

A Study of Impact of Cashless Transaction on Society Using Statistical Methods

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Abstract:- A cashless society describes an economic state whereby financial transaction 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. Cashless society have existed based on barter and other methods of exchange, and cashless transactions have also become possible using digital currencies such as bit coins. Cashless India is a mission launched by the government of India led by prime minister Narendramodi 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 such as Rs.500 and Rs.1000 on November 8, 2016. Different activities needed to be planned in all the point of view for migration to cashless society and digital India to achieve the aim of payment and settlement system of India: Vision 2018.

Keywords:- Cashless, Transaction, Digital, Bit coins, ANOVA, P-Value, Level of significance.

I. INTRODUCTION

Cashless policy will also reduce cash related corruption and attract more foreign investors to the country. 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.

The word cashless transaction means stopping the people to use money through hands and making them to use it through electronic media or credit cards bank transfers, checks etc. and payment system such as immediate and payments service IMPS, NEFS, RTGS in India.

In India cash is expensive (every year RBI spent and Rs 32 billion on printing currency) and the no of people use in tax evasion black money etc. The government is decided to increase tax revenues so cashless economy mom dates all citizens to have bank account so we are decided to study what is the impact of cashless transaction on society.

Cashless economy is an economy in which all types of transaction are carried out through digital means it includes E- banking ,debit card, credit card ,card swipe, machines and digital wallets cashless economy increases the speed at which the money is transferred from one person to another and a large part of population is still outside the scope of net banking like use of credit card or debit card making transaction using mobile phone and using the internet to pay bills they are not in a position to reduce its dependence on cash .the government of India followed a detail criterion by first SIT on black money then Jan –dhanyojana which are followed by tracking on foreign account and money, when demonetization is done then people have no money to buy some commodities so there is cashless system evolved. We study that how many people use the cashless transaction also find out mostly used the mode of cashless transaction amongst our society.

II. LITERATURE REVIEW

- Ashish Das, and Rakhi Agarwal, (2010) suggested that the cash payment is an expensive proposition to the government and so the nation must step towards the cashless payment system which reduced the track transactions, currency management cost, eliminates tax avoidance, fraud etc.
- Alvares, Clifford (2009) have explained in the report that many fake notes are going undetected and the battle against the fake note is harder.
- Annamalai, S. and Muthu R. Iiakkuvan (2008) studied the future of plastic money in retail transaction. The growth of the debit and credit cards in retail transactions were projected by them in their study. The popularity leading growth factors, the obstacles faced by the banks, future and scope of the plastic money were explained in their study.
- Jain, P.M (2006) studied about the e-payments and e-banking. With the help of technological advancement, rapid payment options and other features, there will be an optimal use of funds for banks, other financial institutions, and business houses and so on. He also elaborated the importance and need for e-payments and modes of e-payments and communication networks