

A Study on Implications of cashless transactions on Socio-Economic Life of Middle Income Families in Mysore city

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ABSTRACT:

To understand the cashless methods of transactions the researcher will have a quick overview on cash and its transactions. Money is one the most important means to fulfill our needs and wants. The means to satisfy our needs and wants are currencies of different types that are issued by the governments of a country and then they are exchanged in lieu of products and services. The money is a developed type of means for day-to-day transactions and has emerged from various systems of exchange in human civilization. Earlier There were no currencies but all the important goods and services were acquired by exchanging other goods and services; this system of exchange known as a Barter system. The need for monetary value was emerged as a psychological assurance to trust each other and to involve an external body to promise the payment in terms of a promissory note or a coin. This is the time when currencies or coins came into existence. Ancient China, India and Africa started to use cowries and shekels. The emergence of new technology and need for a global business made the cashless transactions more popular. There were various methods of cashless transactions that frequently used, but due to the economic advancements the need for other faster and reliable methods has motivated many entrepreneurs and economist to introduce reliable and easy to use methods of cashless transaction.

KEY WORDS: *Cash less Transanction ,services,Technology,currencies*

INTRODUCTION:

Money as a medium of exchange is indispensable in the everyday life of a common man. The use of money in the form of currency notes and coins is commonly found everywhere. However, with the advent of electronic forms of transfer of funds, the significance of cash transactions is coming down on a notable scale. Use of cheques and drafts as alternatives to the cash payment, is in vogue even today.

However, electronic media transfer in the form of Debit card, Credit card, E-wallet, prepaid card, internet banking transfer, ATM, Mobile banking and Google pay are gaining momentum in the present-day context. The changed policies of every successive government favoring the cashless transactions has mainly contributed to the avoidance of cash in meantime evolution and revolution in the field of electronics has significantly contributed to the popularity of electronic media for transfer of funds.

The demonetization of currency notes of higher denominations 1000 and 500, in November 2016 and impetus given by central government for use of non-cash transactions gave a fillip for dominance of electronic medium of transfer of funds. Increase in the use of swiping machines at commercial establishments, curb on cash withdrawals from banks, curb on cash payments and opening of new ATM counters at nook and corners of the country helped in popularization of non-cash transactions. Concomitantly, the extent of cashless transaction in India now stands at 5% of total transactions.

STATEMENT OF THE PROBLEM:

Cash transactions have been in vogue since a long time. Use of cash as medium of exchange has been indispensable. Ever since the money economy stage evolved, replacement of money by any other medium of exchange is hardly possible because, the cluster of money as a medium of exchange is very hard to crack. People attached importance to money, in cash form, as a store of value also. There is a large number of individuals who hoard the currency notes as a store of wealth and release it gradually on need basis. The use of plastic money as alternate to currency notes has serious limitations of lower adaptation to changed technology, risk of using money because of intervention of dubious personalities and prompting reckless spending. Though use of plastic money attempts to secure higher echelons of social life and provides advantage of risk-free transfer of funds, the middle-class populace in India is still scared about switching over to cashless transaction.

SCOPE OF THE STUDY:

The scope of the study is confined to Mysore city in Karnataka state. Cashless transaction plays a very important role for middle income level of people.

SIGNIFICANCE OF THE STUDY:

The problem stated above and the review of literature done by the candidate clearly envisages that very lesser number of attempts are made to examine the implication of cashless transaction of socio-economic life in a middle-class dominant society. There are no specific studies made to throw light on the problem stated above with reference to city of Mysore. Therefore, this study is assumed to be very important.

OBJECTIVES OF THE STUDY:

1. To study the economic implication of cashless transaction on the life of middle-income group in Mysore.
2. To study the social implication of cashless transaction on the life of middle-income group in Mysore.

RESEARCH METHODOLOGY:

The secondary data is collected from various published and unpublished source. The project work is erected upon both primary data and secondary data. Primary data is collected from administering a pilot tested structured questionnaire to the sample respondents. Convenient sampling method is adopted for selection of respondents. However enough care is taken to ensure selected respondents represent different demographic groups.

SAMPLING DESIGN:

1. **Sampling Technique:** convenient sampling will be arrived at the sample size.
2. **Sampling size:** The sample size considered of 60 respondents.

RESULT AND DISCUSSION:**Table 1: Showing Demographic details of the respondent**

Demographic variables:		Frequency	Percentage
Gender	Female	25	41.67
	Male	35	58.33
	Total	60	100
Age	20-25	10	16.67
	25-30	15	25
	30-35	15	25
	35-40	20	33.33
	Total	60	100
Qualification	SSLC	22	36.67
	PUC	18	30
	Degree	20	33.37
	Total	60	100
	Married	42	70

Marital status	Unmarried	14	23.33
	Widow	04	6.67
	Total	60	100
Annual income	50000-100000	20	33.33
	100000-200000	15	25
	200000-300000	08	13.33
	300000-500000	12	20
	Above 500000	05	8.34
	Total	60	100

Interpretation:

The above table shows that most of the respondent i.e. 58.33% is male, 33.33% of the respondent is aged between 35-40 and 36.67% of the respondents are SSLC, 70% of respondent are married. The study reveals that 33.33% of the respondents are having a 50000-100000 annual income.

Table 2: showing the reduction of risk of carrying cash.

Opinion	Frequency	Percentage
Strongly agree	20	33.37
Agree	30	50
Dis agree	10	16.67
Total	60	100

Interpretation: The above table show that cashless transactions reduce the risk out of 100% of respondent 50% of respondent says agree and 33.37% of the respondent says strongly agrees.

Table 3: Showing the reduction in risk of holding cash.

Opinion	Frequency	Percentage
Agree	25	41.67
Dis agree	16	26.64
Not sure	19	31.64
Total	60	100

Interpretation: The above table shows that reduction of risk of holding cash out of 100% respondent, 41.67% of the respondent says agree and 31.64% of respondent says not sure.

Table 4: showing the reduction in risk of losing wealth.

Opinion	Frequency	Percentage
Yes	40	66.67
No	20	33.33
Total	60	100

Interpretation: The above table shows that risk of losing wealth, out of 100% respondent 66.67% of respondent says yes and 33.33% of respondent says no.

Table 5: Showing the Authenticated Accounting Records.

Opinion	Frequency	Total
Strongly agree	12	20
Agree	28	46.67
Disagree	04	6.66
Not sure	16	26.67
Total	60	100

Interpretation: The above table shows that authentication of accounting records out of 100% of respondent 46.67% of respondent says agree ,26.67% of respondent says not sure and 20% of respondent says strongly agree.

Table 6: Showing the easy transactions.

Opinion	Frequency	Percentage
Yes	50	83.33
No	60	16.67
Total	60	100

Interpretation: The above table shows that easy transactions out of 100% respondent 83.33% of respondent say yes and 16.67% of respondent says no.

Table 7: Showing the Enhancement of social status.

Opinion	Frequency	Percentage
Strongly agree	12	20
Agree	18	30
Disagree	05	8.33
Strongly disagree	10	16.67
Not sure	15	25
Total	60	100

Interpretation: The above table shows that enhancement of social status out of 100% respondent 30% of respondent agree,25% of respondent says not sure and 20% of respondent says strongly agree.

Table 8 : Table showing the lesser use of plastic money.

Opinion	Frequency	Percentage
Yes	45	75
No	15	25
Total	60	100

Interpretation: the above table shows that lesser use of plastic money out of 100% of respondent 75% of respondent says yes and 25% of respondent says no.

Findings:

- Majority of the respondent agree with the statement of reduction in risk of carrying cash
- Cash less transactions helps to reduce the risk of holding cash
- The study find out helps to protect our environment through less use of plastic money

Recommendation:

The researcher strongly recommend for another demonetization closely followed by the demonetizations through bank account with no counter exchange ,concomitantly people are forcefully introduce to banking and later on online banking will flourish Simultaneously all commercial establishment and other money exchange point need to be equipped with technical devices help use of plastic money.

CONCLUSION:

A study on an “**Implications of cashless transactions on Socio-Economic Life of Middle Income Families in Mysore city**” has very effectively dealt the matter of cashless Yen-actions and its Implications. The empirical survey made by the researcher has proved the hypothesis that significant effect of cashless transaction on the economic life of middle income VI-up in Mysore city and significant effect of cashless transaction on the social life of middle in Mysore city It is concluded that the government of India in consensus with banking structure shall go with one more demonetization and proper stream of economy

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