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BEHAVIOR OF CASHLESS PAYMENT IN RURAL AREA – A STUDY WITH REFERENCE TO RAJKOT TALUKA

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ABSTRACT :

Day by day the growth of cashless transaction is reaching up and up. In urban area most people using e-payment for payment, shopping, food delivery payment, patrol, hotel bills, mobile recharge, tv/cable recharge, booking tickets, groceries etc..... cashless transaction makes a change in the shopping pattern and spending pattern of the people who are in urban areas. So, the purpose of this paper to study the perception of rural people on cashless transaction. The main objective of the study is to identify the behavior of cashless payment in Rajkot rural and how many people are influencing with cashless payment in Rajkot rural. The data



KEYWORDS : cashless payment, behavior, cashless transaction, mobile banking.

INTRODUCTION :

Cashless transaction is a process of buying goods and services against money there is no physical currency is involved. The physical currency is replaced by no. of methods that are powered by digital information technology and are capable to transfer money from one person's bank account to another people.

“We want to have one mission and target: take the nation forward – Digitally and Economically”

-NARENDRABHAI MODI (PRIME MINISTER OF INDIA)

The government has launched several apps and programs to look forward to India. Also, the Reserve Bank of India has withdrawn the Jan Dhan scheme. The government is launching UPI (Unified Payment Interface), a payment system that can be used for direct mobile transfers between account holders of two different banks. They introduce various technologies like BHIM (Bharat Interface for Money) app to interact with each other and other customers.

In this regard, the entire country continues to improve financial transactions due to the unprecedented speed of electronic payment services. Not only that, but a large number of public and private skater companies, even street vendors, now accept electronic payments, allowing people to do cashless shopping quickly application more than ever. To be inspired. There is no better money in all aspects, because often in financial transactions, digital payments save time. Apart from this, it is also considered as an economic development support system and approach. It also proves that it is an important step in the economic situation in which goods and services are bought and paid in a fair way

through electronic media and business without money, and every transaction must be recorded. and the buyer, the seller and more than the regulated company. Keeping track of the financial system is very easy and is done well by the public by putting these schedules on the table so that people can record their own money. The importance of time, its value can be understood quickly. As a result, the process is becoming more efficient and sustainable. So, some of the cashless payment options are debit cards, credit cards, checks, mobile banking, paper demand, e-wallets, etc. Digital payments from ordinary people in less time. It is becoming easier for rural/urban areas to accept this digital payment and other methods in a short period of time. In the shortest possible time, in the most form, all these charges can be revealed at home and abroad.

Modes Of Payments:

For making India cashless, these are the various modes available in the form of -

1. Banking cards
2. USSD
3. Aadhaar Enabled Payment System (AEPS)
4. UPI
5. Mobile Wallets
6. Bank pre-paid cards
7. Point of Sale (PoS)
8. Internet Banking
9. Mobile Banking
10. Bharat Interface for Money (BHIM) app

Cashless Payment by women:

In India's cashless communities, including women, financial transactions are not done with paper money or coins but with digital information (usually a representation of money). Cashless societies have existed since the beginning of society, based on shopping and other means of exchange, and cashless transactions are now possible with credit cards, debit cards, mobile payments and digital currency like bit - coins. Indian women have experienced the ease and security of cashless payments, so they have adopted the policy of cashless payments.

Such an idea is widely debated, especially as the world sees the rapid and increasing use of digital technology, managing and exchanging money and business, investing in everyday life in many regions of the world, and transactions that would have been in history. Computers are now commonly used for money. Some countries now place limits on the transactions and business regulations in which non-electronic payments can be legally used.

Cashless business is one of the most important concepts nowadays, cashless economic prospects in India. About 5% of financial transactions in India are conducted using mobile wallets and electronic payment systems. The main advantages of cashless transactions are that digital transactions enable the recording of all economic transactions. The way of digitalization is almost possible to control the black money market which often becomes a factor that destroys the national economy. It helps increase government tax revenue. The advantage of the citizens of the same region in the economy is that the risk of carrying a currency and the loss of hard currency can be avoided. Transaction costs, payments and consumption time will be reduced. Cashless business is suitable for shopping, paying and managing financial transactions with smart phones at home, office or anywhere. It also reduces the cost of printing and traveling.

OBJECTIVES OF THE STUDY:

1. To make aware to understand the importance of cashless transactions in India.
2. Use of various methods used in cashless transactions in India.
3. To clarify the concept of rural/urban people on cashless transactions.

Literature Review:

Karamjeet Kaur and Dr. Ashutosh Pathak (2016); have explained in their research paper titled “E – Payment System on E – Commerce in India” the different types of cashless transaction methods including functionality and processing. They have revealed that it is quite difficult, but not impossible to suggest that which payment system is best. Some system is quite similar, and differs only in some minor details. Thus there is no. of factors that affect the usage of e-commerce payment system.

Garg and Panchal (2017); her paper led light on the views of people on cashless economy in India. Responses from respondents shows that cashless economy will help in curbing black money, counterfeit’s fake currency fighting against terrorism, reduce cash related robbery, help in improving economic growth of our country. 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.

Kumar Rishu (2020) did a proper study of the cashless payment system in India. He has suggested that cashless payment is an expensive proposition for the government. As the nation should move towards cashless payment system most highly, so that which is promoting track transactions, currency management cost, etc. In addition, it also broadens and encourages financial inclusion and integrates the parallel economy into the mainstream.

Kumar Mayank (2021), is helping to reduce currency management costs, track and record cashless transactions, etc. In cashless payments, we feel that the buyer's behavior towards cashless transactions is less valuable and better attempted.

Deepika Kumari, (2021), in her study of the applications and challenges of cashless transactions, concluded that in the form of demonetization implemented by the Indian government, the government is trying to make its people aware of cashless transactions.

METHODOLOGY:

Different methods used in cashless transactions

The RBI classifies every mode of cashless fund transfer or transaction using cards or mobile phones as a prepaid payment instrument. The most popular, secure, and best digital payment mediums are debit card, credit card, cheque, mobile banking, demand draft, E-Wallet, online transfer, etc. These methods are more transparent as every transaction can be tracked easily as it leaves its footprints. Many urban people adopted new cashless payment options. Whereas it is a challenge for rural people to adopt cashless payment options. On the field survey data, we found that majority of the rural people using a debit card and very few people are using other payment options.

Outline of Research Methodology

Sampling: To run an awareness program by the government for the researchers to use simple randomized techniques for taking samples from rural/urban areas of Rajkot Rural Area. The sample size was 160.

Tools used to study this method: Both primary and secondary data have been obtained for this study. Primary data was collected by the researchers through a structured questionnaire. Likert's scale of 3 points and 5 points was used for some questions for scaling purposes. Secondary data was collected from the Internet, books, and magazines. For analysis and interpretation, the researchers used simple statistical tools like percentages, and some relevant interesting data is presented in tabular form. A Chi-square test was used to test the hypothesis.

Hypothesis

H₀: No link between education and cashless transactions in rural/urban areas It happens.

H₁: Indicates the relationship between education and cashless transactions in rural/urban areas.

H₀: There is no use of cashless in the country.

H₁: Is there any benefit from cashless in the country.

Needs for the Study Required

The central government is focusing more and more on cashless transactions to reduce corruption smoothly. So that this scheme has more focus on Digital India and the future of Cashless India is looking very respectable because the response of the people of the country towards this move of the Government of India and the approval of its support was indicated. So that the Indian government's move is waiting for the possibility of success. Along with this, transactions through e-commerce and the digital payment gateway will further enhance transparency in the economy, which will increase the GDP of the economy and the development of the country. This will improve the creditworthiness of the country, and investment will increase. This move of cashless is going to create a wave of big success.

Analysis and Findings:

Perception of rural people on the cashless transaction

Table - 1
Awareness of cashless transaction

Aware of cashless transaction	Number of respondents	Percentage
Yes	108	67
No	52	33
Total	160	100

Source: field survey data

Among 160 respondent's majority (67%) respondents aware of cashless transactions whereas 1/3rd of the respondents is not aware of cashless transactions.

Table - 2
Relationship between Education and Cashless transaction

Categories of respondent	Education					Total
	illiterate	Primary/High School	PUC	Degree	Other	
Cashless transaction (card)	0	14	6	38	14	72
Cash transaction	8	40	18	16	6	88
Total	8	54	24	54	20	160

Source: field survey data

Table - 3
Chi-square analysis

X ² Value	Table Value	Significance
16.7	7.81	Highly significant

Source: field survey data.

The Chi-square analysis shows that the null hypothesis, there is no relationship between education and the cashless transaction has been rejected. Hence the alternative hypothesis that there is a relationship between education and the cashless transaction is accepted. Thus, we can conclude that majority of the educated people in rural areas are making cashless transactions.

The illiterate or low educated rural people are using cashless transactions were very few.

Table - 4
Importance of cashless transaction to reduce corruption

Reduce corruption	Number of respondents	Percentage
Yes	134	83.75
No	26	16.25
Total	160	100

Source: field survey data

The above table exhibits the feedback of the respondents towards the importance of cashless transactions to reduce corruption. Out of 160 respondents, 83.75% have agreed that cashless transactions will reduce corruption, and 16.28% of respondents do not agree with this statement.

FINDINGS & CONCLUSION

From the study of this topic, it is obtained from the research scholars all over India that in a large country where a large population is forced to live below the poverty line and is dependent on it, to implement a cashless economy in the country as well as in the state. It is natural to face difficulties but efforts need to be started in this direction. Today, through digital media, there has been a big change in the mind-set of people towards digital transactions, because they can complete their work in less time. . The people of the country have come to know that digital transactions are safe, easy, convenient, and transparent too, and there can be no scope for black money and counterfeit currency in cash in India. Cash or Cashless India is a campaign awareness program recently launched by the government that the Indian government is moving forward to make a cash-based economy, cash from digital media, and thus, a big change in the economy of the country. From the above analysis, highly educated and low educated people in rural areas are aware of cashless transactions. When we consider the use of cashless transactions, most highly educated people are often using cashless transactions. Illiterate people cannot adopt this concept in their daily life due to many reasons like technological advancement, lack of information, lack of interest, their age, lack of convenience, bad perception, etc. This concept will be successful only when everyone starts implementing it in their life. Only then we can proudly say that our country is developed to some extent.

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