing the income which might be feasible by lowering the fee of a product.

Under a monopoly marketplace, new firms cannot enter the market freely thanks to any of the motives comprehensive of state license and laws, capital demand, difficult era and economies of scale.

**IMPACT OF MONOPOLY ON CONSUMER AND BUSINESS**

- Price, Supply and Demand

A monopoly's capacity to elevate costs indefinitely is its maximum vital detriment to purchasers. Because it has no industry opposition, a monopoly's charge is the market rate and call for is marketplace demand. Even at excessive prices, customers will not be able to alternative the coolest or service with a greater less expensive opportunity. As the sole provider, a monopoly can also refuse to serve clients. If a monopoly refuses to sell an important top to a enterprise, it has the potential to in a roundabout way close down that enterprise. If the provider sells to clients, it could refuse to serve areas that have decrease profit capacity that may in addition impoverish a place.

- **Natural Monopolies**

A natural monopoly, just like the water and sewage system, can prevent the duplication of infrastructure and consequently lessen capability expenses to clients. Natural monopolies which might be run through non-earnings corporations and nearby governments can have enough money to maintain expenses low enough to provide services to the majority of the public. When monopolies are privately owned by way of for-income businesses, prices can end up substantially better than in a aggressive marketplace. As a end result of better expenses, fewer consumers can manage to pay for the best or service, which can be detrimental in a rural or impoverished placing.

- **Economic Repercussions**

Some argue that monopolies are useful due to the fact highly-worthwhile agencies generally tend to pump greater budget into studies and improvement. Because the monopoly is in a dominant function, it could comfortably bear the risks associated with innovation. However, a rather-profitable monopoly additionally may additionally have little incentive for development so long as customers nevertheless show a want for their present day products or services. In evaluation, agencies in a aggressive marketplace can compete via making modifications to existing services and products and decreasing costs. Monopolies make sure there are high barriers to entry and accordingly no free driving or diversifications to their cutting-edge patents. The exertions pressure in a monopolized enterprise may also be significantly less than that of a competitive industry.

- **Dismantling a Monopoly**

One choice for coverage makers might be to dismantle the monopoly. This can be done via splitting the monopoly into two businesses, divide their bundled products or services, or setting apart services into smaller competing local offerings. The monopoly's separation will decrease the limitations to entry for brand new companies. The new opposition will finally provide a greater variety of alternatives and maximum likely lower prices for clients. For instance, in the Nineteen Eighties the USA skilled kingdom-huge deregulation inside the telecommunications industry. While 4 of the seven "Baby Bells" are lower back underneath the AT&T umbrella, the breakup continues to be taken into consideration a top notch fulfilment. Competition inside the telecommunication industry again is growing as begin-united states of America start using cellular era to disrupt the fee systems of the telecom corporations.

- **Lowering Prices**

Another alternative for coverage makers could be to cognizance on reducing costs as opposed to breaking aside a monopoly. Regulators can set pricing controls known as rate caps so that you can save you the organization from setting unreasonable charges. Price capping is a way to lessen the price advantage of being a monopoly because the price lowers to that of a competitive marketplace. Once competition increases inside the enterprise, policy makers can reduce or remove the rate caps. According to The Energy Journal, all US energy unbiased gadget operators have rate caps. Similarly, putting charge-of-return rate regulations can assist lessen artificially high application fees. The government can also choose to nationalize herbal monopolies to make sure that utility fees are within the first-rate hobby of the public.

- **Price Control**

Monopolies, being the best agency in their unique market, make the most their energy and independently set the fee of the service or product without having to consider what the competition's rate is. This generally results in better fees for the clients (either people or agencies) than a market with multiple companies offering the identical product or service. It essentially raises the running prices for all customers in a monopoly-managed market.

- **Supply Control**

A monopoly no longer only has the capacity to set a better price however can also produce much less amount of the product or provide much less service. For instance, a monopolistic postal carrier employer can offer much less choice of letter collection and shipping carrier for customers, along with people and agencies with delivery desires, due to the fact purchasers have no different alternatives from which to select.

- **Market Entry Costs**

Even if the high fees and occasional supply of a specific service or product in a monopolized marketplace draws other companies, there may be obstacles to entry. That's why the monopoly can exist and maintain its dominance. Entry charges can be high: The set-up of your personal commercial enterprise, along with technical and financial preparations inside the beginning, can be tough and high-priced. For instance, launching a brand new radio station may additionally require advanced technical equipment.

- **Restrictions and Regulations**

Legal restrictions, authorities' regulations, patents or franchise rights are also commonplace in a monopolistic market. To input the market agencies ought to practice for unique rights or go through particular regulations. These regulations may additionally require high technical apparatus and incur charges for the companies.

- **Research and Development**

Monopolies could make supernormal profit, which can be used to fund high cost capital investment funding. Successful studies may be used for stepped forward merchandise and decrease charges inside the long term. This is critical for industries like telecommunications, aeroplane manufacture and pharmaceuticals. Without monopoly energy that a patent offers, there can be much less improvement of scientific capsules. In growing pills, there's a high danger of failure; monopoly profits supply a firm greater self-belief to take risks and fund research which may also prove futile.

- **International competitiveness**

A home company may also have monopoly strength in the home. But face powerful opposition in worldwide markets. E.G. British Steel has a home monopoly but faces competition globally. With markets an increasing number of globalised, it is able to be important for a company to have a home monopoly which will be competitive the world over.

### **AIM OF THE STUDY**

The aim of the study is to understand the impact of monopoly on business and consumer. The aim is to know the different features of monopoly. The aim is to understand what monopoly is and how does it affect the price, supply and demand.

### **IMPORTANCE OF THE STUDY**

The importance of the study is to understand how monopoly affects business and consumers. The study helps us to understand the different impacts of monopoly on the supply of the commodity, on the demand, on the price of the commodity and on many other aspects. This study is important for researchers, students and businesses to know what impact monopoly market would have on them. It will help them to understand the features and the impact of monopoly market. This will help the consumer to know what is monopoly market and what impact will this have on them. The consumers are the one who will buy the commodity and since monopoly is has price discrimination it is important for the consumers to know its impact. In similar manner since the supply is in the hands of the firm, the firm has the entire control over the market which will help them to find out how they can increase their profit.

### **CONCLUSION**

As the only companies of a services or products, monopolies have no opposition and no fee restrictions. Monopolies use patents, mergers, and acquisitions to reap industry dominance and save you marketplace entry. If left unmonitored and unregulated, monopolies can adversely affect corporations, customers and even the financial system. A monopoly's ability to elevate prices indefinitely is its maximum vital detriment to customers. Because it has no industry competition, a monopoly's rate is the marketplace rate and call for is market call for. Even at excessive costs, clients will no longer be able to replacement the good or provider with an extra less expensive alternative. Monopolies can affect the consumers in lots of ways. One manner is through obvious price gouging that might occur from the monopolistic agency elevating their price over what is considered truthful. Monopolies affect the consumer through the idea that big business can decrease costs and provide a better product for the consumer

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**TO STUDY PERCEPTION OF WOMEN IN ULHASNAGR TOWARDS CASHLESS ECONOMY**

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**Roshni Valecha**Department of BMS, Smt. CHM College, Ulhasnagar

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**ABSTRACT**

*A cashless economy is defined as the economic state where all transactions are done using electronic means (i.e. by using cards or e – payments) rather than in physical cash.*

*As India is moving towards digitalization and women plays an important part in development of economy in 21<sup>st</sup> century. To make further developments in cash less economy and economic growth view points of women are considered equally important. In this paper, the basic aim of researcher is to study about the perception of women in Ulhasnagar towards various cashless transactions, their preference towards cash or cashless payments and the problems faced by them.*

*Keywords: Cashless transaction, women, Ulhasnagar.*

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**1. INTRODUCTION:**

According to the website of cashless India, the Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. “Faceless, Paperless, Cashless” is one of the professed roles of Digital India.

To curb out black money from the economy and to make India a cashless economy demonetization was announced by our Honourable Prime Minister on 8<sup>th</sup> November, 2016 where 500 and 1000 notes were banned. This initiative was taken to remove all the black money from the system and make the country proceed towards digitization.

Government had taken various initiatives and introduced various schemes for promotion of paperless money. After demonetization, there was an increase in issue of debit cards and credit cards among the citizens. Also BHIM UPI is the official payment application launched by Government where money can be transferred immediately with use of mobile numbers. Banks have started offering attractive discounts and offers to motivate public to go cashless. Various companies such as PayTM, Mobikwik, Freecharge, Google Pay, etc... Started E-wallet services where money can be kept and transferred immediately by use of phone number and linked bank account. They also provide various cash backs and discounts on various transactions such as bill payments, recharges, online shopping, movie tickets etc.. To encourage customers to go cashless. Some benefits of cashless economy are:

- Reduced cash handling charges, cost reduction of printing cash & misuse of cash
- Increase in white income and tax revenues
- Reduction of black money from the economy
- Convenient to use.
- It promotes economic growth

As it is said that every change comes with some pros and cons, even cashless India has to face some of the problems. India being a developing nation has to face with many hurdles such as:

- Even in 21<sup>st</sup> Century, there are many people who are still illiterate. They face problems to opt for cashless transactions.
- Many people do not own smart phones and do not have internet connection. There is lack of digital infrastructure. Every citizen is not technologically friendly.
- Many of the citizens of rural India do not have bank accounts, so they cannot use debit cards and credit cards.
- Risk of online hacking.
- Higher risk of Identity threat.

**OBJECTIVES**

1. To understand the awareness by women about the various modes of payment.
2. To know the preference behind using various modes of payments.

3. To find the problems faced by women with emerging modes of payments in Ulhasnagar.

4. To suggest measures to overcome these problems.

### SCOPE OF STUDY

The research was undertaken to gather information from the respondent to know exactly the perception of women in Ulhasnagar towards cashless economy and the study was restricted to 50 women within Ulhasnagar

### 2. REVIEW OF LITERATURE

**Sumedha Gupta (IJASPM Nov 2017)** in their paper presented the attitude of women of Ludhiana towards cashless economy. The objective of the study was to study the attitude of urban women of Ludhiana towards cashless economy. The paper showed the classification of women according to their age, marital status, qualification, their preference for opting and challenges faced during cashless transactions.

**C. Thilagavathy & Dr. S. Naga Santhi (IJRRAS August 2017)** in their research paper presented the impact and importance of cashless transactions in India. Their study showed the impact and future trend of cashless transaction in India

**Dr. V. Rathika and Ms. Mitra Priya (Journal of Management Research and Analysis)** studied about the risk, importance and response of women professors specifically of Chennai. The study suggested more safety measures at ATM centers and more affordable services to be started.

**Prakash khillare and Dr. Madhulika Sonawane (IJEDR 2018)** – In this paper, research was conducted to know the attitude of domestic workers towards digital payment system and their perception towards accepting it.

**Inter alia Res journa Managt Sci Tech** presented that this paper would dwell into the various modes of electronic transactions and payments. Further, the study would stress on the consumer attitude towards such electronic transactions and payments and would try to bring out any difficulties faced by a person with ordinary knowledge while performing electronic transactions in the North Eastern region of India. This initiative will only see success when such hindrances would be overcome with wider public participation in this digitalization movement at every corner of the country.

**GAP ANALYSIS:** As many research has been done on cashless economy, but specifically no research is done on perception of Women in Ulhasnagar.

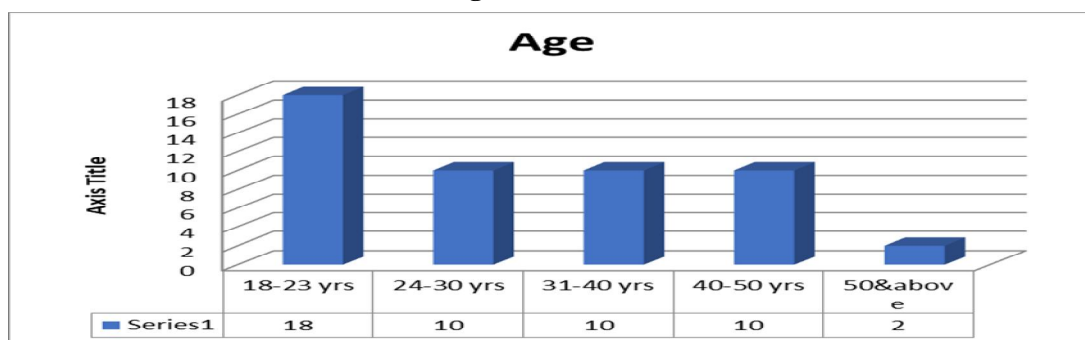
### 3. METHODOLOGY

- Sources of Data Collection:** Primary data was collected via online questionnaire. Secondary data was collected via online journals, websites etc...
- Sample Size:** 50 women of Ulhasnagar is the sample size.
- Tools:** To analyse, data was collected by using structured questionnaire which was filled online.

### 4. ANALYSIS AND INTERPRETATION

- Classification of women according to Age

**Table 1: Age wise classification of women**

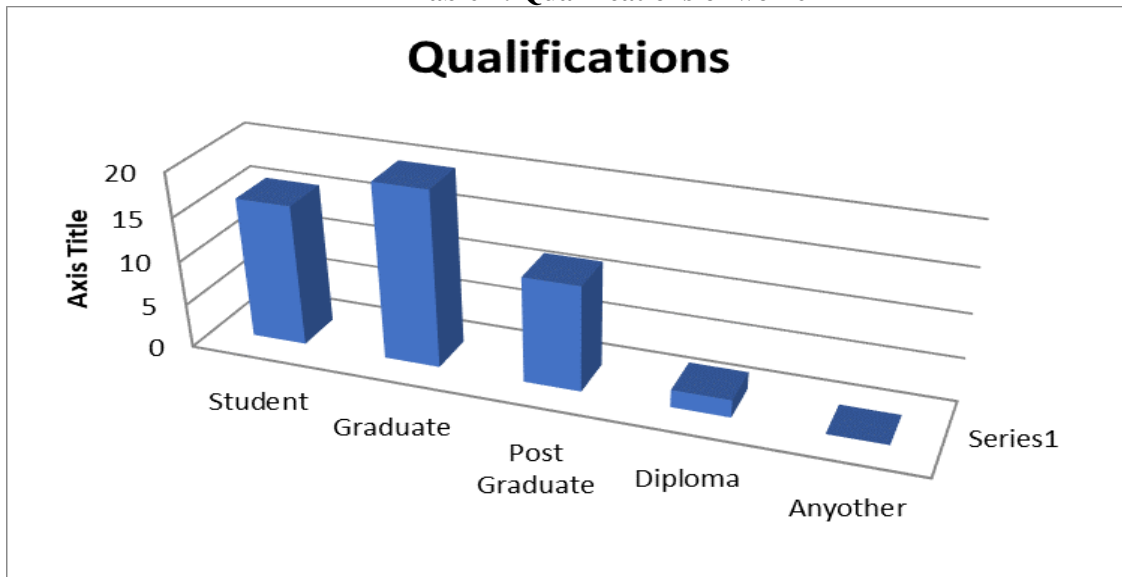


(Source: Primary Data)

This table shows that, out of 50 women surveyed, 18 women are from the age group of 18-23 years, 10 women are in the age group of 24-30 years, 10 women are in the age group of 31-40 years, 10 women are in the age group of 40-50 years, and remaining 2 women are in the age group of 50 & above.

- Classification of women according to their Qualifications

Table 2: Qualifications of women

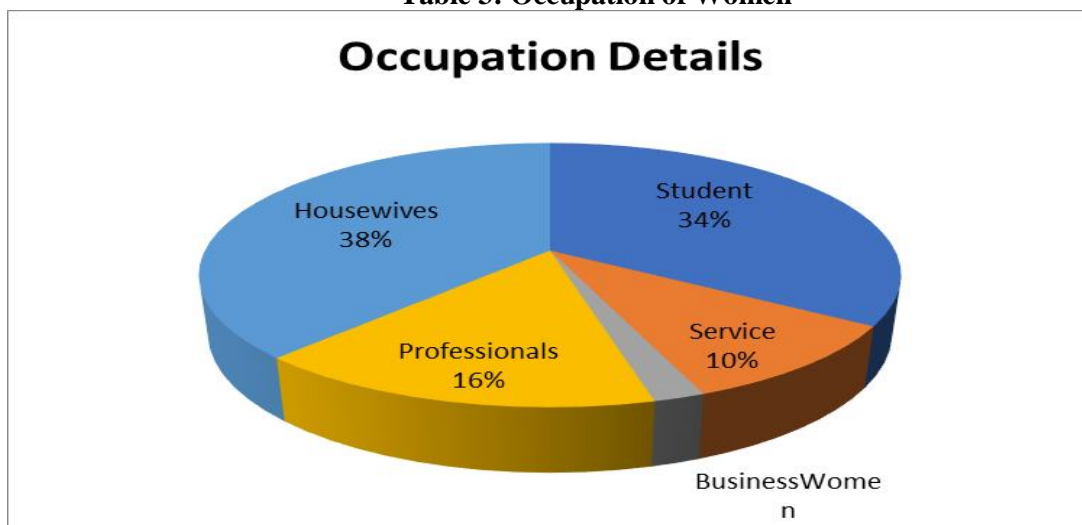


(Source: Primary Data)

This Table shows that, out of 50 women, 16 women are students, 20 are graduates, 12 are post graduates and 2 women are having diploma degrees.

c) Classification of women according to their Occupation

Table 3: Occupation of Women

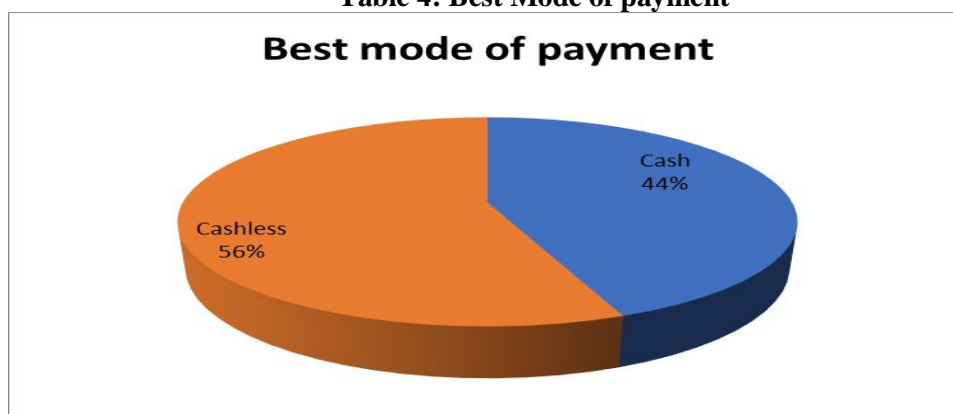


(Source: Primary Data)

This table clearly indicates that 38% women are housewives, 34% are students, 16% women's are professionals, 10% women are in service sector and remaining 2% women are Businesswomen's.

d) Classification on the basis of preferred mode of payment?

Table 4: Best Mode of payment

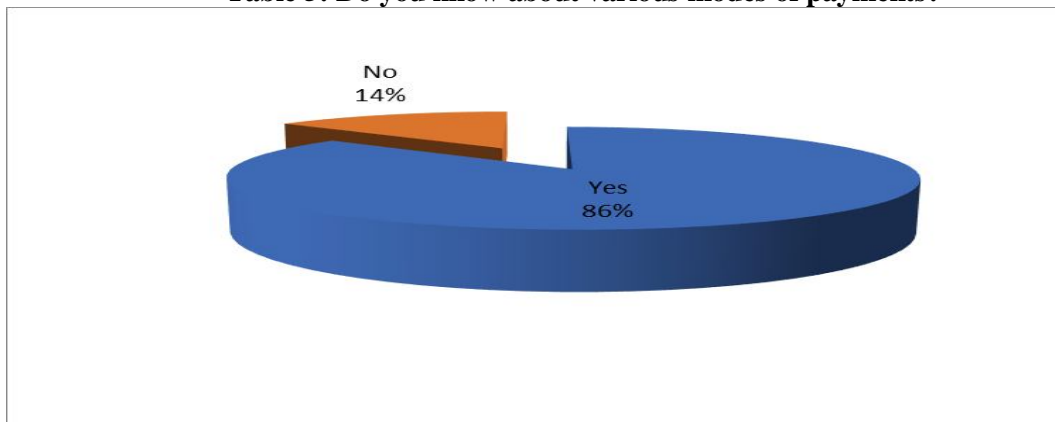


(Source: Primary Data)

The above diagram clearly shows that 44% women prefers cash payment where as 56% women prefers cashless transactions.

e) Classification on the basis of awareness of various modes of payments available?

**Table 5: Do you know about various modes of payments?**

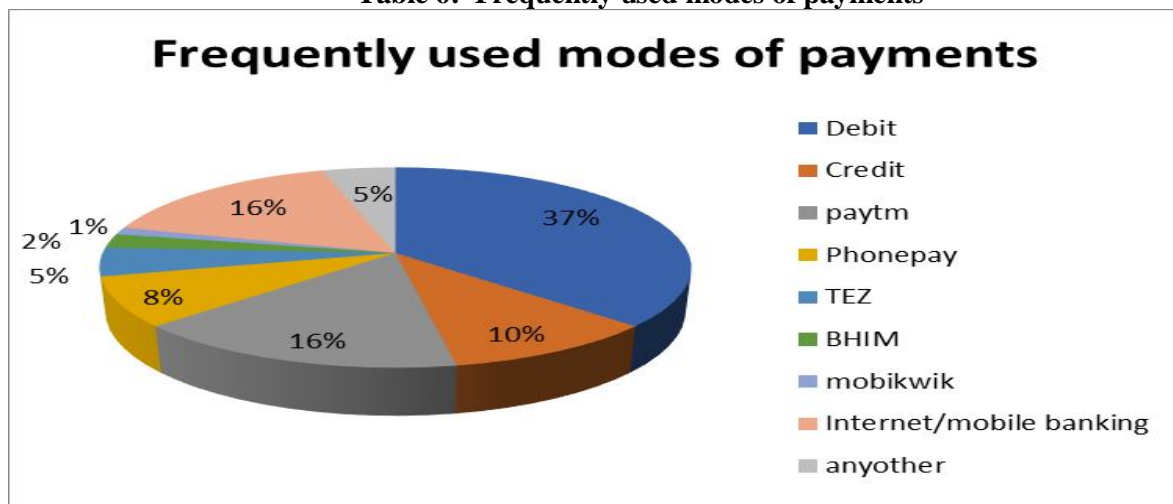


(Source: Primary Data)

The above diagram shows that 86% women are aware of the various modes of payments available and remaining 14% are not aware of the same.

f) Classification on the basis of which modes of payments do women use frequently ?

**Table 6: Frequently used modes of payments**

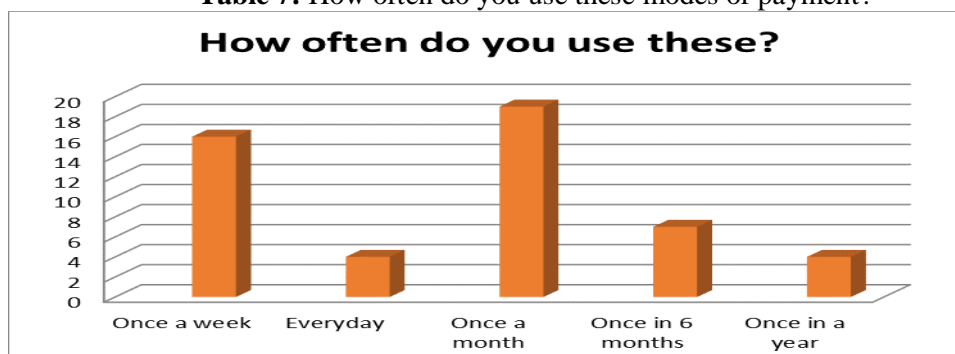


(Source: Primary Data)

The above classification clearly shows us that out of 50 women surveyed, majority of women i.e. 37% women uses debit cards, 10% women use credit cards, 16% use PayTM, 8% use PhonePay, 5% uses TEZ, 2% BHIM, 1% Mobikwik, 16% Internet/ Mobile banking, and remaining 5% women uses other modes of payments like freecharge, amazon pay etc...

g) Classification of the basis of use of various modes of payments.

**Table 7: How often do you use these modes of payment?**

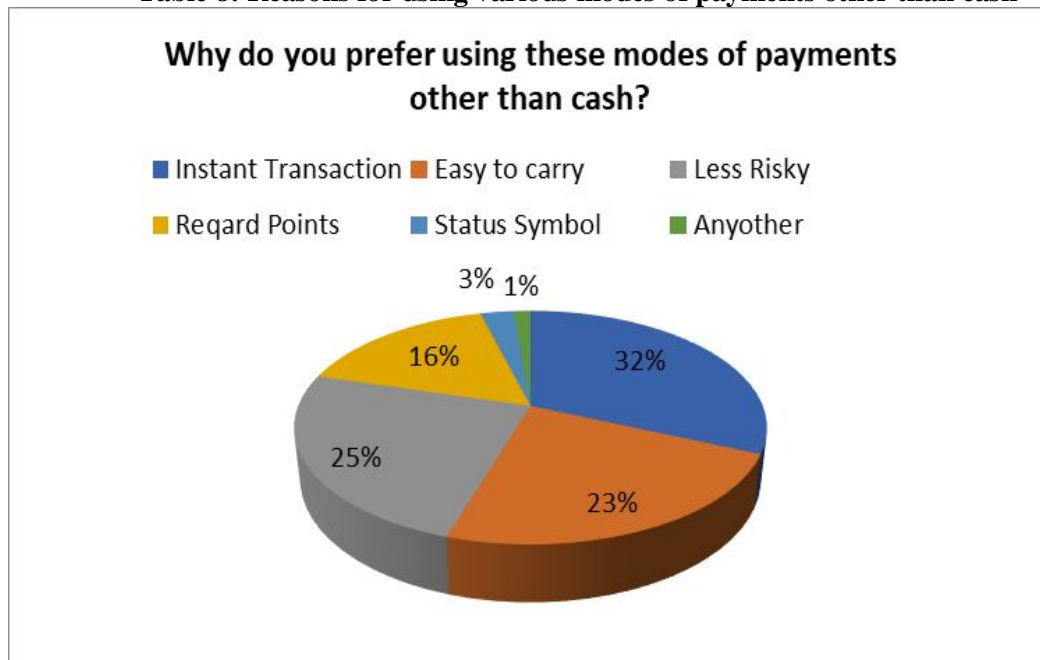


(Source: Primary Data)

The above diagram represents that, out of 50 women 4 women do cashless transactions everyday, 16 women do once a week, 19 women once a month, 7 women uses once in 6 months and 4 women do once a year.

h) Classification on the basis on preference to choose cashless transactions

**Table 8: Reasons for using various modes of payments other than cash**

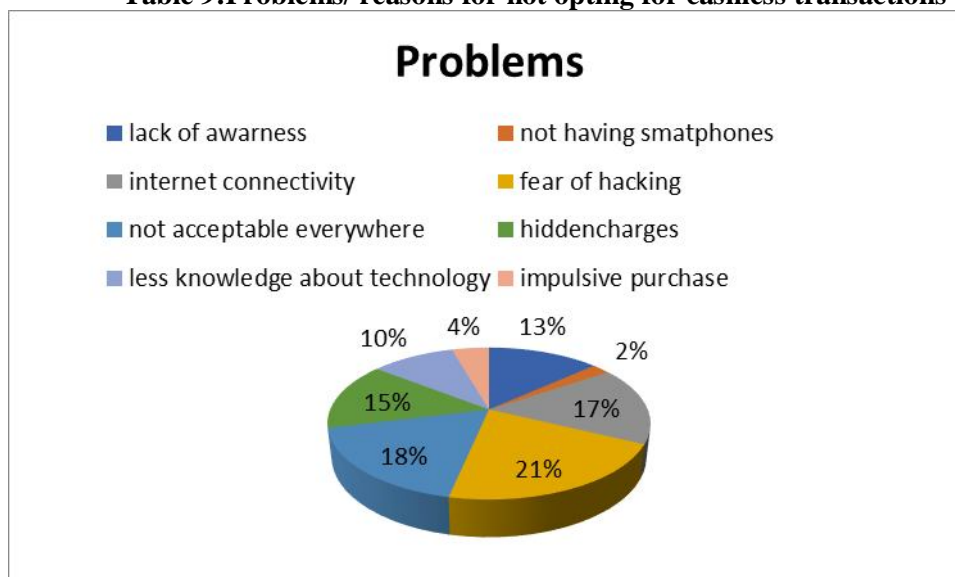


(Source: Primary Data)

The above diagram shows that 32% women prefer cashless transactions because they can be used instantly, 23% women prefer going cashless as cards are easy to carry compared to cash and e-wallets are easy to manage, 25% women consider it as less risky as compared to cash, 16% women opt because of various discounts and reward points are offered on cashless transactions than on transactions using cash, 3% women consider as status symbol, and 1% women have their personal preference to go cashless than carrying cash.

i) Classification on the basis of problems/ reasons for not opting for cashless transactions?

**Table 9: Problems/ reasons for not opting for cashless transactions**



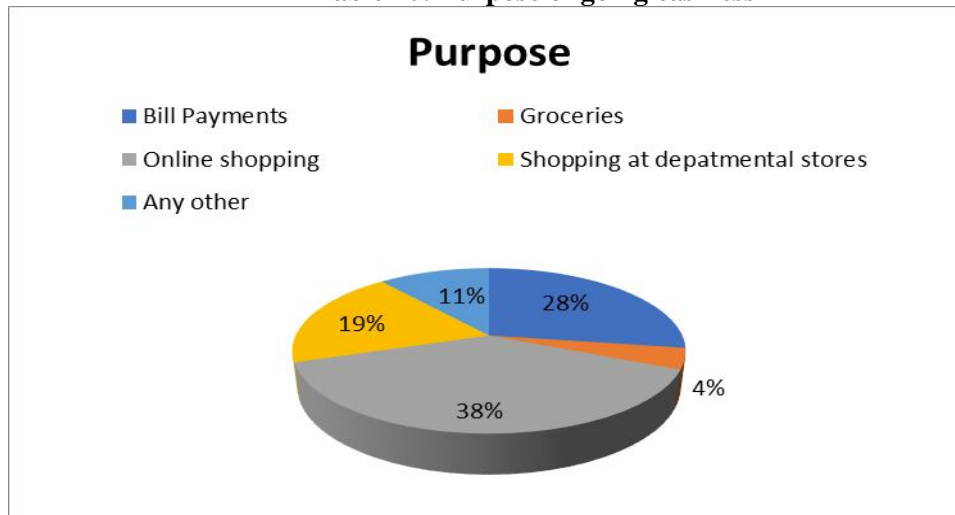
(Source: Primary Data)

This shows that women have faced various problems using cashless modes of payment. 13% women are not aware of various modes of cashless modes available, 10% women are aware but they are not up to date technologically and hence find it difficult, 17% women face problems due to internet connections, 15% women restrain from doing as they feel that cards and online payments contains some hidden charges and transactions

fees, 13% women hesitate from doing as they feel their data or cards may get hacked, 18% women faces the problems that their cards are not accepted everywhere, 2% women do not have smart phones, 4% women do not go cashless as they find themselves in impulsive purchases.

j) Classification on the basis of purpose of going Cashless?

**Table 10: Purpose of going cashless**



(Source: Primary Data)

The above diagram shows that 38% women uses cashless transaction for online shopping, 28% women for various bill payments, 19% for shopping at various departmental stores, 4% for purchase of groceries and remaining 2% for various other uses like banking activities, restaurants, movie tickets, amusement parks, payment of fees etc..

## 5. FINDINGS

It is found that the majority of respondents (18 out of 50 women) opting for cashless transactions are from age group of 18-23 years majority being graduates (i.e. 20 women's) and housewives (i.e. 38%). 56% women prefer cashless transactions as compared to cash. Various modes of payments used by them are debit cards (37%), 10% women opt for credit cards, 16% uses PayTM followed by small numbers of women using Phone Pay, Mobikwik, mobile / Internet banking, BHIM and various other modes. It is found that 19 of 50 women opt for cashless transactions once a month. 23% women prefer cashless transactions because they are used instantly, 25% considers as less risky compared to cash, 16% opt for various discounts and offers, 3% considers this as a status symbol and remaining 1% have their personal preferences. 10% women resist cashless transactions because they are not technologically update, 17% face problem of internet connection, and other technical problems.

## 6. SUGGESTIONS

- More awareness campaigns/ advertisement / programs to be conducted to create more awareness and create confidence among the women to use cashless transactions.
- Banks or payment companies should clearly mention all the charges and processing fees.
- Payment gateways should be highly secured to create confidence in the minds of users.
- Free internet services should be provided at various points of sales.

## CONCLUSIONS:

After demonetization, the country is moving rapidly towards cashless economy. Women have been actively involved using digital payments. There are some issues/ problems which need to be overcome in the near future to see more growth in cashless payments. To boost confidence and create awareness Government and various companies, and Banks conduct awareness programs. The overall analysis shows that women have positively responded towards cashless payments and contributing positively towards economic growth.

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**AN ANALYTICAL STUDY OF SUCCESS OR FAILURE OF DEMONETIZATION IN INDIA**

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**Dr. Mangesh Vasudeo Panchal**Research Scholar, Accountancy Department, Ramniranjan  
Jhunjhunwala College of Arts, Science and Commerce, Ghatkopar (West), Mumbai

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**ABSTRACT:**

*The researcher has studied the views of people in respect of causes of failure of demonetization in India. The study was conducted in Mumbai. The data was collected from the respondents with the help of structured questionnaire and analyzed using simple percentage method, Mean, Median, Mode and One Sample Test. Responses from respondents show that there are significant causes of failure of demonetization in India.*

*Keywords: Cashless, Demonetization, Economy, Failure, Success*

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**1. INTRODUCTION:**

Our Central Government headed by Mr. Prime Minister Mr. Narendra Modi banned the high denomination notes Rs. 500 and Rs. 1,000 on 8<sup>th</sup> November, 2016 aiming to curb black money, to eliminate fake currency from circulation and to strike on terrorism. It was a right decision since the amount of cash in circulation and the amount of high denomination notes had drastically increased in India in last 10 years period from 2004 – 2014.

**2. OBJECTIVES OF THE RESEARCH PAPER:**

The objective of this research paper is to investigate and understand the causes for the failure of failure of demonetization in India. The objective of the present study is as follows:

- i) To study the causes for the failure of demonetization in India

**3. STATEMENT OF PROBLEM**

There are various causes for the failure of demonetization in India.

**4. HYPOTHESES OF THE STUDY:****Hypothesis (1):**

**Null Hypothesis (H<sub>0</sub>):** There are not significant causes for the failure of demonetization in India

**Alternative Hypothesis (H<sub>1</sub>):** There are significant causes for the failure of demonetization in India

**5. SIGNIFICANCE OF THE STUDY:**

The study will help to understand causes for the failure of demonetization in India.

**6. RESEARCH METHODOLOGY OF THE RESEARCH PAPER:**

The study is conducted to obtain data on causes for the failure of demonetization in India. In the present study, the researcher has used both methods of data collection primary methods and secondary method.

**PRIMARY METHOD OF DATA COLLECTION:**

In primary method, researcher has collected data from 90 respondents. Data was collected from the sample by using Google forms on internet. The structured questionnaire was designed for the same to collect data (responses) from the sample.

**SECONDARY METHOD OF DATA COLLECTION:**

The secondary data are those which have already been collected and passed through statistical process. The secondary data for the study were based on Annual reports, Newspapers, Journals, Research papers. The articles in magazines, Internet, Video has also been considered for the purpose of secondary data collection.

**7. LIMITATIONS OF THE STUDY:**

In the present research study, researcher has used convenience sampling method to select the samples from the populations. Convenience sampling is a non-probability sampling technique where respondents are selected because of their convenient accessibility and proximity to the researcher. Due to time constraint, data is collected from only 71 respondents.

**8. INTERPRETATION:****SAMPLE PROFILE:**

In the Table No. 1.1, researcher has presented details of the respondents according to their gender wise distribution.

**Table No. 1.1: Gender wise distribution of respondents**

Gender	Frequency	Percent
Female	36	36
Male	54	54
Total	90	100

Table No. 1.1 reveals the number of respondents with respect to gender. For the present study, 54 Males and 36 Females were deliberately and randomly selected for the response to questionnaire.

In the table no. 1.2, the researcher has presented details of the respondents according to their age.

**Table No. 1.2: Age (Years)**

Age	Frequency	Percent
16 -25	25	27.78
26 - 35	18	20
36 - 45	22	24.44
46 - 55	13	14.44
56 and above	12	13.33
<b>Total</b>	<b>90</b>	<b>100</b>

Sources: Primary Data

Table No. 1.2 reveals about age wise distribution of respondents. Out of 90 respondents 25 respondents were between 16 - 25 years, 18 respondents were between 26-35 years, 22 respondents were between 36-45, 13 respondents were between 46 – 55 and 12 respondents were between 56 and above.

In the Table No. 1.3, researcher has presented details of respondents about their marital status.

**Table No. 1.3: Marital Status**

Marital Status	Frequency	Percent
Married	62	68.9
Unmarried	28	31.1
<b>Total</b>	<b>90</b>	<b>100.00</b>

Sources: Compiled from Primary Data

Table No. 1.3 reveals marital status of the respondents. Out 90 respondents, 62 respondents were married whereas 28 respondents were unmarried.

In the Table No. 1.4, researcher has presented details of the respondents about their education level.

**Table No. 1.4: Qualification**

Qualification	Frequency	Percent
Under Graduate	4	4.40
Graduate	8	8.90
Post Graduate	46	51.10
Professional	12	12
<b>TOTAL</b>	<b>90</b>	<b>100</b>

Sources: Compiled from Primary Data

Table No. 1.4 reveals educational level of respondents. 4 respondents were Under Graduate, 8 respondents were Graduate, 46 respondents were Post Graduate, 12 respondents were Professional.

#### **ANALYSIS OF DATA OF THE PRESENT STUDY:**

To study the causes of failure of demonetization in India, the respondents were asked to express their views on the five point benefits scale. The codes for which are given below.

SA = Strongly Agree = 5

Agree = 4

Neutral = 3

Disagree = 2

SD = Strongly Disagree - 1

The details of responses are given in the following table.

**Table No. 1.5: Causes of Failure of Demonetization in India (in Frequency)**

Sr. No.	Causes of Failure of Demonetization in India	SA		Agree		Neutral		Disagree		SD	
		F	%	F	%	F	%	F	%	F	%
1.	Consumers are yet to get rid of the cash based transaction habits, as for decades India has been a cash based economy	22	24.4	50	55.6	4	4.4	6	6.7	8	8.9
2.	There are few hidden charges for the digital payment (transaction)	25	27.8	55	61.1	7	7.8	1	1.1	2	2.2
3.	Inadequate digital payment infrastructure. It is required that every shopkeeper, Vendor, Taxi or Auto driver should have machines and gadgets to accept the transaction]	27	30	53	58.9	3	3.3	4	4.4	3	3.3
4.	Difficult for senior and very senior citizen to adopt digital payment system]	39	43.3	36	40	2	2.2	6	6.7	7	7.8
5.	Slow Internet Speed	39	43.3	37	41.1	2	2.2	5	5.6	7	7.8
6.	Risk of Cyber Fraud]	48	53.3	27	30	9	10	3	3.3	3	3.3
7.	Fear of using net banking and credit cards online due to security threats and the lack of experience of transacting online]	33	36.7	51	56.7	1	1.1	2	2.2	3	3.3
8.	Poor Mobile network connection]	43	47.8	23	25.6	7	7.8	4	4.4	13	14.4
9.	Problem of illiteracy	37	41.1	45	50	1	1.1	1	1.1	6	6.7
10.	Lack of awareness among the consumer and businessmen about the benefits of digital payment]	35	38.9	38	42.2	1	1.1	8	8.9	8	8.9
11.	Availability of enough money in the circulation	16	17.8	60	66.7	5	5.6	4	4.4	5	5.6

**Sources:** Compiled from Primary Data

Above table no. 1.5 shows responses of the respondents in frequency and percentage. From the above table, it can be concluded that there are various causes of failure of demonetization in India.

**Table No. 1.6: Descriptive parameters related to Causes of Failure of Demonetization**

Sr. No.	Causes of Failure of Demonetization in India	Mean	Median	Mode
1.	Consumers are yet to get rid of the cash based transaction habits, as for decades India has been a cash based economy	3.80	4.00	4
2.	There are few hidden charges for the digital payment (transaction)	4.11	4.00	4

3.	Inadequate digital payment infrastructure.	4.08	4.00	4
4.	Difficult for senior and very senior citizen to adopt digital payment system	4.06	4.00	5
5.	Slow Internet Speeds	4.07	4.00	5
6.	Risk of Cyber Fraud	4.29	5.00	5
7.	Fear of using net banking and credit cards online due to security threats and the lack of experience of transacting online	4.21	4.00	4
8.	Poor Mobile network connection	3.88	4.00	5
9.	Problem of illiteracy	4.18	4.00	4
10.	Lack of awareness among the consumer and businessmen about the benefits of digital payment	3.93	4.00	4
11.	Availability of enough money in the circulation	3.87	4.00	4

Sources: Compiled from Primary Data

**INTERPRETATION:**

Above table no. 1.6 shows descriptive parameters such as Mean, Median and Mode related to causes of failures of demonetization in India. From the above table, it can be concluded that the Mean of causes of failures of demonetization in India is closed to 4. Median and mode of causes of failures of demonetization in India is also closed to 4.

**HYPOTHESES TESTING OF THE STUDY****HYPOTHESIS 1:**

H<sub>0</sub>: There are not significant causes of failure of demonetization in India

H<sub>1</sub>: There are significant causes of failure of demonetization in India.

For testing above hypotheses, researcher has used **One-Sample Test**

**Table No. 1.7: One-Sample Test**

One-Sample Test						
Test Value = 3						
Causes of failure of demonetization in India	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
	25.462	10	.000	1.082	0.987152	1.176485

Sources: Compiled from Primary Data

**OBSERVATION:**

From above table no. 1.7 it is observed that  $t(10) = 25.462$ ,  $P=0.000$ .

**INTERPRETATION:**

P-value is 0.000 which is less than 0.05. Therefore, we reject null hypothesis and accept alternative hypothesis.

**9. FINDINGS:**

From the above study it is found that:

In case of **hypothesis**, alternative hypothesis has been accepted i.e. there are significant causes of failure of demonetization in India and hence, null hypothesis has been rejected.

**10. CONCLUSIONS:**

From the above study it can be concluded that lack of awareness among the consumer and businessmen about the benefits of digital payment, inadequate digital payment infrastructure, availability of enough money in the circulation

**11. SUGGESTIONS:**

There should be huge publicity about benefits of digital payment. Government should develop good infrastructure facilities about digital payment.

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**CASHLESS ECONOMY- ARE WE READY TO TRANSFORM**

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**Prof. Ritu Kashyap and Prof. Sneha Shah**  
Bal-Bharati's College

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**ABSTRACT:**

*Cashless economies are those that use mostly plastic or digital money and thus minimal cash or money in paper form. The ease of conducting financial transactions is probably the biggest motivator to go digital. The study develops a conceptual framework to understand the working of cashless economy. The paper highlights the various objective of being cashless. It studies the different methods of cashless payment and the essentials for being cashless. The benefits of making a country cashless have also been included. The study also explains the hurdles coming in the way of making an economy cashless. The study examines the effect of adopting cashless payment on economic growth and development of the developing countries. The result put together gives us an important policy direction towards what can enable the country to increase cashless payments.*

*Keywords: Cashless, Payment, Economic Growth and Development*

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**INTRODUCTION:**

In making India a cashless economy Large part of the population is still outside the scope of Net banking like use of credit or debit cards, making transactions using mobile phones, and using the internet to pay bills they are not in a position to reduce its dependence on cash. Second, about 90% of the workforce, which produces nearly half of the output in the country, works in rural sector It will not be easy for this sector to become cashless. There is a general preference for cash transactions in India. Merchants prefer not to keep records in order to avoid paying taxes and buyers find cash payments more convenient. Although cashless transactions have gone up in recent times, a meaningful transition will depend on a number of things such as awareness, technological developments and government intervention. For instance, mobile wallets have seen notable traction, and it is possible that a large number of Indians will move straight from cash to mobile wallets. The availability and quality of telecom network will play an important role. People face difficulties in making electronic payments even in metro cities because of poor network. Service providers will have to constantly invest in technology in order to improve security and ease of transaction. People will only shift when it's easier, certain and safe to make cashless transactions. The government will also need to play its part. It will have to find ways to incentivize cashless transactions and discourage cash payments. Difficulties in changing attitudes and perception of people towards moving digital payments. India is dominated by small retailers. They don't have enough resources to invest in electronic payment infrastructure.

**OBJECTIVES OF THE STUDY:**

To find out the impact of being cashless and the ways to equip, in order to embrace the changes

**Research Methodology:-**

The research methodology adopted for the project is secondary

**FEATURES:**

The cashless transactions are evolution of cashless economy. It is a first step to buy and sell without physical cash. The study highlights various objective of being cashless which are as follows:

- 1. Modernization of Payment System:** To drive development and modernization of payment system electronic payment is first step. An efficient and modern payment system is positively correlated with economic development, and is a key enabler for economic growth.
- 2. Efficient Transaction:** To reduce the cost of banking services (including cost of credit) and drive financial inclusion by providing more efficient transaction options and greater reach.
- 3. Managing Inflation and Driving Economic Growth:** To improve the effectiveness of monetary policy in managing inflation and driving economic growth. In addition, the cash policy aims to curb some of the negative consequences associated with the high usage of physical cash in the economy.
- 4. High cost of Cash:** There is a high cost of cash along the value chain from the banks, to corporations and traders; everyone bears the high costs associated with volume cash handling.
- 5. High risk of Using Cash:** Cash encourages robbery and other cash related crimes. It can also lead to financial loss in the case of fire and flooding incidents. It can be reduced by cashless transactions.

**6. Informal Economy:** High cash usage results in a lot of money outside the formal economy, thus limiting the effectiveness of monetary policy in managing inflation and encouraging economic growth.

**7. Inefficiency and Corruption:** High cash usage enables corruption, leakages and money laundering, amongst other cash-related fraudulent activities can be reduced by cashless payments.

**Modes of cashless payment are ways of paying without cash.**

**Modes of Cashless Payments • Cheque-** This is one of oldest method of cashless payment. Most people are familiar with this method. Cheques are issued of specific amount in the name of payee. The cheque gets deposited in the respective bank. The bank processes a payment through a clearing house. The transaction though cheque gets recorded and there is a proof of payment. Indian government is going to abolish cheque books in near future.

- **Demand draft-** This is secure way of receiving payment as it is signed by the banker. There are no chances of default as it is a prepaid instrument.

- **Online Transfer- NEFT or RTGS-** Unlike cheque and DD this is the fastest method as it is done using internet facility. NEFT and RTGS is used for transfer funds between banks within a country. RTGS is one of the fastest interbank facilities as beneficiary bank credits the recipient's account within 30 minutes of receiving the fund transfer message. On the other hand, NEFT works on a deferred settlement system.

- **E- wallets -**This method is used for fund transfer and online shopping but both customer and merchant require a smart phone with internet connectivity. PayPal, Transfer Wise, Skrill and Payza are most commonly used E-wallets. E-wallets are linked with credit or debit card using E-wallet id.

- **Mobile wallet -**This is a very convenient way of making small payments. Mobile wallets do not require debit or credit card linking. Money is loaded in wallet using Immediate Payment Service (IMPS). The amount of debit cards is growing at a faster rate than credit cards (RBR's Global Payment Cards Data and Forecasts to 2021 study). A cashless method is more transparent as every transaction can be traced easily as it leaves its footprints. Many smart people have adopted new cashless payment options.

**Initiatives Taken By Government To Steer Indian Economy Towards Digitalisation** → The Central Government Petroleum PSUs offer discount at the rate of 0.75% of the sale price to customers on purchase of petrol or diesel for making digital payment. Government announced to extend financial support through NABARD to eligible banks for deployment of two POS machines each in one lakh villages at primary cooperative societies, milk societies or agricultural input dealers. RRBs have been directed by NABARD to issue 'Rupay Kisan Cards' to Kisan Credit Card holders to enable them to make paperless transactions. Railways provide up to 0.50% discount for monthly or seasonal tickets to customers. Free accidental insurance cover up to Rs.10 lakh to passengers buying online tickets. Discount of 5% on digital payment of paid services offered by railways. Incentive by public sector insurance companies in the form of discount or credit up to 10% of the general insurance premium and 8% of life insurance premium if payment is made through cashless method. Government have instructed public sector banks not to charge more than Rs.100 per month as monthly rent for POS terminals from traders. Service tax is waived on digital transactions up to Rs.2000. Under section 44AD of the Income Tax Act 1961, lower tax rate is charged on digital turnover up to Rs. 2 crores for small businesses. Transactions up to Rs.1000 made through IMPS, USSD and UPI systems are free from charges. Oil Marketing Companies also give discount of 5% to customers on every online LPG refill booking.

**BENEFITS OF A CASHLESS ECONOMY:**

- The cashless economy will definitely boost the economy as it will reduce the making and handling paper money.
- It will also reduce the movement of black money in hard cash
- It will also reduce the crime rates
- It will also control circulation of fake money
- Spending can be easily tracked by an individual.

The ease of conducting financial transactions is probably the biggest motivator to go digital. Cash less payments have several advantages, which were never available through the traditional modes of payment, some of which are; privacy, integrity, compatibility, good transaction efficiency, acceptability, convenience, mobility, low financial risk.

There are many benefits of a cashless discussed as under:

**1. Ease of Conducting Financial Transactions:** First of all there is an ease of conducting financial transactions, which is probably the biggest motivators to go digital. In cashless payment there is no need to carry wads of cash or even stand in long queues in bank. It will be easy to carry money with you during travelling. It will be especially useful in case of medical emergencies. You can pay easily during working hours also.

**2. Reduce Risk:** The policy will help fight against corruption/money laundering and reduce the risk of carrying cash, reduced cost, corruption and money laundering.

**3. Reduced Tax Avoidance:** Thirdly, the cashless economy gets benefit of reduced tax avoidance. The recent waiver of service tax on card transactions also promotes digital transactions. This has been followed by a series of cuts and freebies. People will get discount on digital purchase which will cut their cost. Add to these the cash back offers and discounts offered by mobile wallet like Paytm, as well as the reward points and loyalty benefits on existing credit and store cards

**4. Reduced Tax:** Taxation with lesser availability of hard cash at homes and more in banks, there is lesser scope of hiding income and evading taxation and when there is more tax payer it ultimately leads to a lesser rate of taxation for the whole country

**5. Transparency:** It is not just the easiest way to transact but also brings about a lot more transparency in the financial system, which helps to curb generation of black money.

**6. Reduce prices of real estate:** Further, it will reduce real estate prices because of curb on black money as most of black money is invested in real estate prices which inflates the prices or real estate markets. In India, every year RBI spent lots of money on just the activity of currency issuance and management. It will also leads to lesser funding for illegal trades and activities including terrorism.

**6. Hygiene:** It will also help in improving hygiene on site eliminating the bacterial spread through handling notes and coins.

**7. Reduced Fear of Theft:** It will lower risk, it is easy to block a credit card or mobile wallet remotely, but it is impossible to get your cash back.

**8. Lesser Interest Rates:** More currency in bank will mean more circulation of money in the economy, leading to greater liquidity and would eventually mean lesser interest rates.

#### **Hurdles in making India a Cashless Economy:-**

- More than 60% of Indian population are not ready for going cashless, as they are not at all user friendly with mobile or internet.
- Security is another big concern. CERT-In has reported a surge in the number of incidents with close to 39730
- Smart phones are not affordable by majority of people
- There is always a threat of thefts and hacking of digital instruments

#### **FINDINGS:**

The study undertaken helps in understanding the ways cashless economy is going to benefit and the precautions that need to be taken care before implementing it.

#### **CONCLUSION:**

A cashless economy describe an economic state whereby financial transactions are not conducted WITH money in the form of physical banknotes or coins, but rather through the transfer of digital information between the transaction parties. From the analysis above, the paper discovered that the adoption of the cashless economy policy can enhance the growth of financial stability in the country. It appears that much has already been done in making the people aware of the cashless economy and that a sizeable proportion of the people are actually awaiting the introduction of the cashless economy. Cashless economy initiative will be of significant benefits to developing economy; hence the cashless system will be helpful in the fight against corruption and money laundering. One most significant contribution of the cashless economy is that it is expected to reduce the risk associated with carrying cash. Since most transactions will now be settled electronically, people will have less need to move around with cash and therefore, loss of cash, theft and armed robbery will drastically reduce.

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**DEMONETISATION: MOVING FROM CASH TO CASHLESS**

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**Prof. Sneha Shah and Prof. Ritu Kashyap**  
Bal-Bharati's M. J. Pancholia College of Commerce

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**ABSTRACT:**

*The research paper spotlighted a study on the effectuations of Demonetization in India. The term demonetization ruled the nation after demonetizing the high value currency. It attempted to showcase the demonetization done in various periods to eradicate black money, corruption, fake currency, terrorism etc. It also listed out the features of the new currencies, merits and demerits of demonetizations. This article was an attempt to make a clear vision about it and its importance. It analyzed the long term and short term effectuations of demonetization. It also suggested tips to common people to manage the toughest period of demonetization.*

*Keywords: banks, black money, impact of demonetization, impact on people*

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**INTRODUCTION:**

Demonetization is the most important and necessary when there is a change of national currency. The old unit of currency replaced with new currency. Demonetization is the process where government declares the currently running currency notes illegal to be tender after the declaration is made. There are both pros and cons of demonetization in the Indian economy. The reasons for demonetization are to control counterfeit notes that could be contributing to terrorism, and to undermine or eliminate the "black economy". There are some potentially ways in which the pre-demonetization money supply will stand altered: There would be agents in the economy who are holding cash which they cannot explain and hence they cannot deposit in the banking system. This part of the currency will be extinguished since it would not be replaced in any manner.

- The government might choose to replace only a part of the currency which was in circulation as cash. In the other words, the rest would be available only as electronic money. This could be a mechanism used to force a transition to cashless medium of exchange.
- The empirical extent of these two components will be unraveled only over the next six months.

**OBJECTIVES OF THE STUDY:**

- To describe the demonetization concept in India.
- To identify the people's impact on demonetization.
- To understand about peoples attitude for keeping the money either at home or at bank

**DEMONETIZATION IN INDIA:**

- 1946: Rs1,000, Rs5,000, and Rs10,000 notes were taken out of circulation in January 1946. The Rs10,000 notes were the largest currency denomination ever printed by the Reserve Bank of India, introduced for the first time in 1938. All three notes were reintroduced in 1954.
- Historically, previous Indian governments had demonetized bank notes. In January 1946, banknotes of Rs1,000, Rs5,000, and Rs10,000 notes were taken out of circulation. The Rs10,000 notes were the largest currency denomination ever printed by the Reserve Bank of India, introduced for the first time in 1938. In the year 1945 all three notes were reintroduced.
- In 1977 Wanchoo committee (set up in 1970s), a direct tax inquiry committee, suggested demonetization as a measure to unearth and counter the spread of black money.
- On 28 October 2016 the total banknotes in circulation in India was Rs.17.77 trillion (US\$260 billion). In terms of value, the annual report of Reserve Bank of India (RBI) of 31 March 2016 stated that total bank notes in circulation valued to Rs.16.42 trillion (US\$240 billion) of which nearly 86% (around Rs.14.18 trillion (US\$210 billion)) were Rs.500 and Rs.1,000 banknotes. They were taken out of circulation from 2016.

**IMPACT OF DEMONETIZATION****1) BLACK MONEY AND CORRUPTION BY DEMONETIZATION:**

Black money will be taken out of Indian system. As predicted by ICICI Securities Primary Dealership the government's plan to remove INR 500 and INR 1,000 notes from circulation will disclose up to INR 4.6 lakh crore in black money. Corruption will also be automatically reduced by removing black money from economy.

**2) FUNDING:**

Funding for smuggling and terrorism will take a blow since all the money will get back to bank and from there it is easy to identify the fake currency. Demonetization thus affects the funding of terror networks in Jammu and Kashmir, North-eastern states and the other areas.

**3) REAL ESTATE**

Another impact of the demonetization would be reduction in cash transactions in real estate. This is likely to reduce to real estate prices and make it affordable. In the short term, prices of real estate would come down for the same reason above. There will be fewer suitcases moving.

**4) ELECTIONS**

Demonetization has shocked political parties. Many states like Punjab and Uttar Pradesh, cash donations are a huge part of "election management". Political parties will find themselves helpless as cash hoards are often undeclared money. So upcoming elections 2017 will be transparent to the some extent.

**5) GOLD/SILVER AND JEWELLERY:**

After demonetization the demand for gold and other precious metals rise greatly because people are trying to invest their black money in gold to make it white in short period. But demand for gems and jewellery to decline in the next two to three quarters.

**6) DIGITAL PAYMENTS**

People adopting online payments system such as Paytm etc. After ban for high denomination currency in India. Digital transaction systems, E wallets and apps, online transactions using E banking, usage of Plastic money (Debit and Credit Cards), etc. will definitely see substantial increases in demand. This behavioral change could be a game changer for India in the near future.

**7) FAKE CURRENCY:**

The impact on the fake currency would be more significant. Many dealers with the existing counterfeit notes would be trapped as they would have to take the notes to the bank and have better chances of getting their racket exposed. Thus, they have only option to destroy their notes and incur losses.

**8) GDP:**

The sudden decline in money supply and increase in bank deposits is going to adversely impact consumption demand in the economy in the short term. This, coupled with the adverse impact on real estate and informal sectors may lead to lowering of GDP growth.

**9) MARKETS:**

There will be positive move in markets in long run that could bring confidence of overseas investors in Indian stock markets. Market goes a bit down in the short and medium term. India is still a very attractive destination on a long term basis. It is not the best market in the next three months.

**DIGITAL TRANSACTIONS AND CASHLESS ECONOMY**

The demonetization was initially seen by some sources as a significant step towards making India a cashless economy. Prime Minister Narendra Modi appealed to Indian population in his radio address in Dec 2016 to go cashless with slogan - 'Less-cash' first, 'cashless society' next.

More people began using cards and e-wallets, and the demand for point of sales (POS) or card swipe machines increased. This led to the acceleration of installation of POS machines According to data of Pine Labs, the demand for its POS machines doubled after the decision. The company stated that the debit card transactions rose by 108% and credit card transactions by 60% on 9 November 2016. However concerns were raised regarding the lack security of mobile apps used for digital transactions.

Several e-commerce companies hailed the demonetization decision as an impetus to an increase in digital payments, hoping that it would lead to a decline in COD returns which could cut down their costs.

In December 2016, the government launched an app called BHIM (Bharat Interface for Money) based on the Unified Payment Interface.[275] In September 2017, Google launched its first India-only banking app using BHIM called Google Tez, that can be used by customers of over 50 banks on the UPI platform, and is available in several Indian languages.

Both the Immediate Mobile Payments System (IMPS) and the United Payments Interface (UPI), which support instant payments using mobile phones, have grown substantially since demonetization, even as cash has returned to the economy.

After peaking in December 2016, digital transactions declined from January 2017 onwards, thus thwarting the objective of increasing digital payments through demonetization.

### **PRESENT FRAMEWORK TO TACKLE BLACK MONEY**

The White Paper, Ministry of Finance, 2012 describes the framework that the Government of India has employed to tackle black money as listed below. It is a five pronged strategy which involves:

- a) Joining the global crusade against black money,
- b) Creating an appropriate legislative framework,
- c) Setting up institutions for dealing with illicit money,
- d) Developing systems for implementation,
- e) Imparting skills to personnel for effective action.

The Government has also stressed the need for any long term strategy to be based on public acceptance, political consensus and the commitment to implement it. The proposed strategy to curb black money generation from legitimate activities is based on four pillars:

- Reducing disincentives against voluntary compliance – this involve measures like rationalization of tax rates and reducing transaction costs by provision of electronic and internet- based services to pay tax.
- Reforms in sectors vulnerable to generation of black money – the present government have introduced various policy initiatives to prevent black money generation in certain vulnerable sectors of the economy such as Real estate & jewellery.
- Creation of effective credible deterrence – policies should create enough disincentives for black money generation for instance the introduction of the Goods and Service Tax (GST) will be an important step in this process.
- Supportive measures – some of the measures followed include creating public awareness and public support, enhancing the accountability of auditors and participating in international efforts.

### **CONCLUSION**

We have to be alert and thoughtful to sustain our growth because many countries which have done demonetizations could not sustain the same. In short run, almost all the sector in the Indian economy have been affected negatively due to shorting of cash. However, in long-run Informal Economy would be formalizing. So, government have to focus on informal economy and need to make appropriate policies for them. Other than this, we have got the point by using the In this study, we have found some important points about the short-term effects of demonetization as well as about the long-term effects by observing the previous cases of demonetization in other countries.

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**GO GREEN ECO-FRIENDLY HANDMADE PENS “ALL ABOUT ENVIRONMENT”**

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**Dr. Vrushali Datar, Sayali Bhadarge and Neha Bhandare**Head and Student, Department of Resource Management, (Hospitality Management), Dr. BMN College of Home Science, Matunga, Mumbai

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**ABSTRACT:**

*Since ages, man has been destroying the environment for his selfish reasons without realising the consequences. Today when he got apprehended between his needs and desires he understood the need of sustainability and using eco-friendly products. The paper describes the practical based project done on ‘Go Green Eco Friendly Handmade Pens’ which was made by the researchers. The special feature of the pen is that they are made from newspaper and also made with least expenditure. The most interesting feature of the pen is that, it has dual benefits. Firstly, using it to write and secondly it will give satisfaction of using home grown medicinal plants. The pens were distributed among school and college students to create awareness and to tell them the benefits of using eco-friendly product rather than plastic products that do not degrade easily. Plastic is banned all over the country and this is a small initiative taken so to promote an environmental awareness among the students. 100 pens were made and distributed among the selected subjects of 5<sup>th</sup> and 6<sup>th</sup> grade students and third year students of college. 25% of the subjects gave a positive and good response towards the product. The subjects grew the plants with utmost care and are utilizing the home grown products though not in a bulk.*

*Keywords: Go Green, Eco Friendly Handmade Pens, home grown plants*

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**INTRODUCTION**

Industrialization, urbanization, globalization and thus mobilization these words might sound good for the development of a nation but at the same time these have become an alarming problem globally to the mankind and the environment to sustain the ecological balance. Man's ill deeds have led to severe problems not only to himself but to the entire universe at large. Thus, it is of utmost importance and need to take a step further and participate in conserving the environment in whichever way possible. Management of both environmental and natural resources is of ultimate need.

Cheap, capable of being made into any conceivable shape, strong and durable plastic is something of Wonder material. It has proved so useful to humans that since the 1950 we have produced and estimated 8.3 million metric tons of the stuff. However, the victim of this success appears to be much of life on earth. And humans one day could find themselves among them. Foursome 79% of the plastic produced over the last 70 years has been thrown away either into landfill sites or into the general environment. Just 9% is recycled with the rest incinerated. With more than 8 million tons going into the oceans every year it is estimated there will be more plastic than fish by 2050 and 99% of all the sea birds on the planet will have consumed some. It is thought the sea now contains some fifty-one trillion micro plastic particles which are 500 times more than stars in our Galaxy.

Since the industrial revolution, man has been continuously harming the environment. The tremendous use of all the natural resources for his selfish purpose that now it is not possible to renew these natural resources. Many such resources have also extinguished which include several species of flora and fauna. Today, many environmentalists have taken steps for conserving the environment and ways to control the ecosystem and thus maintain the ecological balance globally with the help of governmental and non-governmental organizations, educational institutes and even individuals from the society. They have designed many consumer products so as to minimize the environmental impact of their economic activities. The trend had recently shifted to the consumers who have also become concerned with environmental problems and have started demanding more environmental friendly products.

Man has been discovering new products which are trendy, easy to use, care and maintain but many of such products are proved to be harmful and dangerous to the environment. And one such product or material is plastic. Today, we use plastic for each and every thing, right from the morning tea till the water bottles or water jug besides our bed at night. Though this material is very easy to care and maintain but, if discarded it does not degrade very easily and rapidly and at the same time it also damages and pollutes the land, air, and water, thus, leaving behind all its ill effects on the entire eco system. Today, man has realized the biggest damage it has made not only on the human health but on the entire eco system; he is trying to find solutions and ways to stop using materials that are harmful.

A very simple and easy way to protect our dear earth and the environment on the whole we should plant more and more trees. Trees are not just important to the human environment they form the basis of the sustainability and long-term health and environmental system. Planting trees are important as they grow they capture and store carbon dioxide emissions from the atmosphere through the process of photosynthesis. If plants and trees are cut down our Earth will be in danger and many problems will be faced by living beings.

It is high time for human beings to take the 'right' action towards saving the earth from major environmental issues. If ignored today, these ill effects are sure to curb human existence in the near future. Thus, to take one step ahead the following objectives were framed.

### **OBJECTIVES**

- 1) To make "Go Green Eco-Friendly Handmade Pens".
- 2) To distribute "Go Green Eco-Friendly Handmade Pens" to the students.
- 3) To explain the use and need of "Go Green Eco-Friendly Handmade Pens" to the students.
- 4) To know the stages of growth of plants.
- 5) To take a step to eradicate the use of plastic and to conserve the environment along with the health as a concern.

### **REVIEW OF LITERATURE**

Not much review was found thus, filling this gap was very useful and important. Since this was an experiment it was done on a very small scale. The researcher came across somewhat related review. According to Friend (2009) and Smith (2003) studied the green marketing and defined it as businesses and practices that are viewed as environmentally sound, including the use of organic and natural merchandise to make factories, tighter protection against emissions and environmentally friendly sourcing of materials.

Green marketing, also known as sustainable marketing and environmental marketing involve designing, promoting, pricing and distributing products and services according to the customers' want and need, with minimal detrimental impact on the natural environment (Grant, 2008; Jain and Kaur, 2004; Kangis, 1992; Pride and Ferrell, 2008). Guthrie and Parker (1989) carried out a longitudinal study covering 100 years to relate corporate social and environment reporting with the needs of the corporations to legalize their actions. The researchers reported that given the increased attention paid to environmental issues, businesses must assure their stakeholders that they are environment friendly. This assurance to stakeholders commands that corporations communicate their environmental activities.

Praveen Mathew et al. (2013) investigated the suitability of recycled plastic as partial replacement to coarse aggregate in concrete mix to study effect on compressive strength, modulus of elasticity, split tensile strength and flexural strength properties of concrete. Coarse aggregate from plastic was obtained by heating the plastic pieces at required temperature and crushed to required size of aggregate after cooling. Their experimental results shown that plastic mixture have low crushing (2.0 as compare to 28 for Natural aggregate), low specific gravity (0.9 as compare to 2.74 for Natural aggregate), and density worth (0.81 as compare to 3.14 for Natural aggregate), as compare to Natural coarse aggregate. Their check results were supported two hundredth substitution of natural coarse mixture with plastic mixture. Increase in workability was reported when slump test for sample was carried out. Volumetric substitution of natural mixture with plastic mixture was elite best compared with grade substitution. At four hundred centigrade temperature Plastic coarse mixture shown considerable decrease in strength as compare to traditional concrete. An increase of 28% was observed in compressive strength but decrease in split tensile strength and modulus of elasticity was observed.

They counselled that with use of appropriate admixture @ zero.4% by weight of cement can improve the bonding between matrix and plastic aggregate; but they demand additional analysis to address the tensile behaviour of concrete prepared with 20% plastic aggregate.

### **METHODOLOGY:**

The present research was an experimental study which was carried out on 100 students of Shree Amulakh Amichand Bhimji Vividhlakshi Vidhyalaya School and Dr. BMN College of Home Science. The subjects were selected randomly. The entire project was carried out in phases which included:

Phase I - Making go green eco-friendly paper pens

Phase II - Distributing pens

Phase III - Students using eco-friendly handmade pens.

Phase IV - Sowing pens upside down

Phase V - Seeds germinated, plants growing, flowers on the chilli plant

This was an initiative towards reducing the usage of plastic and enhancing the usage of eco-friendly product which is harmless, degrade easily and after using the pen one can take the pleasure of eating self-grown vegetables.

Things required for making the eco pens

Newspapers, glue, scissors, refills, basil and green chilli seeds.

### **Procedure of making pens:**

Old newspaper were used to make these pens, a square piece was cut, then was cut with cross slit of it. Then a new refill was put on one side of the square and the piece of paper was rolled, after that the small part which was cut in a slit it was put at starting of the refill and again was rolled, which made the starting part thicker and comfortable to write. After that basil, chia and green chilli seeds were put and the other end was slightly rolled from the back side of the pen so that the seeds remain inside the pen.

#### **PHASE I**



#### **MAKING GO GREEN ECOFRINDLY PAPER PENS**

After making the pens the researchers gave information to students about the pens.

Instructions about the pens like;

- a) How to use the pens?
- b) When to sow the pens?
- c) How to sow the pens?
- d) Where to sow the pens?
- e) How much and how to water the pens?
- f) What kind of advantage can be got from these pens?

Mobile numbers of the researchers were shared with the students. The students were asked to click pictures of the plants step wise and send them to the researchers.

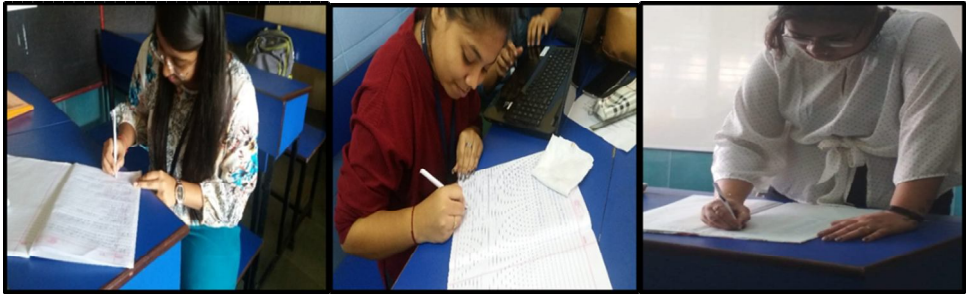
#### **PHASE II**



#### **DISTRIBUTING PENS**

Happy students after the researchers distributed pens to the school.

PHASE III



USING GO GREEN ECOFRIENDLY PENS

To know the status of pens the researchers used to go to the school where the students gave a very enthusiastic respond. The students had sown the pens and also used to send pictures of the plants growing out of the pens.

PHASE IV



Initial stage – where the subjects sowed their pens backward in the soil

PHASE V



PENS SOWED

1st stage-where seeds have germinated



2nd stage – where plants are of medium size



### 3rd STAGE – WHERE PLANT IS BIG



Grown basil and green chilli plants

### FINDINGS AND DISCUSSIONS:

Taking this initiative of making pens out of newspapers was a little tough task, there came in many thoughts like, how can one be able to write with this pen as it will be a little soft and very delicate to handle. It seemed to be very crumbly and might become soft. It should not get wet as it is made of paper. It should not bend or else the pen will not remain sturdy and will be difficult to write with. The researchers also thought that these days there are so many varieties of beautiful and colourful pens in the market and the young generation will not like to use this pen. But then taking up this project was not only to make something new, innovative and creative but it is also a very small initiative towards conserving, preserving, caring and growing green environment. From the overall project it was found that the subjects were very happy with the go green eco-friendly pen and more than that after sowing the pen the subjects were over joyed with the plants that grew from the pens. The students also demanded for more pens and they were also ready to pay for the cost of the product.

### CONCLUSION:

Environment being an essential part of every body's living, it is very essential and important for every individual take initiative and participate in any venture that is going to help in conserving and at the same time improving the human health along with the environment. It should be "Not you but me" why wait for others to tell what and how to take small steps in helping the mother earth by helping ourselves. This small initiative has helped not only the researchers but this has also helped the subjects who all participated in this project by using this eco-friendly paper pen. Thus, this project can become a very big turning point of reducing the use of plastic, making use of newspaper which is very cheap and at the same time is biodegradable with an added component of growing our own vegetables, herbs or plants.

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**CASHLESS ECONOMY DREAM: IS CASH IS STILL THE KING?**

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**Prof. Darshana Pednekar and Srushti Gawde and Neha Patel**Balbharati's MJP College of Commerce, Kandivali (W), Mumbai

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**ABSTRACT**

*Cash is like water a basic necessity without which survival is a challenge. But the Cash may not be king for long, the coins jangling in pockets or paper neatly folded in wallets are under threat. With limited cash in hand and an indefinite crunch in sight, most people are rushing to cashless transactions. Digital transactions bring in better transparency, scalability and accountability. The world is rapidly moving towards digitalization, and there's no denying its presence in almost all fields of our lives. Whether it is shopping, education, banking, groceries, bill payments, tax filing or any legal documentation. India shifting towards the digital era through being cashless. Cashless economy is a state where the flow of cash is trivial and most of the transactions are performed through electronic channels. The demonetization policy has increased the use of online banking services, cheque and e- wallets. It has not only reduced the threat of theft and loss of money on the one side but also facilitated the risk free transactions. Cashless societies are free from the curse of corruption, has considerable less amount of black money in circulation. The present paper aims to study the benefits of cashless economy in India.*

*Keywords - Cashless Economy, Digital payment, Current scenario*

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**INTRODUCTION**

“A cashless economy is one in which all the transactions are done using cards or digital means. The circulation of physical currency is minimal”.

Cashless economy is an economy where maximum transactions are done without using the physical cash or the means of hard cash. Even money has gone digital, with more and more people preferring to use digital cash payment methods rather than carrying hard cash around. It is the economy where economic transactions are done with the facilities like credit card, debit cards and on line transactions by means of fund transfer and using e-wallets. . It will help in curbing the generation of black money. The cashless economy has attacked the parallel economy. People who hoard money under their bed, people who launder money bypassing banking channels, terrorist who need money to finance their terror will find difficulty in cashless economy. It will help in reducing instances of tax avoidance. More consumption will lead to more production, more employment opportunities & hence, income of people will increase.

**OBJECTIVES OF THE STUDY**

1. To study the concept of cashless economy.
2. To examine the benefits of cashless economy.
3. To analyze the effects of cashless economy.
4. To compare the changes in the market after adopting cashless economy.

**METHODOLOGY**

The research has conducted based on secondary data collection. Data is collected from various published sources. Data is gathered from internet, published data in newspaper and magazine.

**BACKGROUND OF STUDY**

The research is based on secondary data. the researchers has tried to cover the available studies. Cashless economy has not been a new concept. It was used earlier when coins and notes were not in use. Barter exchange is the best example. But due to blocking of cash by few people black money started showing its presence in the economy. Flow of money in the economy started falling, which resulted in lack of availability of cash. Some of the key benefits of cashless economy are as follows:

1. **Saves Money and Time:** Companies and governments will get efficient and they can reduce costs as they no longer need the manual accounting work to be done. The costs associated with accounting and handling cash is very high.
2. **Less Cash Means More Data:** The government can use the data coming from the cashless transactions to improve and analyze their policies. By using such data, officials can predict or identify the patterns of activity and use such information for urban planning for sectors like energy management, housing, and transportation.

**3. More Spending Helps Improving Economic Growth:** When a nation is taking a step towards a cashless economy, a boost in the economic growth can be expected. Shopping online gets easy as one can use a number of payment options; from credit and debit cards to net banking.

**4. Social Channels:** Social media channels can promote financial education, new products, digital banking benefits, and corporate culture messaging to specific audiences.

**5. Focusing on Experience and Engagement:** As opposed to traditional product-based direct mail and email marketing, spending on digital platforms could improve customer experience and enhance engagement. A well-executed digital branding campaign can increase customers' interactions and benefit from social sharing.

**6. Less risky:** Cash once stolen hardly ever comes back. The money is lost forever. But if you get robbed of your debit or credit cards, you can easily block them remotely and be assured that you will face no loss of money. That is a major plus of going cashless.

We can observe that during pre demonetization era cash circulated from very few hands and black money or hoarding money was the issues faced by Indian economy. In many of the sectors cash dominated. From the analysis of the study we observed some of the pre and post demonetization scenarios and their impact on such sectors.

### PRE DEMONETIZATION

**Banking Sector:** The bank is a financial institution that accepts deposits from the public and creates credit, which keep money safely for its customers, and provide interest on that money which has been deposited. The deposited money grants loans and advances to the customers. The idle money are turned into investments.

**Real Estate:** Real estate sector is the second largest employer in India, after agriculture. A lot of "cash dealings" happen in real estate. Builders prefer to take cash as they have a lot of payments to make. Many of their vendors only accept cash. As many of dealings are hidden from government.

**Kirana Merchants:** There are 12 million kirana stores in India. As are located in local areas and as they are easily available and cash is highly used as mode of payment. They do not create any receipts of cash or even they do not bother to pay income tax on their income. They enjoy all the cash and also do not offer any concessions in price.

**Vegetable & Fruit Sellers:** India ranks second in production of potatoes, onions, cauliflowers, eggplant and cabbages. It is the largest grower of bananas, papayas and mangoes. Farmers demand cash payments because they have to pay daily wages to their labours. They buy seeds, fertilizers and other required material from local stores which offer them on a cash basis. They spend many months to grow vegetables and fruits so they demand immediate cash for sell of the same.

**Tax:** Tax is the price we pay for civilization. The money that we pay to the government is a primary source of revenue to the government. The direct tax payers are less in numbers. The reason of non-payment of tax is non-recording keeping of accounts and not maintaining the record of the transactions. Due to lack of knowledge many of tax payers do not claim discount on service tax, rebates on GST etc.

### FINDINGS

**The study highlights the following impact of cashless economy on several sectors and their expectation:**

**Banking Sector:** In the Banking sector after demonetization there was an increase in deposits in banks. People deposited huge sum of money in bank and banks started flooding with money, which gave boost to new policies and upgradation in banking sectors. It helped banks to grab the deposits and improve the digital tools and equipments to execute their transactions. Returns of bonds increased to some extent, which also increased overall incomes of banks.

**Real estate:** Real estate is arguably the most affected sector due to demonetization. Due to demonetization the prices have reduced up to 30% in property. The transparency which is likely to improve the black dealings have been reduced. People started affording new houses as the black money went out of the market. Interest rates reduced to some extent. Stamp duties and registration charges also reduced which gave boost to new investments in properties. Commission from brokers and false documentation has also reduced.

**Kirana merchant:** After demonetization the cash transactions have been reduced by the vendor. Merchants started trading through different apps like Patym, PhonePe etc. Many of the Kirana stores also offered discounts on online payments. New websites such as BigBasket, Gofers, Amazon Pantry etc. started providing online grocery options. It is also one of the examples of digitization. Many of such websites offered discounts and cashback on purchases they offer simple payment methods of net banking or credit/debit card payments as well as they accept payments through many payments Apps.

**Vegetable and Fruit sellers:** Big basket retailers can now extend informal credit to their known consumers, using our merchant app (AaramOn). The retailer himself decides the amount of credit to be extended and the duration. Aaramshop communicates the info of the credit amount seamlessly to the customers. This informal credit line by the retailers to their customers means that the consumers can shop for the daily needs without needing to worry about cash in hand. The shopping can be done not just on the app and the website, but also in-store. The customer can pay at the end of the credit term, using cards, cheque. It acts same the credit (or Udhara) which can be settled at the end of the month or specified period.

**Tax benefits:** Due to cashless transactions government can keep a track of money transferred and dealt which definitely helped income tax department to fetch more and more standardized tax. Government also liberalized taxes and duties to encourage more and more taxpayers to participate. Filing of tax returns went online and due to updation in Adhar card as well as PAN card calculations become easy. Moreover, the buyers got tax benefits on home loans. Service tax on card payments up to Rs 2,000 has been waived off. Railway and fuel payments which are done through net banking or cards have a minimum discount of 0.5 per cent on the entire transaction. Online payment of insurance premium of public sector organizations also has a fee discount.

Some of the sectors which were not in purview of cashless transactions also came into limelight such as Pharma and health care industry where there was reduction in unethical practices. There was correction in prices of medicines. Even the medicines started trading online. Many sites such Netmeds, PharmEasy etc. became a big hit. They provide discounts on purchase as well as they create a customer base and retain for further use. Not only websites but local medical stores also started creating a database of customers and started taking orders month wise and family wise with discounts which offered them a huge customer loyalty.

Even small food stalls or food joints also started offering facilities of online payments through Apps. Auto and cab drivers joined hands with Apps like Paytm and Ola money and they started their own cashless economy. Railway provided smart cards to commuters with the help of which people need not worry about standing in the queue or carrying change for small denomination. Anyone can sit at home and pre book the ticket of any journey of any person. Need for carrying cash has almost disappeared.

## RECOMMENDATIONS

In different sectors like Banking, Pharma and health care industry cashless economy has changed the direction. Such businesses have grown with the use of cashless techniques like online banking, e-wallet, plastic money etc. Cashless economy is very beneficial for economy in increasing GDP, keeping the track of tax liability. Mostly in rural areas the use of cash is unavoidable so measures should be taken in respect to changes in cash transactions.

## CONCLUSION

Cashless economy seemed to be dream in the year 2016 but now it has taken over many of sectors under control. Still some of the sectors are dominated by cash. It will definitely take time to improve the economy but when there is a will there is way. Citizens who have already realized the importance of cashless transactions will themselves continue to make cashless economy stronger.

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## INDIA TAKING A STEP ON THE ROAD TO CASHLESS ECONOMY

Aarti Udeshi<sup>1</sup>, Vidhi Mehta<sup>2</sup> and Vishakha Ghadigaonkar<sup>3</sup>Professor<sup>1</sup> and Student<sup>2,3</sup>, Bal-Bharati's Maghanmal J.Pancholi College of Commerce**ABSTRACT**

*In India almost 98 per cent of the economic transactions were cash based. This is too high percentage. This has paved number of evils like black money which was running a parallel economy, corruption, counterfeit currency etc. In India the campaign for cashless economy was a fall out of demonetization of Rs.1000 and Rs.500 denomination notes and the government's failure to replenish the same with the new notes. Therefore, in order to reduce the sufferings of the public the government pushed this campaign. The govt. also took several initiatives. As this was not a planned initiative there were several problems in its introduction. Even the industries which manufacture the Point of Sales machines were not prepared to meet the demand for it.*

**1. INTRODUCTION**

The government has implemented a major change in economic environment by demonetizing the high value currency notes of Rs 500 and Rs 1000 on 8 November 2016 and push India towards cashless future. What is cashless economy A **cashless economy** is a system where any type of money transactions are done through digital **means** like debit cards, electronic fund transfer, mobile payments, internet banking, mobile wallets, and other newly evolved payment channels, this will leave very little scope for flow of hard cash in **economy**. A cashless economy is one in which all the transactions are done through electronic channels such as debit/credit cards, Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS). The circulation of physical currency is minimum. The Indian economy continues to be driven by the use of cash less than 5% of all payments happen electronically. Electronic the policy is to shift the economy from a cash based economy to a cashless one. The Digital India is a flagship program by the Government of India with a vision to transform India into a digital society and knowledge economy. —Faceless, Paperless, Cashless is one of professed role of Digital India. India continues to be driven by the use of cash; less than 5% of payments happen electronically, however the finance minister, in the budget speech, spoke about the idea of making India a cashless society, with the aim of mopping black money. Even the RBI has also recently announced a document — “Payments and Settlement Systems in India: Vision 2018” — with a plan to encourage electronic payments and to make India to move towards a cashless economy in the medium and long term

**IS CASHLESS ECONOMY BOON FOR INDIA?**

To put it in a straight forward manner – cashless economies tend to be less corrupt, and have lesser black money. Let's examine these reasons in detail.

**1. Cash is costly.**

A significant amount of time and effort is expended in shepherding them through the system and finally into the consumer's hands. RBI has spent Rs.32.1 billion just for printing the currencies that are in circulation. Add to it the costs of setting up and maintaining ATMs. Also, paper currency has a shelf life after which it is renewed. It is said that the direct cost of running a cash based economy is close to 0.25% of India's GDP.

**2. Cash drives a shadow economy.**

Cash transactions provide anonymity like no other mode of payment. They're difficult to track. This leads to many evils, like – tax evasion, black money etc. In 2007, currency in circulation was almost equal to bank deposits. But in the last three years, currency with Indians was more than the bank deposits by 50%. As per government data, the size of black money in India is Rs.15-16 lakh crores. This is the unaccounted money and was being used to finance a shadow economy, almost running a parallel government that finances all illegal transactions. Most of it is used for financing terrorist activities, illicit funding for elections, purchasing political decisions, betting, trafficking, and for hijacking democracy.

**3. Future rewards : Financial inclusion + Increased tax revenues.**

A cashless or a digital economy will require all the residents to have a bank account. This will lead to higher financial inclusion rates and will also help build a bridge between Bharat and India. Also, since digital transactions can be easily tracked, the incidences of tax evasion will reduce drastically and in the long term will help the common people in terms of better implementation of government policies.

## 2. OBJECTIVES

2.1 To reduce the corruption which takes place mostly through the cash medium & black economy will collapse.

2.2 To reduce the burden of the cost of printing currency and also handling them

2.3 To make loans cheaper and affordable for everyone.

2.4 To encourage people to disclose all incomes and start paying taxes on it.

## 3. RESEARCH METHODOLOGY

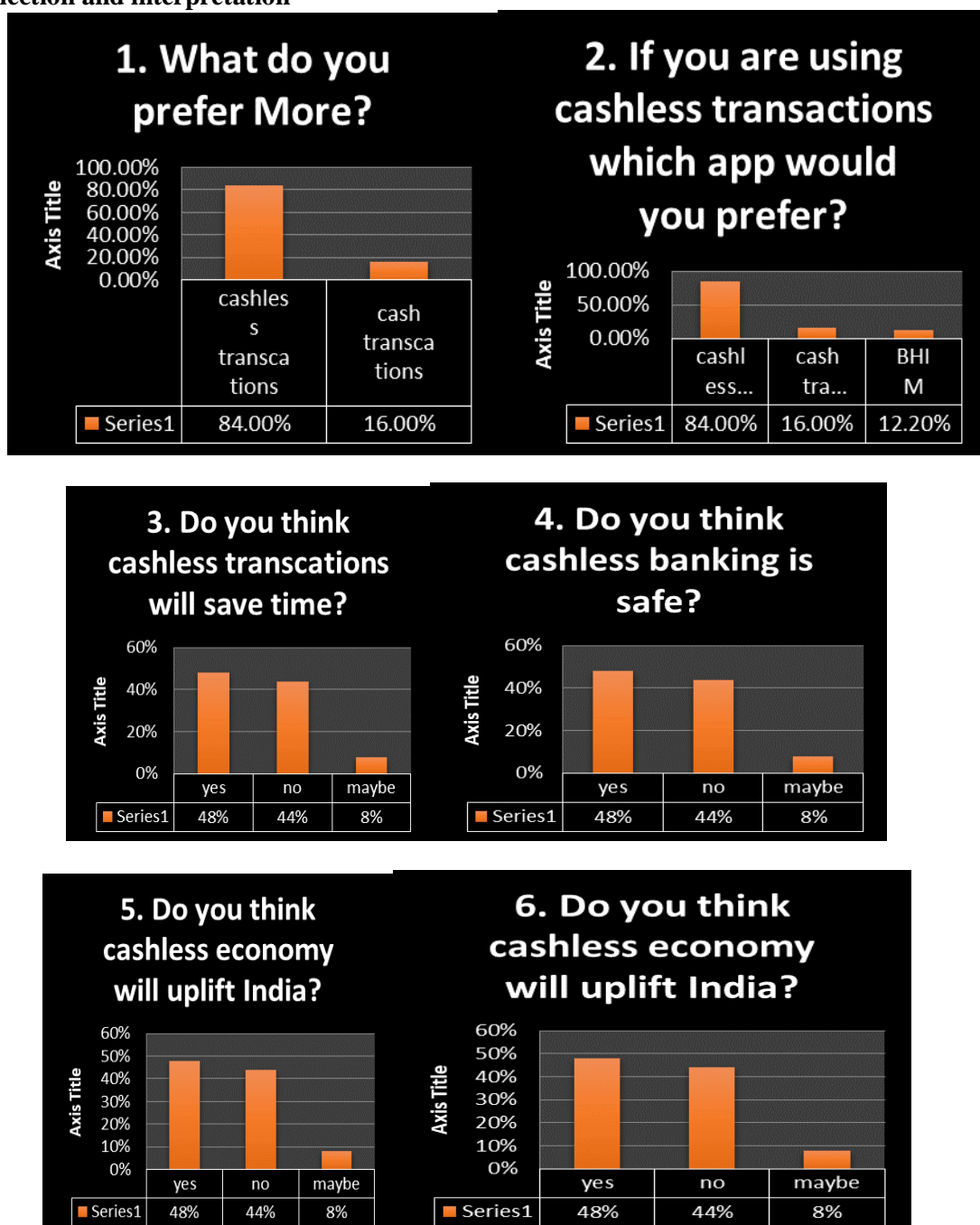
3.1 Tools of data- Both primary and secondary source of data were used. Primary source of data collected through self constructed questionnaire. (Google form)

3.2 Sample size- 50 responses were taken

3.3 Area of study- Goregoan to Virar

3.4 Secondary research- Secondary research is collected from various magazines, Websites for the study

## 4. Data collection and interpretation



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## **5. FINDINGS OF STUDY**

One of the primary benefits of a cashless economy is there won't be as many currency notes in circulation. This is good because it reduces the risk of theft and ensures that individuals and businesses have access to their money when they need it. At the same time, it saves the government money because they won't have to pay to have currency minted. Some experts say this could translate to lower taxes for people

In addition, a cashless economy cuts down on the number of people who aren't paying their taxes. When transactions are made online, the government is better able to keep track of what people are earning or spending so that proper taxes can be charged and collected

Cash less economy helps in curbing generation of black money. As a result it reduces real estate prices because most of black money is invested in Real estate which inflates the prices of Real estate markets.

### **Advantages to the Government**

1. It will increase the taxation base. It will also reduce the instances of tax avoidance.
2. It will curb the parallel shadow economy (black economy) which runs majorly on cash basis. Cashless transactions are track able and more transparent.
3. Efficiency in welfare programs as money can be easily transferred to the accounts of the recipients.
4. Reduced money laundering due to easy traceability of transactions. Control on the issuance of fake currency and counterfeiting.
5. Improved climate for foreign investments. In the year 2015, RBI spent Rs. 27 billion on currency issuance and management. Cashless economy will reduce such costs.

### **Aim of Governments**

The government is committed to fight against corruption. This is also a fight against those who have not declared their black money. PM gave them time to declare their assets, but they didn't. The fight against them will continue, The prime minister first tried to bring back black money from foreign countries, now he is trying to unearth black money from within the country. PM aims at a cashless economy where you don't have to pay anything to anyone in person. The PM has brought Jan Dhan, Aadhar and Mobile.

"Much of the cash transactions in the country are small exchanges for goods or services and the penetration of point of sale terminals is not enough. Millions of people still don't have a bank account, access to PoS sale points, internet or infrastructure to understand and use online payment methods etc. So we need a large scale penetration of digital services and PoS terminals to facilitate digital transactions in small towns, rural areas, untapped markets in urban India. There are transactions fees involved with cashless transactions. Credit cards charge fees and payment services like PayPal also charge fees for providing secure channels. So the ease of buying online also comes at a cost. Cashless transactions are also not available everywhere. Some regions might not have the technology to facilitate these transactions. It is, therefore, more an urban advantage than an advantage for everyone.

## **CONCLUSION**

In short, cashless is better in all aspects. But there are certain challenges for India to go completely this way. Otherwise, it's good for a growing economy like India. So, in my opinion government have clear objectives and we all should support cashless ecosystem where everyone will have only that much amount of money what they deserve Conclusion: India is a vast country where the penetration of the banking facilities and the internet facility, computer awareness has not reached the common man. Therefore, although cashless economy has several advantages it will not be possible for the masses to resort fully to the cashless economy. Cash transactions will continue to take place. According to a 2015 report by PricewaterhouseCoopers, India's unbanked population was at 233 million, only 1.46 million points of sale, which accept payments through cards, no practice of keeping records, about 90% of the workforce, which produces nearly half of the output in the country, works in the unorganized sector. The government's efforts should be to minimize the cash transactions to a greater extent as it has advantages. The public adopted these machines and the other modes PTM, etc. to carry out their businesses. In the urban and metropolitan area the public response was good. In order to reduce the hardships of the rural people the Govt. of India supplied PoS machines in the villages. There are pros and cons of cashless economy. The cashless economy will bring transparency which will help the govt. to administer the taxation and increase its tax payer's base. However, it will not be possible to totally reduce the cash transactions. The govt.'s approach should be to have a fair proportion of cash and cashless transactions to have

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smooth development of the economy. Key words: Demonetization, financial inclusion, transparency, internet penetration, Computer awareness amongst masses

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### **RECOMMENDATIONS**

The cashless transaction activity had a great step to enhance the transparent economic development, empower the financial inclusion and integrates the parallel economy with main stream. In present scenario the country needs to move away from traditional cash based transaction towards a cashless or digital payment system. Therefore the following suggestions will help to improve cashless transaction among the consumers.

1. The Government of India along with banks should be organize intensive awareness program about the benefits and need of cashless transaction or digital payments to students of colleges, higher educational intuitions. The banks should organize camp at village to educate the people about digital payment system
2. The Government of India and Telecom ministry should make necessary step to enhance broadband speed and wide coverage of internet to all areas.
3. The government should continue and give some incentive benefits to those who are using regular digital payments because it will motivate not only the regular user but also new user.
4. Customer should learn to adopt e-payments in all the transactions, for it would save enormous amount involved in handling cash, keeping it safe and visiting the bank every time for deposits and withdrawal.
5. Government and banks should adopt strategy of incentivize cashless transactions and discourage cash payments by the way of proper implementation and supervision of restrictions for using cash based transaction then the cashless India will come to true in future.

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**MODERN PAYMENT METHOD LEADING TOWARDS CASHLESS ECONOMY**

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**Aarti Udeshi<sup>1</sup>, Srushti Gawade<sup>2</sup> and Darshan Dhodia<sup>3</sup>**Professor<sup>1</sup> and Student<sup>2,3</sup>, Balbharati's Maghanmal J. Pancholia College of Commerce

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**ABSTRACT**

*The paper describes the issue of electronic welfare benefits through various payment modes. This new non-commercial banking product was meant to be a new tool of effectiveness in the social benefit system. The goal was effectiveness in costs, transaction time reduction and directness. A payment system is any system used to settle financial transactions through the transfer of monetary value, and includes the institutions, instruments, people, rules, procedures, standards, and technologies that make such an exchange possible. This has given a born to being Cashless societies this have existed from the time when human society came into existence, based on barter and other methods of exchange, and cashless transactions have also become possible in modern times using digital currencies. However this article discusses and focuses on the "cashless society" which could not been possible with the help of modes of payment in the sense of a move towards, and implications of, a society where cash is replaced by its digital equivalent.*

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**INTRODUCTION**

In current scenario India is a developing country and even the government is taking the initiatives to develop the nation and as being a developing a nation there are money are being faced hurdles that are being faced by India. The Government is taking initiatives to upgrade the various sectors. Among the other goals in India also aims at becoming a cashless economy Payments are the financial instruments used globally to transfer value in the form of money. This makes them an essential part company's financial operations, and a complex part given the many different payment systems and currencies used around the world. Further challenges come from the continual introduction of numberof payment offerings such as PayPal and various mobile payment options. The five turning points that made it possible is as follows:

1. Five Turning Points in The History Of Cashless Transaction:
  - i. It's All About World Wide Web: The history of the internet starts in 1969 with ARPANET, the military network which was intended to be communication network in the Vietnam War era. But the main turning point happened in 1989when TimBerners Lee presented the solution of making information easier to publish and access on the internet by using the so called site or pages.
  - ii. The Beginning of E-Payment System: Along with the internet development, pioneer online payment services started to operate in the first half of the 90s. In 1994, Stanford Federal Credit Union was established the first financial institution which offered online internet banking services to all of its members. However, first online payment systems weren't user-friendly at all and required specialized knowledge of encryption or data transfer protocol.
  - iii. Evolution of Payment Possibilities: Most of the modern payment systems are easy to use with the payment process minimized to just a few simple steps. They are website or app based, which means there no need to install a distinct software or buy special equipment, which was the case a few years ago. Nowadays systems are available from any device connected to the internet. New players make electronic payments both easy to implement and convenient for users who pay online.
  - iv. Time for Game Changer:The online and offline payments are interpenetrating and the distinction between these two becomes more and more blurred each year. It is related mainly to the dynamic growth of technologically advanced mobile devices with the internet connection, growing number of online buyers is noticeable, so we're sure enough that smart technologies will be becoming more popular than conventional banking.
  - v. Social Network New Technologies: It is also of the consistentpopularity of social networks and online gaming. Facebook only (which was launched in 2004) has 1.55 billion monthly active users and is still growing. Till today, the network extends its functionality with online games, which allows us making in-game purchases. Furthermore, mobile technologies are developing fast and customers no longer need for pcs or laptops to buy online. The future of e-payment depends on the development of new technologies and the role of the internet in our life.

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**TYPES OF PAYMENT SYSTEM****2.1 RETAIL PAYMENT SYSTEM**

Retail payments usually involve transactions between two consumers, between consumers and businesses, or between two businesses. Wholesale payments are typically made between businesses. Although there is no definitive division between retail and wholesale payments, retail payment systems generally have higher transaction volumes and lower average dollar values than wholesale payment systems

Types of retail payment system:

Cash payments.

Paper based payments.

**CASH PAYMENTS:** A form of liquid funds given by a consumer to a provider of goods or services as compensation for receiving those products.

**PAPER BASED PAYMENT:** Paper Based Payment System comprises of:

A) Cheques - A Cheque is a negotiable instrument that is used for payments and settlements in India. There are three parties involved to a Cheques:

B) Bank Drafts- It is also a negotiable instrument governed by the Negotiable Instrument Act 1881. A bank draft is a payment made by bank on the behalf of bank

**2.2 CARD BASED PAYMENT SYSTEM**

E-commerce sites use electronic payment, where electronic payment refers to paperless monetary transactions. Electronic payment has revolutionized the business processing by reducing the paperwork, transaction costs, and labour cost. Being user friendly and less time-consuming than manual processing some of the modes of electronic payments.

**CREDIT CARD:** Credit card is small plastic card with a unique number attached with an account. When a customer purchases a product via credit card, credit card issuer bank pays on behalf of the customer and customer has a certain time period after which he/she can pay the credit card bill.

**DEBIT CARD:** It is required to have a bank account before getting a debit card from the bank. The major difference between a debit card and a credit card is that in case of payment through debit card, the amount gets deducted from the card's bank account

**E-MONEY:** E-Money transactions refer to situation where payment is done over the network and the amount gets transferred from one financial body to another financial body without any involvement of a middleman. E-money transactions are faster, convenient, and saves a lot of time.

**2.3 E -WALLET**

This can include purchasing items on-line with a computer or using a smartphone to purchase something at a store. An individual's bank account can also be linked to the digital wallet.

**2.4 ONLINE TRANSFER PAYMENTS**

Standard Chartered introduces the Electronic Clearing System (ECS), an innovative facility for busy people. With this facility, your credit card bill is automatically debited from your savings account, so you don't need to worry about missing a payment. And since this entire process happens through the Reserve Bank of India's electronic clearing mechanism, you can enjoy the advantages of ECS, no matter which bank holds your savings account.

**OBJECTIVE OF STUDY**

- c) To study cashless economy and know about the Digital Services which people have adopted.
- ci) To create awareness about the Digital Services among the youth generation.
- cii) To make students aware of how they can maintain digital Wellness by taking informed decisions and become responsible uses of digital technology.
- ciii) The objective of research of the cashless India project is to come out with knowledge of innovative ideas and practical solutions.
- civ) To empower every citizen with access to Digital Services knowledge and information.

## LIMITATIONS

1. Study is related up to few apps.
2. We could recover only few responded for data analysis.
3. For data interpretation we have used only questionnaire method.

## RESEARCH METHODOLOGY

5.1 Tools of data-We have collected data from primary and secondary source

**Primary-** with the help of Google form for questionnaire method

**Secondary-** Books, websites and research papers

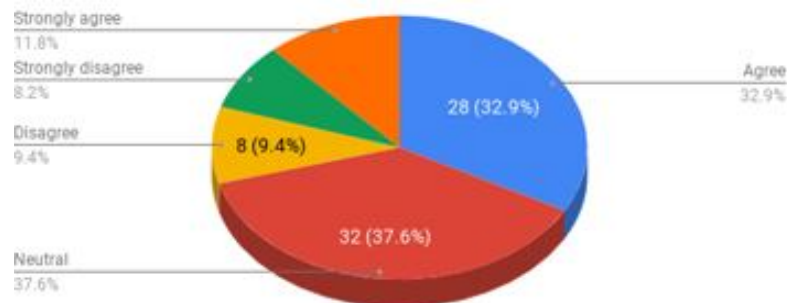
5.2 **Sample size-** 80 responses were taken.

5.3 **Area of study-** Virar to Borivali.

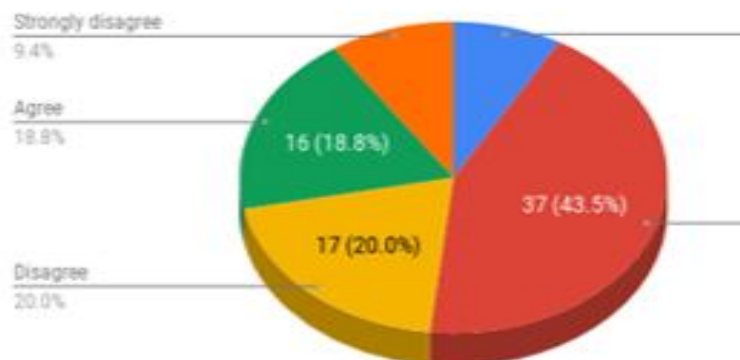
## DATA ANALYSIS & INTERPRETATION

1. Modern payment methods are growing and are expected to continue.

36.5 % People strongly agreed for modern method of payment



2. In few years people will hardly use cash for purchases.

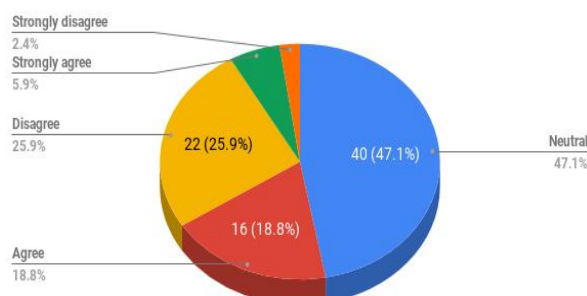


Still 37.6% people are Neutral for cash transactions.

3. Mobile apps can help you to control yours spending's.

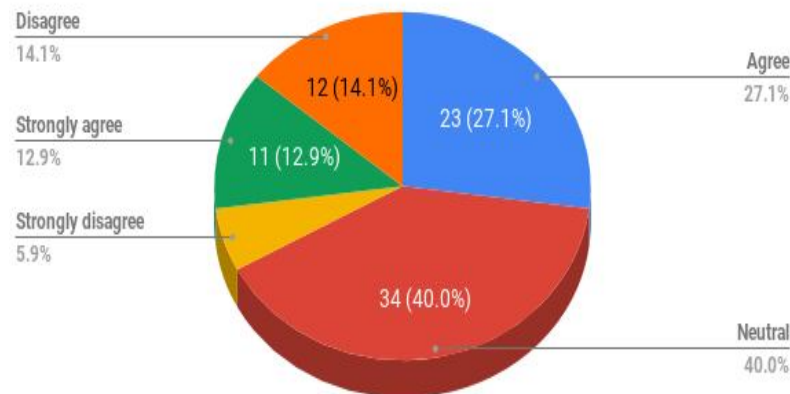
According to 43.5% people are Neutral for controlling spending through mobile apps.

4. Rural people can able adopt the modern techniques of payments.



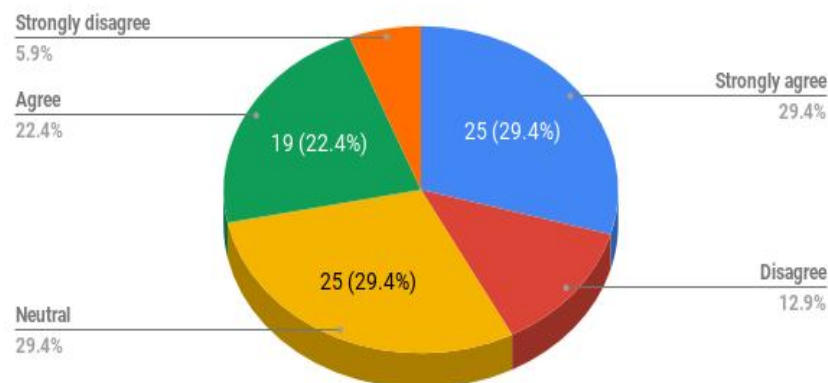
47.1% Rural people are neutral for modern techniques of payment

5. Factors such as poverty, illiteracy, etc. are obstacles in the path of cash less economy.



- 40% of the people feel Neutral in using cashless economy.

6. Making India cashless will uplift the standard of



7. living.

- 29.4% people feel cashless economy will uplift.

## FINDINGS :

### GOVERNMENT INITIATIVES:-

- Discount on fuel purchases - 0.75% discount on buying petrol and diesel through debit card, credit card and e-wallet.
- POS machines in village - Currently there are 6.5 lakh Point of Sale (POS) machines across the country. Villages with a population of up to 10,000 will get 2 point of sale machine free of cost and that one lakh villages will be selected for the scheme of availing free point of sale machine.
- Discount on Suburban railway tickets - Discount of 0.50 % for purchase of Suburban Railway monthly and seasonal tickets through any digital payment mode from 1st January 2017.
- Insurance cover for rail travellers - Railway will provide free accident insurance coverage of rupees 10 lakh for passengers for booking the tickets online. Currently 58% passengers buy tickets online.
- Discount on rail utilities - Railways will always also offer 5% discount on digital payments for accommodation Catering and retiring room booking at railway station.
- Service tax exemption - No service tax will be charged on credit and debit payments and transactions of up to RS. 2000 in single transaction.
- Discount on highway toll - For online payment of Toll on national highways using RFID card fast tag a discount of 10% will be offered.
- Discount on insurance premium - Customers paying payment through online gateways of public sector general insurance company will be given at 10% discount. The discount will be 8% of the premium of new life policy made to the portal of life insurance Corporation.

9. Rupay card to farmers - Rural regional bank and cooperative banks to issue RupayKisan cards to 4.32crore Kisan credit card holders this will benefit farmers of one lakh village covering a total population of nearly 75crore who will have facility to transact cashlessly inthe villages of for their agricultural needs.
10. Public dealing with government departments and PSUs through digital mode will be free of transactions fee and MDR charges.

### **CONCLUSION**

A payment system is any system used to settle financial transactions through the transfer of monetary value, and includes the institutions, instruments, people, rules, procedures, standards, and technologies that make such an exchange possible. This has given a born to being Cashless societies this have existed from the time when human society came into existence, based on barter and other methods of exchange, and cashless transactions have also become possible in modern times using digital currencies.

The ease of conducting financial transactions is probably the biggest motivator to go digital. As 70% of India's GDP comes from urban areas if government can convert that into cashless it will be a huge contribution towards the economic growth of nation as the transparency will be there within the government and all fair transaction done by the people which will help in reduction of black money and corruption, etc. You will no longer to carry wads of cash, plastic cards or even cheque for ATM withdrawals. It's also a safer and easier spending option when you are travelling. It will be especially useful in case of emergencies period. By going digital we can get ample of discounts on Service tax, Fuel, Rail tickets, Rail catering, Highway toll, insurance, etc.

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**ROLE OF RUPAY CARD IN PROMOTING CASHLESS TRANSACTIONS**

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**Mohd. Talha Halai**Student Researcher, Clara's College Of Commerce

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**ABSTRACT**

*The present age is entering a new phase where Digital Payments, Payment through Debit Cards and Credit Cards and E-Wallets has taken over the traditional cash transactions. This has led to a universal change in the way transactions were conducted, resulting in giving rise to a Cashless System. This research has been undertaken to study how the Domestic RuPay Card is helping the Government of India in promoting Cashless Economy. RuPay Card was launched back in March 2012 with an aim to integrate various payment systems in India. It is India's first and only domestic card network. Secondary method of data collection was used for extracting information from published articles and authenticated websites. This research paper tries to give an overview of RuPay Card, discusses its advantages, problems, supporting data analysis and its future prospects.*

*Keywords: Digital Payments, RuPay Card, E-Wallets, Cashless Economy.*

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**INTRODUCTION**

Plastic Money are a part of payment system issued by Banks to customers that enables its owners i.e. cardholders to access funds in the customer's designated bank account. It has growing popularity because cash works best in face-to-face transactions and cheques take time to process payment. As of June, 2018 the total debit cards were 944.3 million in usage and credit cards were 39.37 million. Researchers have found that soon in 2019, India will touch 1 billion debit cards. It was launched by the National Payments Corporation of India (NPCI). It was launched on 26th March 2012. It was created to fulfill the desire of The Reserve Bank of India's desire to have a country's own card payment system. RuPay card enables payment at all Banks and Financial Institutions. On 8 May 2014, RuPay card was officially dedicated to India by the then President of India Pranab Mukherjee. The RuPay card was brought into circulation through the Pradhan Mantri Jan Dhan Yojana (PMJDY), it emphasizes that every Indian must have a bank account. All the account holders under Pradhan Mantri Jan Dhan Yojana have been issued RuPay card. This card works similar to International Cards like Visa card and Master Card. The first and the most important benefit the cardholders get is that the processing fees charged is low as compared to other International cards like Visa card and Master card. Transactions undertaken through RuPay card is more secure than other International cards as the data is stored within the country. All the International card companies store the data at international level that makes it more prone to threats and other security issues. Main benefit of RuPay card is that, it is backed by 10 core banks of India- State Bank of India (SBI), Punjab National Bank (PNB), Canara Bank, Bank of Baroda, Union Bank of India, Bank of India (BOI), ICICI Bank, HDFC Bank, Citibank and HSBC.

There are in all 4 types of RuPay Card –

**1) RuPay Debit Card:-**

There are 6 kinds of RuPay Debit Card:-

**RuPay Platinum Card:-** Celebrate the delight of life daily with your RuPay Platinum Card. (it is highly endorsed as this card provides some exciting offers)

**RuPay Classic:-** RuPay Classic Card provides additional benefit of comprehensive insurance cover. (It is highly endorsed as this card offers efficient online E-commerce transactions)

**RuPay PMJDY Card:-** Avail affordable banking services with ease with the RuPay PMJDY Card an Indian Government initiative. (Many users face OTP problem on PMJDY account RuPay card for online E-com transactions, if you want RuPay card for online E-com transactions, go for RuPay Classic debit card)

**RuPayPunGrain Card:-** A card designed to help people make payments towards Aarthia, and is a Punjab Government initiative.

**RuPay Mudra Card:-** A government initiative towards the beneficiaries of MUDRA Loans under the Pradhan Mantri Mudra Yojana Scheme.

**RuPayKisan Card:-** Ministry of Agriculture initiative towards the credit requirements of agriculture sector.

**2) RuPay Credit Card:-**

There are 3 types of RuPay credit Card:-

**RuPay Select:-** The card that shows your lifestyle.

**RuPay Platinum:-** Enjoy cash backs at Necessity Bill Payments, Restaurants and Cafes.

**RuPay Classic:-** With RuPay Classic get the benefit of total insurance cover.

### **3) RuPay Global card:-**

Currently, RuPay Global Card is issued in two variants- RuPay Global Classic Debit Card and RuPay Global Platinum Debit Card.\

It was launched in association with international firm which is a testimony of NPCI's commitment to its mission. It also enables acceptance of Discover and Diners cards at about 2 lakh ATMs in NFS network & at more than 7 lakh POS (Point of Sales) terminals in India. NPCI is further strengthening their network competence by creating global network association with key players like JCB International Co. Ltd., & UnionPay International Co. Ltd., in the F.Y. 2016-2017. The RuPay Global card is accepted at over 39.3 million POS Terminals and over 1.88 million ATM locations in 185 countries/regions worldwide.

North America and Latin America:- works with Discover & Diners ATM/POS terminals, also with Pulse ATM networks.

EMEA: - works with Discover & Diners ATM/POS terminals.

APAC: - works with Discover, Diners, UnionPay & JCB ATM/POS terminals.

### **4) RuPay Prepaid Card:-**

**RuPay Gift Card:** - An ideal gifting solution for everyone, Pre-loaded card accepted across Merchants outlets and online portals.

**RuPay Payroll Card:** - Useful in managing employee salaries in a convenient and hassle free manner, Perfect substitute to Cheques/ Cash. These cards can be utilized not only for Cash withdrawal but also at Merchant outlets and E-commerce websites.

**RuPay Student Prepaid card:-** An easy, secure and convenient way to process scholarships and fee payments. Maintains a distinct spend wallets with access to parents to monitor child's spends.

**RuPay Virtual Card:-** Card is Virtual, Security is real. Quick registration and instant access to card. Reduces the risk of card loss. Best solution for most risk adverse online shoppers.

[Source (types):-<https://www.desidime.com/forums/dost-and-dimes/topics/info-all-types-of-rupay-debit-credit-prepaid-gift-virtual-cards-uses>]

## **REVIEW OF LITERATURE**

1. Rajwinder Kaur (Nov-Dec-2017) in his research paper, "India's Progressive Transition towards Cashless Economy", G. J. C. M. P., Vol. 6(6):30-35, ISSN No. - 2319-7285, highlighted the initiatives taken by the Government to steer Indian Economy towards Digitalization, where he mentioned how the government is promoting the usage of RuPay cards for paperless transactions.
2. Dr. P. R. Kousalya and R. Guru Shankar (Feb-2018) in their research paper, "Cashless Economy / Transactions", I.J.A.R., Vol-8, Issue-2, ISSN No. – 2249-555X, mentioned how government is incentivizing the payment through RuPay cards by issuing them to rural people and majorly to the Farmers to carry out their agricultural transactions.

## **OBJECTIVES**

1. To throw light on how RuPay Card is promoting cashless transaction.
2. To understand different benefits of RuPay Card.
3. To study Future Prospects of RuPay Card.

## **METHODOLOGY**

Secondary method of data collection is used to collect information. Various mediums like Published Articles, Newspapers, Magazines and Internet.

## **BENEFITS**

1. All RuPay Cardholders are eligible for Accidental Death and permanently disability insurance cover. Classic RuPay cardholders are eligible for cover up to 1 lakh and Premium RuPay cardholders are eligible up to for cover up to 2 lakh.

2. Accepted at more than 1.45 lakh ATMs and 8.75 lakh POS terminals.
3. RuPay Card has a wide spread reach in rural areas as all the accountholders are issued this card.
4. As it is a Domestic card, the processing fee is low as compared to International Cards like Visa and Master card.
5. Other Benefits like free access to Airport lounges, Insurance Covers, Fuel surcharge waiver.

### LIMITATIONS OF THE STUDY

1. Rural people do not have access to ATMs and direct POS terminals.
2. People do not have faith over RuPay Card, as they prefer International cards more.
3. Though it is claimed as more secure than others cards, there is always a risk of data leak.

### FUTURE PROSPECTS

1. RuPay Card is set to emerge as No.2 card in terms of volume of circulation.
2. Various companies are promoting the usage of RuPay card by offering various schemes and discounts including big companies like Zomato, Swiggy, Future Group (Big Bazaar) and Make My Trip.
3. The Government is also working over to announce various rebates to RuPay cardholders on payment of GST and other Taxes.
4. NPCI is planning to make RuPay card international by having Joint ventures with different foreign payment gateways and companies. Recently our Prime Minister Shri Narendra Modiji launched RuPay card in Singapore.

### DATA ANALYSIS & INTERPRETATION

#### GROWTH OF RUPAY RETAIL TRANSACTIONS

		PoS	eCom	Total RuPay retail transactions
FY 14-15	Volume (million)	5.25	0.85	6.1
	Value (₹ billion)	10.76	0.51	11.27
FY 15-16	Volume (million)	25.41	10.24	35.65
	Value (₹ billion)	44.74	5.76	50.5
FY 16-17	Volume (million)	195.22	87.56	282.78
	Value (₹ billion)	289.95	59.34	349.29
FY 17-18	Volume (million)	459.55	208.11	667.66
	Value (₹ billion)	488.23	166.09	654.32

Source : NPCI data

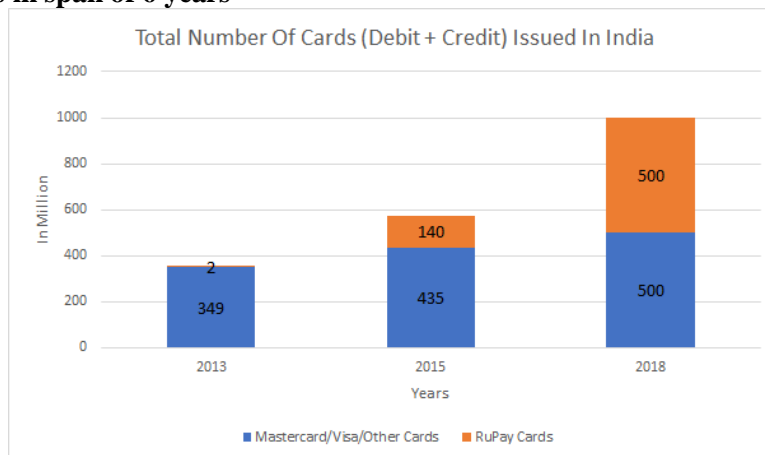
(Source:www.business-standard.com)

As seen above, the table indicates the Growth of RuPay retail transactions from financial year 2014-2015 to 2017-2018. As we can see in the financial year 2014 to 2016, the volume of total RuPay card transactions was 41.75 million and the total value of transactions was 61.77 billion. But after 2016 due to the introduction of Demonetization and Digital India initiative the numbers extensively, the total volume 950.44 millions and the total value was 1003.61 billion.



(Source:https://upipayments.co.in/rupay-debit-card)

The above graph shows that there is an increase of 1.37 crore from April 2018 to June 2018 in value at Point-of-sale terminals using RuPay cards.

**Issue of Payment Cards in span of 6 years**

(Source:www.thetruepicture.org)

From the above graph it can be observed that in the year 2013, when RuPay cards were newly launched, only 2 million cards were issued, in 2015 nearly 140 million RuPay cards and in 2018 500 million RuPay cards were issued.

**RECOMMENDATIONS AND SUGGESTIONS**

1. The Company should provide more offers and benefits by linking up with major E-commerce websites like Amazon, Flipkart, Myntra, Jabong, etc.
2. The banks must generate awareness about the RuPay Card among the customers regarding its benefits, as they are reluctant to opt for RuPay card and prefer Visa and Master Card.
3. Though it has a competent reach in rural areas, it must generate an awareness among the rural people about how to use the RuPay Card in ATMs and POS Terminal, as most of the people don't know how to use Payment cards.
4. The company should come up with an International Card which is accepted in major countries, this will increase the usage of RuPay card for International transactions.

**CONCLUSIONS**

From the above research, we can conclude that RuPay Card is helping the Government in promoting the cashless transactions through various benefits and advantages namely, low processing cost, cash back offers at various Retail outlets, privacy of the data and many more. The Future of RuPay card also seems to be bright as the NPCI is linking up with various National and International Payment firms for better functionality of RuPay Card and for its worldwide acceptance. This Card has also ended the duopoly of Master Card and Visa Card by offering various local benefits that was earlier neglected by the two. Moreover its ability to reach the rural India has also contributed to the Digital India Initiative.

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<https://www.rupay.co.in/rupay-offers>

<https://www.rupay.co.in/who-we-are>

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**A STUDY ON IMPACT OF CASHLESS TRANSACTIONS ON YOUTH WITH RESPECT TO  
ULHASNAGAR REGION**

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**Prof. Menghani Payal<sup>1</sup>, Prof. Komal Sharma<sup>2</sup> and Dr. Vinod S. Chandwani<sup>3</sup>**Assistant Professor<sup>1</sup>, Smt. C. H. M College, UlhasnagarAssistant Professor<sup>2</sup>, Smt.C.H.M.College, Ulhasnagar<sup>3</sup>Joshi Bedekar College, Thane**ABSTRACT:**

Thane District consists of a small Town named Ulhasnagar where a good chunk of population consists of Young generation. In Cashless Transactions, the money is represented digitally i.e. by means of cards or electronic payments, etc. instead of paper cash. As Young generation plays a very important role in the development of any Economy, So to understand the role of Youth in cashless transactions is also very crucial aspect. Therefore, through this paper, the researchers have tried to analyze the impact of Cashless Transactions on Youth of Ulhasnagar region, to understand the reasons for moving from cash based transactions to cashless payments, the benefits they derive & the problems they face while using cashless transactions.

*Key Words: Ulhasnagar, Youth, Cashless Transactions, Problems, Preference, Modes of Payments.*

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**INTRODUCTION:**

A society which is involved in cash free transaction explain an economic state where financial transactions are conducted digitalized, and not with the help of physical cash, coins, etc. There is usually digital representation of money between the parties involved in transaction.

The Government of India has taken many initiatives to increase the use of paperless transaction and thereby converting India in a digital economy by promoting different technologies supporting digital payments like different mobile applications, digital card swapping machine, etc. But to achieve the goal of expanding digital payment culture, spreading good infrastructure facilities need to be focused. We need to understand that increasing cashless transaction is going to help us and our country to grow.

Most of the population of our country belongs to youth category. From the past it is observed that whenever the support of Indian youth is secured for any new idea to become a success, the result has always been glorified. The same support can be expected to make the concept of digital India, "A success story". Young generation has to take efforts to educate and motivate their family members and the society they are surrounded by to spread the awareness and benefits of going digital. Our youth can help those people who are not aware of how to do digital transaction and moreover the supporting technology is also made user-friendly.

**Different modes of e-payment****1. Online Fund Transfer- NEFT or RTGS**

Online fund transfer using NEFT or RTGS is one of the much known methods for the cashless transaction. We just require internet banking facility for online money transfer and it is relatively faster than cheque or DD.

**2. Credit Card/Debit card**

Plastic payment cards include debit cards & credit cards which can be used in place of cash while making payments. The money can be transferred instantly from the cardholder's bank account to the other party's bank account while completing a transaction. The only limitation lies in using the plastic cards is the unavailability of swipe card facility at merchant end.

**3. E-Wallets**

E-wallet is another cashless payment mode. For purchasing products starting from grocery to airline tickets this mode of payment can be used. E-wallet is a simplest cashless method for fund transfer or online shopping. The most well liked examples of E-wallet are PayPal, Payoneer, Paytm, Transfer wise, Skrill, and PayZap.

**4. Internet Banking:**

To accomplish all banking transactions online, like transfer of funds, opening FD or RD account, closing an account, etc. are some services associated with Internet banking which is also called as E-banking or virtual banking. It's a 24x7 hours service provided to customers.

**5. Mobile Banking:**

Mobile banking is the process of doing financial transactions with the help of a Smartphone. Introduction of mobile wallets, digital payment apps and other services like the UPI has increased the scope of mobile banking.

**REVIEW OF LITERATURE:**

- **DR. GARIMA MALIK et al** (2013), in her paper titled “**An exploratory Study on Adoption and Use of SMS/Mobile Banking in India with Special reference to Public Sector Banks**”, observed the behavior of banks and its customers on technology adoption. This paper included that “SMS/Mobile Banking services are becoming popular among the users nevertheless the banks still have the potential to increase its usage among customers. But due to lack of proper rules and regulations for using E-Banking in India remains a drawback for mobile banking which needs to be paid attention to achieve customer trust and to make it.
- **Dr. HITESH KAPOOR** (2016), have given explanation in his research paper titled” **Consumer satisfaction and E-Banking**” the factors that has given contribution to increase the consumer satisfaction with E-banking. Tangibility, responsiveness, reliability, assurance and empathy are the different elements of Service quality that have shown a big impact on customer satisfaction with E-banking services.
- **KARAMJEET KAUR AND DR ASHUTOSH PATHAK** (2016) have analyzed in their paper entitled “**E-Payment System on E-Commerce in India**” the different forms of cashless transactions, including their and processing & functionality. Some systems are found similar, and the difference lies only in few minor details. So e-commerce payment systems are affected by the number of factors.
- **DEEPIKA KUMARI** (2016) in her research on “Cashless Transaction: Methods, Applications and Challenges” tried to explain that through the application of demonetization policy, the Indian government is trying to aware its citizens for cashless transaction through different methods of advertisements..She has made a study on different methods, benefits and challenges of cashless transaction.

**GAP ANALYSIS:** Many researches have been made on impact of cashless transactions among youth of different areas, but no research has been done specifically on the youth of Ulhasnagar region.

**METHODOLOGY:****a) OBJECTIVES:**

- To study the awareness of cashless transaction among youth in Ulhasnagar.
- To study the preference given to cashless transaction over cash payment by the youth of Ulhasnagar.
- To study the reasons for choosing the cashless transaction by the youth of Ulhasnagar.
- To study the different modes of payments frequently used by the youth of Ulhasnagar.
- To know from the youth of Ulhasnagar where they are using cashless transaction more often.
- To understand the different problems faced during the cashless transaction by the youth of Ulhasnagar.

**b) SAMPLE DESIGN, METHODOLOGY AND DATA COLLECTION:**

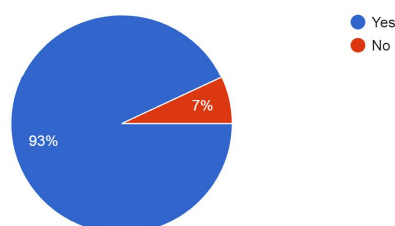
The data is collected from 86 persons (Youth) belonging to the age category of (18-30) with the use of online questionnaire and it is based on random sampling belonging to the youth of region of Ulhasnagar.

**ANALYSIS AND INTERPRETATION OF DATA:**

- k) Classification on the basis of awareness of cashless transaction?

**Figure No: 1**

Are you aware of Cashless Transaction?  
86 responses



(Source: Primary Data)

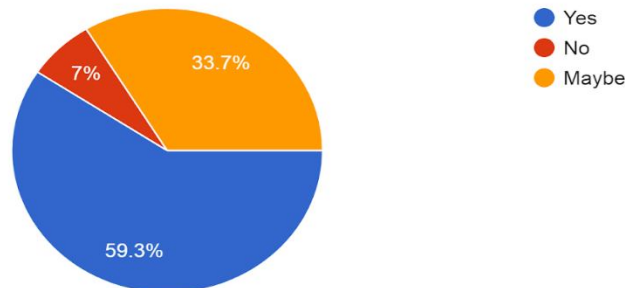
The above diagram shows that 93% youth are aware of the cashless transaction and remaining 7% are not aware about the same.

l) Classification on the basis of priority of cashless transaction over cash payment?

**FigureNo:2**

If yes, do you prefer cashless transaction over cash payment?

86 responses



(Source: Primary Data)

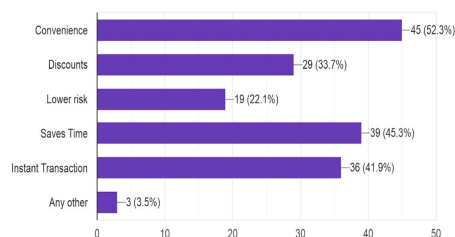
The above diagram shows that 59% youth prefer the cashless transaction 33.7% youth prefer both the cashless transaction and cash transaction but remaining 7% make only cash transaction.

m) Classification on the basis of reasons why to prefer cashless transaction?

**Figure No.3**

Why would you prefer cashless transaction?

86 responses



(Source: Primary Data)

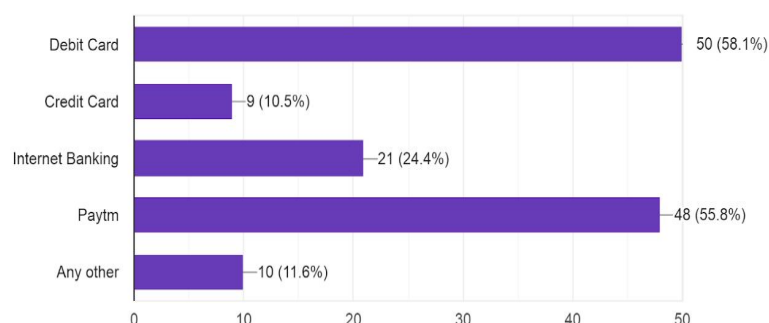
The above diagram shows that 52.3% youth prefer cashless transactions because it is convenience, 33.7% youth prefer going cashless because of discounts offered in cashless transaction, 22.1% youth consider it as less risky as compared to cash, 45.3% youth opt because of time saving. 41.9% youth beliefs that cashless transactions is an instant way of transaction, 3.5% youth are having any other reason of preference.

n) Classification on the basis of frequently used payment mode?

**Figure No.4**

Which mode of payment is frequently used by you?

86 responses



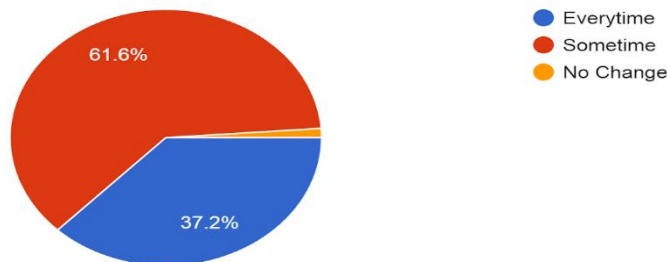
The above classification clearly shows us that around 58% youth uses debit cards, 10% youth use credit cards, 24.4% use Internet banking, 55.8% use PayTM and 11.6% youth use other modes of payments.

o) Classification on the basis of simplicity of payment with cashless mode of transactions.

**FigureNo5**

Has the cashless mode of transaction made the payments easier?

86 responses



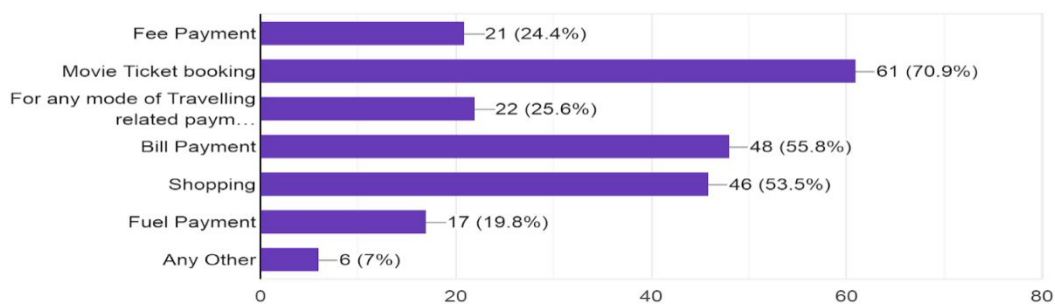
The above figure shows that around 62% youth are agree that sometime it is easy to make payments with any cashless mode and 37% youth says that every time cashless mode is easier. Hardy some percentage deny with its easiness.

p) Classification on the basis of area where cashless mode of transactions is often used.

**FigureNo:6**

Where do you use cashless transaction more often?

86 responses



(Source: Primary Data)

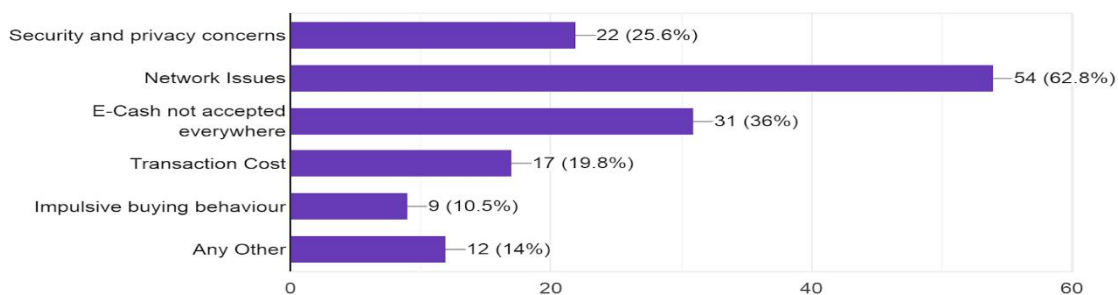
The above diagram shows that mostly for movie tickets booking youth uses cashless transaction that is around 80%, For various bill payments the uses is around 56%, 53% youth use online transaction for shopping, 25% uses for fees payment and for any travelling related payments, around 20% youth for fuel payment and 7% for various other uses like banking activities, restaurants, , amusement parks etc..

q) Classification on the basis of problems faced by youth during cashless mode of transactions.

**FigureNo:7**

What are the problems faced by you during cashless transaction?

86 responses



(Source: Primary Data)

This shows that different problems are being faced by youth during cashless modes of payment. 62% youth face network issues, 36% youth agree that e-cash is not accepted everywhere, around 25% youth resist themselves because of security and privacy concern, 20% youth do not wants to give transaction cost, 10.5% youth face the

problem of being impulsive during online shopping and 14% have other difficulties like hacking, lack of technology etc.

**SUGGESTIONS**

- More advertisement & offers should be provided on the use of other modes of payments by banks as debit cards has attracted the major attention of the young minds, so the awareness & confidence of youth on other modes needs to be boosted.
- All the transaction charges needs to be removed & only the processing/transaction fees should be charged & clearly specified.
- Merchants in Ulhasnagar must be aware with and install the updated technologies to accept e-cash.
- Discounts, Cashback offers has attracted the attention of youth, so more emphasis should be given on that
- Internet services need to be improvised & free internet facilities also needs to be provided as going digital has become the need of the day & to make it successful, these problems needs to be fixed.

**CONCLUSIONS:**

Demonetization, has led India to move rapidly towards becoming a cashless economy. Youth has shown a very positive response towards using digital payments. But there has been some limitations over using cashless transactions which needs to be solved for the growth in the usage of cashless payments in the near future. To increase the confidence among youth over the usage of the different cashless modes of payments, various offers needs to be provided by the companies, banks & above all by the Government. The overall analysis shows that youth of Ulhasnagar region has responded in a positive manner towards payments through cashless mode and have extended positive support towards the growth of economy.

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**IMPACT OF CASHLESS ECONOMY ON STREET VENDORS**

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**Prof. Minal Sharma<sup>1</sup>, Dhritiman Das<sup>2</sup> and Sehzaad Charaniya<sup>3</sup>**Assistant Professor<sup>1</sup> and Student<sup>2,3</sup>

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**ABSTRACT**

*This study highlights the impact of a cashless economy on street vendors. Street vendors are someone who sells food or other goods on the street. The cashless economy is an economy where financial transactions are conducted through digital form rather than physical currency. India is a country where almost 98% of the economic transactions are cash based. The percentage is too high. In the above ratio street vendors are the persons who have the highest percentage of doing cash transactions. The government took the initiative to launch 'Digital India' campaign to move India into a cashless economy. So the aim behind this research is to study the introduction of a cashless economy in India and to know the views of street vendors on the introduction of a cashless economy in India and the challenges and opportunities faced by them. The method we used in this research to find the data is both primary as well as a secondary method. The researcher has collected the data from those vendors who generally conduct their small business on the streets.*

*Keywords: Cashless economy, E Wallet, Street Vendors, Digital India*

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**INTRODUCTION**

A street vendor can be broadly defined as a person who offers goods and services for sale to the public at large without having a permeate place for conducting business. Street vendors are self-employed workers who offer their services to sell goods. Street vendor may be stationary in the sense that they occupy space on the pavements or other public/private spaces some vendors are mobile i.e. They move from one place to another by carrying their wares on pushing carts or in a basket or on their head.

According to the ministry of housing and Urban Poverty Alleviation, there are 10 million street vendors in INDIA with Mumbai alone having 250000 vendors. Street vendors have a dynamic role in urban economics. They provide basic necessity items which are durable and cost-effective. The street vendors also provide employment to many small industries by buying goods from them. The vendors have organized themselves in different unions the NASVI i.e. **National Association of Street Vendor of India** is a federation of 715 street vendor organization, trade unions and NGO's.

**Cashless economy**

Cashless Economy refers to a situation where there is a negligible flow of cash within an economy, and all transactions are settled digitally. This is achieved through extensive use of digital payment channels such as NEFT (National Electronic Funds Transfer), RTGS (Real Time Gross Settlement), credit and debit cards, digital wallets, IMPS (Immediate Payment Service) etc. Our Indian Economy has mostly been dependent on paper currency since ages. However, the current Indian Government is seriously trying to make India a cashless economy. Cashless economy helps in reduction of black marketing, bribery, fake currency, robbery, terrorism, etc. and helps in the economic growth of the country.

**OBJECTIVES OF THE STUDY**

- To study the impact of cashless economy on street vendors.
- To study the convenient mode of transactions.
- To study the future prospective of cashless economy.

**PROBLEMS OF THE STUDY**

From the past decade street vendors were using cash transaction as a convenient mode of payment. After the government took the initiative to launch 'Digital India' campaign to move India into a cashless economy, some of the street vendors took the initiative to move towards the cashless economy. As this is the new concept in India it has various benefits and opportunities and challenges in using and operating. The aim is to study the impact face by the street vendors while using a cashless transaction.

**Hypothesis**

H1: There is an impact of a cashless economy on street vendors

H0: There is not an impact of a cashless economy on street vendors

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**RESEARCH METHODOLOGY**

The study took the qualitative method of research. The method we used to collect the data is primary and secondary method. It is based on a structured way of collecting and analyzing data obtained from different sources. Primary data are collected through survey method. Secondary data are collected through the search of data sources such as reports, databases, World Wide Web. The research instrument used for data collection been the questionable method. The sample size was 60 units. The study is basically conducted in the Mumbai region. The area covered in our research is from Andheri to Santa Cruz.

**LIMITATIONS OF THE STUDY**

- Time convenience
- Sample size
- Implementation of data collection method
- Area limitations

**BENEFITS OF CASHLESS ECONOMY**

- Reduction of risk
- Convenient to use
- Increase in tax base
- Proper record of transaction
- No problem of change
- Discounts
- Cleaner and greener

**India on the road to Cashless Economy**

India's digital payment system will be worth around \$500 billion by 2020. According to the prediction the digital payment sector will be contributing 15% of GDP in four years. The prime minister of India "Narendra Modi" already launched the 'Digital India' campaign on 1<sup>st</sup> July 2015 to transform India into a digitally empowered society.

India represents one of the largest market opportunities for digital payments. With a population of 1.25 billion, India accounts for approximately 18% of the global population. Around 88% people prefer cashless transaction over cash transaction, along with 48% using digital payment for more than 75% of their transactions. More than 50% of India's internet will be adopting digital payment by 2020. With the launch of 'Digital India' campaign, India moved one step ahead of the cashless economy.

According to TRAI out of every 100 citizens 82 citizens of India have a mobile phone. Reduction in internet rates has given a boost to telecommunication sector all this is propelling the shift to cashless economy. The government of India has also taken different initiative like demonetization, different reduction schemes in use of online payment apps or E-wallets, launch of BHIM app and different cash back schemes and many more. There is also 30% growth in usage of E-wallets and 50% increase in E-wallets apps backed by leading banks.

**Hurdles faced by the Indian government to make India a cashless economy**

Almost 60% of the Indian population of India lives in a rural region and one fourth of the population in rural doesn't have a mobile phone and there is a big problem of connectivity in rural areas hence people hesitate to use digital transactions.

India is a country where 90% of the India labour market is informal. The majority of the people belong to agriculture or manufacturing sector where daily wages is required to fulfill their day to day work. Under such circumstances, informal labors heavily depend on cash.

Indian market is fully dominated by cash in the present as well as in the past. Almost 90% of transactions are done in cash. So it is difficult for people to change their mindset.

Security is another big hurdle on road to cashless economy in India. Digital India suffers from the threat of thefts and hackers. All this has to be taken care before India proceeding to cashless economy.

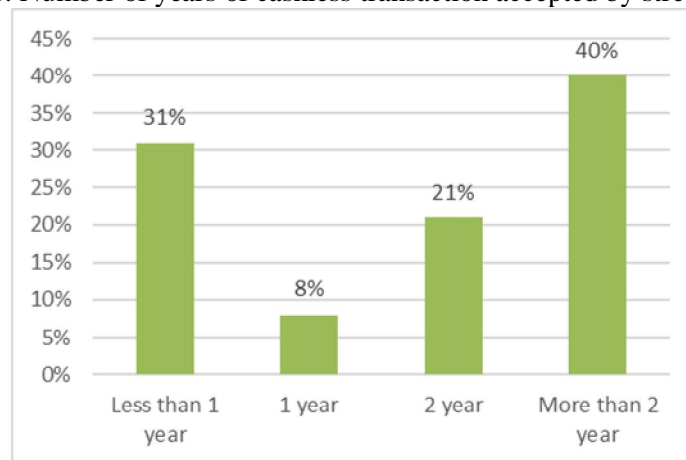
### How can street vendors adopt cashless transaction?

The introduction of cashless economy can be seen as a step towards the right direction. After the decision of demonetization by the Indian government on 8th November 2016 the campaign of moving India towards cashless economy and Digital India got a boost. Today mobile wallet like playtime, PhonePe, BHIM, Mobikwik, Google Pay, etc. gained a lot of importance in the past few years ago in India. The street vendors can use this e-wallet to meet their daily day to day transactions. The simplest use of this mobile wallet on their mobile phones can help them to run their business as usual. The street vendor can use their mobile phones to meet their daily transactions.

Under the 'Skill India Mission' the street vendors must be trained how to adopt and use cashless transaction. This training session will create awareness amongst the street vendors regarding the benefits and opportunities of using e wallets. The ministry should also talk to the vendors about the needs they want to go cashless.

### DATA ANALYSIS AND INTERPRETATION

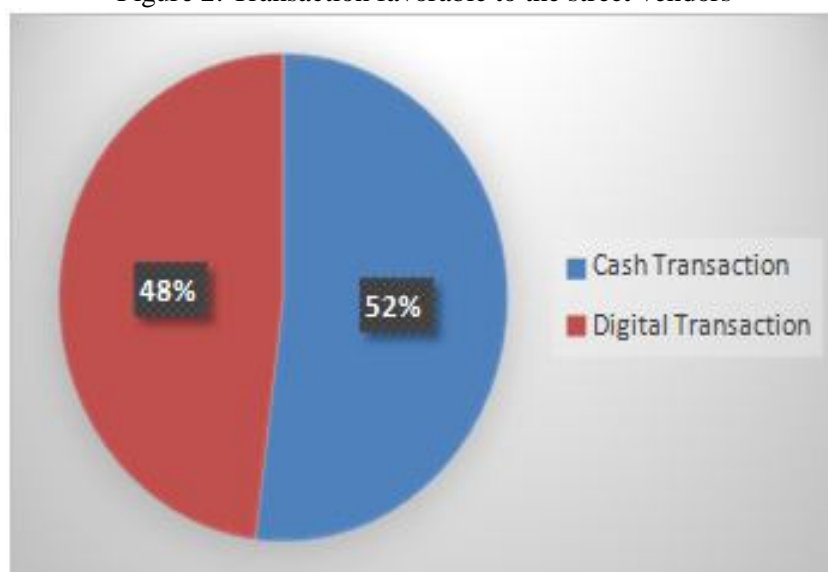
Figure 1: Number of years of cashless transaction accepted by street vendors



Primary Data

Interpretation: According to the analysis we can interpret that 31% of the street vendors is doing cashless transaction since less than one year. 8% of the street vendors is doing cashless transaction since one year. 21% of the street vendors is doing cashless transaction since two years. 40% of the street vendors is doing cashless transaction from more than two years since demonetization.

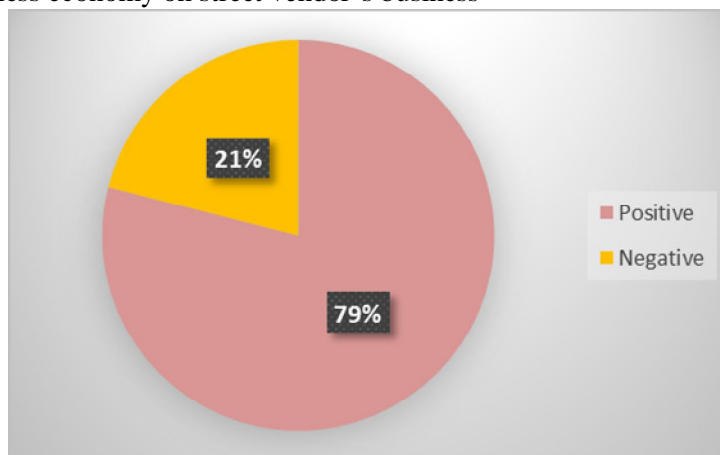
Figure 2: Transaction favorable to the street vendors



Primary Data

Interpretation: According to the analysis we can interpret that 52% of the street vendors feels favorable to use cash transaction as all the customers till now does not adopt digital transaction. There are many customers who still feel cash transaction as the convenient mode of transaction. Only 48% of the street vendors feel favorable to use digital transactions.

Figure 3: Impact of cashless economy on street vendor's business



Primary Data

Interpretation: According to the analysis we can interpret 79% of the street vendors has a positive impact on their business because it is easy and more convenient to use than cash payments. Also digital transaction helps in eliminating the problem of change which results them to save their time. Only 21% of the street vendors have a negative impact on their business because no all business has a large amount of transaction which does not help them to withdraw cash from the bank due to small amounts.

Table 1: Data collection from street vendors

Statement	Agree	Disagree
Cashless economy important for the society	85%	15%
Cashless transaction will reduce fake currency flow	92%	8%
Cashless economy have future in Indian market	67%	33%
Cashless transaction will help in tax revenue of the government	85%	15%
Indian society will go fully on cashless transaction	58%	42%
Street vendors will go fully on cashless transaction	60%	40%

### Problems faced by the street vendors

The major problem faced by the street vendors is lack of literacy. The illiterate vendors are not aware how to operate digital wallets for conducting the daily transaction. Due to lack of awareness vendors are afraid of how to operate e-wallets or and digital payment system because it can give rise to various crimes as this concept of cashless economy is now in India.

Poor connectivity is one of the problems faced by the vendors in operating digital transaction. Poor connectivity leads to error during the transaction.

Digital transaction has created a problem to the vendor that they need to visit the bank to withdraw the cash in case of urgency.

The vendors do not get proper cash back as been said by the E-wallet company.

### FINDINGS

From the above analysis, we found out that the vendors agree with the efforts taken by the government on a cashless economy. Cashless created a good impact on street vendors. There was a positive response from the street vendors because cashless economy created a positive impact on their business.

The convenient mode of transaction for street vendors is a digital transaction because it eliminates the problem of exchange and it is more convenient and time saving.

India is far away from a cashless economy because Indian market is still dominated by cash as customers still prefer cash transactions more convenient.

### SUGGESTIONS

Due to lack of awareness and literacy India is still having a slow movement towards cashless economy. As many people don't know how to operate such cashless transactions, government may establish the learning process for the street vendors. Customers should also take initiative to make digital transactions because customers can play an important role to make India a cashless economy.

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**CONCLUSIONS**

India is a country where cash is still the king. The negative perception of people for adopting cashless economy are holding them back. The problem of security and poor network is another big obstacle on the road to cashless economy. According to the present study, most of the respondents have shown positive response towards adoption of cashless economy, but due to lack of awareness, proper infrastructure and access to the internet. On the other hand customer also prefers cash transaction as a mode of only transaction. So we can conclude that Indian government has taken initiative toward a cashless economy, but still it will take time to bring change in the perception of people towards cashless economy. Especially in lower income group, small scale business like street vendor. Even Indian rural areas should also need to be made aware about cashless economy.

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**ANALYSIS OF PRADHAN MANTRI MUDRA YOJANA (PMMY) IN UPLIFTMENT OF MARGINALISED SECTION OF SOCIETY**

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**CMA Alwin Menezes**Assistant Professo, Abhinav College, Bhayandhar (E), Mumbai

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**ABSTRACT:**

*The Pradhan Mantri Mudra Yojana (PMMY) launched in April 2015 by the Government of India intends to bridge the funding Gap to the micro enterprises but also aims to boost the confidence of the first generation entrepreneurs and assist existing small business expand their activities. The research papers aims to study the impact of PMMY scheme in the upliftment of the marginalised section of the society especially Scheduled Caste (SC), Scheduled Tribes (ST), Other Backward Class (OBC) and Women. The statistical tool of one factor ANOVA is used to prove the Hypothesis of the study. The study concludes that a small amount of success is being achieved to reach the marginalised socio-economic section of the study. The scheme is still in its infancy and is an important tool to reach the underprivileged section of the society.*

*Key Words: PMMY, MUDRA, marginalised section, upliftment*

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**I.INTRODUCTION:**

In India the banking sector network has expanded to all parts of the country but a large section of the population finds themselves out of this network. Many micro units find it difficult to get credit from the banking sector and have to rely on the informal sector like moneylenders, friends and relatives. The aim of the PMMY Scheme was to provide this section credit from the formal sector channel as a part of the financial inclusion activity.

The Government of India launched Micro Units Development & Refinancing Agency Limited (MUDRA) and Pradhan Mantri Mudra Yojana (PMMY) on April 8<sup>th</sup>, 2015.

**The Vision and Mission of MUDRA and PMMY are as follows**

**Vision of MUDRA:** To be an integrated financial and support services provider par excellence benchmarked with global best practices and standards for the bottom of the pyramid universe for their comprehensive economic and social development.

**Mission of MUDRA:** To create an inclusive, sustainable and value based entrepreneurial culture, in collaboration with our partner institutions in achieving economic success and financial security.

Non-corporate small business sector unit entrepreneurs namely small shop owners, fruit and vegetable vendor, trucking, operating food services, handicraft making (artisans), allied services related to farming etc in both urban and rural areas are the potential beneficiaries in the PMMY Yojana.

An amount of Rs 5.71 lakhs crore has been sanctioned under the scheme benefitting 12.27 borrowers in the first three years.

**II. CONCEPT OF PRADHAN MANTRI MUDRA YOJANA (PMMY):**

Pradhan Mantri Mudra Yojana(PMMY) also known in the Indian banking circles as the Mudra loan scheme – not only intends to bridge the funding gap to the micro enterprises but also aims to boost the confidence of the first generation entrepreneurs and assist existing small business expand their activities.PMMY envisages providing Mudra loan to income generating micro enterprises engaged in manufacturing ,trading and services upto Rs 10 Lakh.The MUDRA loans are divided into three categories based on the business life-cycle that the loanee enterprise currently is in. The three categories signify the growth, development and funding needs of the beneficiaries

Shishu: Loan upto Rs 50,000

Kishor: Loan from Rs 50,000 to Rs 5, 00,000

Tarun: Loans from Rs 5, 00,000 to Rs 10, 00,000

**III. PROBLEM OF THE STUDY:**

The NSSO survey of 2013 indicated that more than 60% of the micro and small enterprises belonged to the weaker socio-economic strata like SC/ST and OBC. The researcher wants to analyse the fund sanctioned to the weaker economic section of the society.

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**IV. LITERATURE REVIEW**

(P.A.Ibrahim, Oct 2018, Vol6(10)) The author analysed the PMMY scheme and concluded that the government initiatives for financing micro enterprises is moving in balanced direction, the government should improve the bracket of beneficiaries as well as focus on quality of credit rather than quantity of the credit

(Dwivedi, December 2017) The author perceives that PMMY scheme is a game changing financial inclusion initiative of the government of India and will boost the Indian economy

(Soni, September 2016) The author feels that MUDRA will create a new confidence in the small scale entrepreneur and it also boost, young educated or skilled workers to expand their activities. MUDRA Scheme specially encourages women entrepreneurs which leads to women empowerment and plays an important role in nation building.

(Lall, July 2018) The author reveals that the government MUDRA initiative is a useful tool in job creation. It is not only meant to provide employment opportunity but also plays a vital role in women empowerment. It helps the women to become self reliant and help the under privileged class to self employment. The author concludes that the initiative under PMMY is indeed a game changer.

(Ramesh, August 2016) The author concludes that the Shishu schemes and SC/ST/OBC categories were huge benefit from the MUDRA bank funds. The Shishu scheme is better performance other than the kishor and tarun schemes.

(Irshad, 2016) The author concludes that growth of MSMEs will contribute to the development of 'Make in India' initiative. It will hugely benefit the small manufacturing units and self employed individuals in the rural and urban areas. It will increase confidence in the young educated and skill workers who aspire to become first generation entrepreneurs. MUDRA banks aims at funding the unfunded just like banking the unbanked.

**V. OBJECTIVE OF THE STUDY**

Objectives of the study

1. To evaluate Pradhan Mantri Mudra Yojana (PMMY)
2. To analyse distribution of Pradhan Mantri Mudra Yojana (PMMY) funds to marginalised society
3. To study the category wise distribution of Pradhan Mantri Mudra Yojana (PMMY) funds to marginalised society.

**VI. HYPOTHESES:****Null Hypothesis ( $H_0$ ):**

"There is no significant difference in distribution of PMMY funds in different categories (SC, ST, OBC and GENERAL) during the year 2015-16, 2016-17 and 2017-18"

**Alternative Hypothesis ( $H_1$ ):**

"There is a significant difference in distribution of PMMY funds in different categories (SC, ST, OBC and GENERAL) during the year 2015-16, 2016-17 and 2017-18"

**VII. RESEARCH METHODOLOGY**

The entire research study is centred on Secondary data. Such Secondary data is accumulated from PMMY annual Reports.

PMMY annual Reports 2015-16

PMMY annual Reports 2016-17

PMMY annual Reports 2017-18

Statistical tools like one factor ANOVA is used to test the Hypothesis of the study.

Graphical Representation is made of the data collected for visual effect.

**VIII. SIGNIFICANCE OF STUDY:**

The PMMY Yojana is a new entrant to the scheme of credit creation in the hands of the general public. The target population are those involved in micro business activity and require loans upto 10 lakh rupees. The PMMY Yojana also targets the downtrodden and weaker section of the social and thus has potential of upliftment of the marginalised section of the society. The study is significant in terms of assessing whether these goals have been achieved by the scheme.

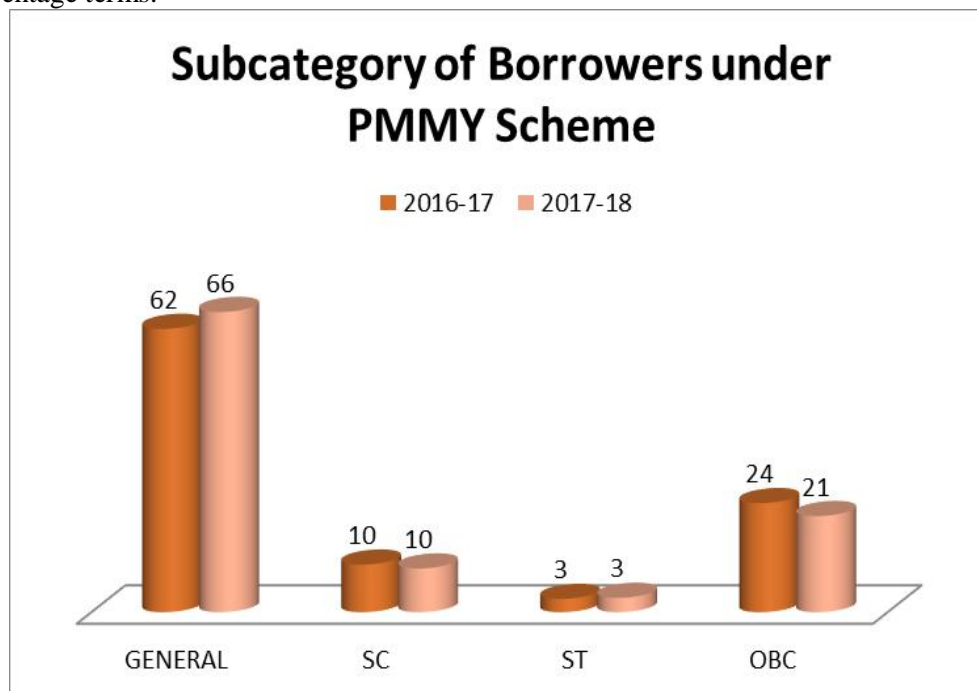
# IX. ANALYSIS OF DATA:

SUBCATEGORIES OF BORROWERS UNDER PMMY SCHEME				
YEAR/SUBCATEGORY	GENERAL	SC	ST	OBC
2016-17	112585.16	18897.83	5272.74	43772.82
2017-18	167625.09	24378.41	8000.41	53673.18
Increase in amount	55039.93	5480.58	2727.67	9900.36
Increase in %	49	29	52	23

Source –Complied from PMMY Annual Reports.

There is an overall increase in the amount sanctioned to all categories. The percentages increase in amount for General Category -49%, SC-29%, ST-52% and OBC-23%.

Graph in percentage terms.



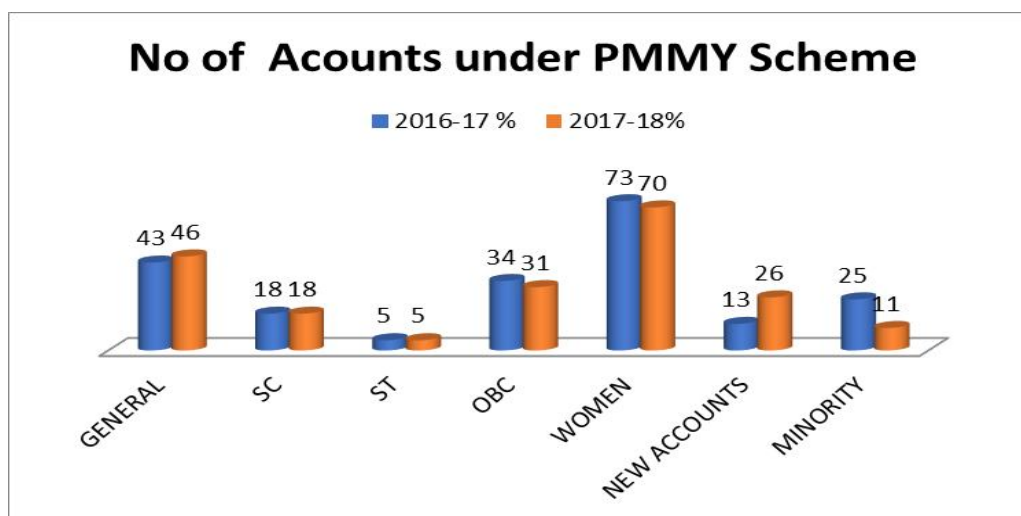
The Borrowers under General Category get more than 60% of the sanctioned amount as compared to other categories of borrowers. SC and ST category got 13% of the funds sanctioned under the PMMY Scheme. In PMMY Yojana near to 40% of the funding has gone to the weaker economic strata of the society.

SUBCATEGORIES OF BORROWERS-WOMEN			
YEAR/SUBCATEGORY	WOMEN	TOTAL	% of the loan sanctioned
2016-17	80289.68	180528.55	44
2017-18	103254.12	253677.1	41
difference in sanctioned amount	22964.44	73148.55	
% Increase in sanctioned amount	29	41	

There is an increase in the sanctioned amount under the PMMY Scheme under the borrower category of women. The increase is 29% over the previous year 2016-17. Almost 40% of the loans sanctioned have gone to women borrowers.

SUBCATEGORIES OF BORROWERS-MINORITY			
YEAR/SUBCATEGORY	MINORITY	TOTAL	% of the loan sanctioned
2016-17	20276.07	180528.6	11
2017-18	24091.77	253677.1	9
difference in sanctioned amount	3815.7	73148.55	
% Increase in sanctioned amount	19	41	

There is an increase of 19% in the sanctioned amount as compared to the previous year 2016-17. On an average 10% loans have gone to the minority community.



The above graph shows the percentage-wise account distribution under PMMY loans under different categories of marginalised socio-economic section of society.

It can be seen that 55% of the loan account belongs to the underprivileged section of society namely SC, ST and OBC. The number of accounts of women borrowers is around 70%, this can be said to be a right step towards financial independence of women and women empowerment.

#### X. Hypothesis Testing:

“There is no significant difference in distribution of PMMY funds in different categories (SC, ST, OBC and GENERAL) during the year 2016-17 and 2017-18”

##### One factor ANOVA

Mean	n	Std. Dev	
1,40,105.125	2	38,919.1077	Group 1
21,638.120	2	3,875.3553	Group 2
6,636.575	2	1,928.7540	Group 3
48,723.000	2	7,000.6117	Group 4
54,275.705	8	57,379.5447	Total

##### ANOVA table

Source	SS	df	MS	F	p-value
Treatment	21,46,44,41,064.2851	3	7,15,48,13,688.09503	18.09	.0086
Error	1,58,24,43,981.6499	4	39,56,10,995.41248		
Total	23,04,68,85,045.9350	7			

The p-value of the table is less than 0.05 and so the null hypothesis is rejected

Thus it is concluded that there is a significant difference in distribution of PMMY funds in different categories (SC, ST, OBC and GENERAL) during the year 2015-16, 2016-17 and 2017-18”

#### XI. CONCLUSION:

The PMMY scheme has been successful in covering various section of society especially the socio-economic marginalised society. The analysis of data has shown a rise in the allocation of loans to borrowers under PMMY Scheme to the marginalised section of the society. The sanctioned amount and number of accounts opened under the PMMY has increased by 20% to 40% in the PMMY Scheme.

#### XII. SUGGESTIONS:

The PMMY scheme should tie up credit programme with skill development training programmes of the government. The skill enhancement will lead to a skill labour creation in the marginalised section of society and lead to their upliftment.

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**XIII. LIMITATIONS OF THE STUDY**

1. The study is confined to PMMY Scheme
2. The data analyzed is confined to the Annual Reports from 2015- 2016 to 2017-2018.
3. The study is confined to soci-economic marginalized section like SC, ST, OBC, Minority and women borrowers.

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# MANUSCRIPT SUBMISSION

## GUIDELINES FOR CONTRIBUTORS

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2. Book review must contain the name of the author and the book reviewed, the place of publication and publisher, date of publication, number of pages and price.
3. Manuscripts should be typed in 12 font-size, Times New Roman, single spaced with 1” margin on a standard A4 size paper. Manuscripts should be organized in the following order: title, name(s) of author(s) and his/her (their) complete affiliation(s) including zip code(s), Abstract (not exceeding 350 words), Introduction, Main body of paper, Conclusion and References.
4. The title of the paper should be in capital letters, bold, size 16” and centered at the top of the first page. The author(s) and affiliations(s) should be centered, bold, size 14” and single-spaced, beginning from the second line below the title.

**First Author Name1, Second Author Name2, Third Author Name3**

1Author Designation, Department, Organization, City, email id

2Author Designation, Department, Organization, City, email id

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5. The abstract should summarize the context, content and conclusions of the paper in less than 350 words in 12 points italic Times New Roman. The abstract should have about five key words in alphabetical order separated by comma of 12 points italic Times New Roman.
6. Figures and tables should be centered, separately numbered, self explained. Please note that table titles must be above the table and sources of data should be mentioned below the table. The authors should ensure that tables and figures are referred to from the main text.

## EXAMPLES OF REFERENCES

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

### • Single author journal article:

Fox, S. (1984). Empowerment as a catalyst for change: an example for the food industry. *Supply Chain Management*, 2(3), 29–33.

Bateson, C. D.,(2006), ‘Doing Business after the Fall: The Virtue of Moral Hypocrisy’, *Journal of Business Ethics*, 66: 321 – 335

### • Multiple author journal article:

Khan, M. R., Islam, A. F. M. M., & Das, D. (1886). A Factor Analytic Study on the Validity of a Union Commitment Scale. *Journal of Applied Psychology*, 12(1), 129-136.

Liu, W.B, Wongcha A, & Peng, K.C. (2012), “Adopting Super-Efficiency And Tobit Model On Analyzing the Efficiency of Teacher’s Colleges In Thailand”, *International Journal on New Trends In Education and Their Implications*, Vol.3.3, 108 – 114.

- **Text Book:**

Simchi-Levi, D., Kaminsky, P., & Simchi-Levi, E. (2007). *Designing and Managing the Supply Chain: Concepts, Strategies and Case Studies* (3rd ed.). New York: McGraw-Hill.

S. Neelamegham," Marketing in India, Cases and Reading, Vikas Publishing House Pvt. Ltd, III Edition, 2000.

- **Edited book having one editor:**

Raine, A. (Ed.). (2006). *Crime and schizophrenia: Causes and cures*. New York: Nova Science.

- **Edited book having more than one editor:**

Greenspan, E. L., & Rosenberg, M. (Eds.). (2009). *Martin's annual criminal code: Student edition 2010*. Aurora, ON: Canada Law Book.

- **Chapter in edited book having one editor:**

Bessley, M., & Wilson, P. (1984). Public policy and small firms in Britain. In Levicki, C. (Ed.), *Small Business Theory and Policy* (pp. 111–126). London: Croom Helm.

- **Chapter in edited book having more than one editor:**

Young, M. E., & Wasserman, E. A. (2005). Theories of learning. In K. Lamberts, & R. L. Goldstone (Eds.), *Handbook of cognition* (pp. 161-182). Thousand Oaks, CA: Sage.

- **Electronic sources should include the URL of the website at which they may be found, as shown:**

Sillick, T. J., & Schutte, N. S. (2006). Emotional intelligence and self-esteem mediate between perceived early parental love and adult happiness. *E-Journal of Applied Psychology*, 2(2), 38-48. Retrieved from <http://ojs.lib.swin.edu.au/index.php/ejap>

- **Unpublished dissertation/ paper:**

Uddin, K. (2000). A Study of Corporate Governance in a Developing Country: A Case of Bangladesh (Unpublished Dissertation). Lingnan University, Hong Kong.

- **Article in newspaper:**

Yunus, M. (2005, March 23). Micro Credit and Poverty Alleviation in Bangladesh. *The Bangladesh Observer*, p. 9.

- **Article in magazine:**

Holloway, M. (2005, August 6). When extinct isn't. *Scientific American*, 293, 22-23.

- **Website of any institution:**

Central Bank of India (2005). *Income Recognition Norms Definition of NPA*. Retrieved August 10, 2005, from <http://www.centralbankofindia.co.in/home/index1.htm>, viewed on

7. The submission implies that the work has not been published earlier elsewhere and is not under consideration to be published anywhere else if selected for publication in the journal of Indian Academicians and Researchers Association.

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