

# Cash Less Transactions In India

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## ABSTRACT

Cashless society 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. 5 Best cashless payment options in India – Go Cashless In India: E Wallets, UPI, Plastic Money, Net Banking, AEPS.

## MEANING

Cashless transaction means it is an financial transaction by the means of cheque ,bank transfer credit cards where will get the bill or receipt from person to person in one or other way each and every person is handled towards cashless transaction in the society.

## ADVANTAGES OF CASHLESS TRANSACTIONS

- Convenience and ease of transaction and is more secure compared to making transactions involving cash withdrawal.
- Drive the development and modernisation of the payment system, promote transparency and accountability, reduce transaction costs, and decrease the size of the grey or informal economy.
- Help business people grow their customer base and resource pool, far beyond the limitations of their immediate geographic area.
- Adds up to environment as no tree will be cut for printing paper money.
- Reduces Corruption Overall boosts the rural economy and enables better development of the rural masses

### ➤ UNIFIED PAYMENT INTERFACE (UPI)

Prerequisites

1. Make sure your mobile number is registered with your bank and you have mobile banking enabled.
2. If you already have an account and you have not linked your mobile number with your account in the bank then you can visit your nearest bank branch and register your mobile number. Alternatively, you can go to any ATM, present your bank account card (debit, credit etc.) and choose the option to register your mobile number

## UNSTRUCTURED SUPPLEMENTARY SERVICE DATA

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## (USSD)

\*99# Facility

Prerequisites

- Make sure your Mobile (all basic/feature or smart phones. Except CDMA) number is registered with your bank. Fill and submit a form for registration of mobile to enable USSD transactions via Mobile

### Financial Services

- Fund Transfer using Mobile Number and MMID of the beneficiary
- Fund Transfer using IFSC and Account Number of the beneficiary
- Fund Transfer using Aadhar Number of the beneficiary

### Non-Financial Services through use of mobile

- Balance Enquiry
- Mini Statement
- Know MMID\* (Mobile Money Identifier)
- Generate or set MPIN
- Change MPIN

## AEPSTRANSACTIONS SUPPORTED BY AEPS

4 types of transactions

- Balance Enquiry
- Cash Withdrawal
- Cash Deposit
- Fund Transfer

## IIN

IIN is a six digit number which identifies your Bank with which you have mapped your Aadhar number

Mandatory Details for AEPS Transaction

Aadhar No, Bank's IIN, Fingerprint and Aadhar no of beneficiary

### ADHAR ENABLED PAYMENT SERVICE

AEPS is a new payment service offered by the National Payments Corporation of India to banks, financial institutions using 'Aadhar'. AEPS stands for 'Aadhar Enabled Payment System'.

**CUSTOMER SHOULD HAVE AN AADHAR (UNIQUE ID AS ISSUED BY UIDAI) NUMBER** linked with any bank account (bank should be a part of AEPS network) where customer has an account. The registration process shall be as per the procedures laid down by the bank providing AEPS service

### PHYSICAL POINT OF SALE (POS)

#### Mobile based Point of Sale (M-POS)

Point of sale commonly known as "Checkout" is the location where transaction occurs for the sale of goods or services and customers can pay for their purchases.

#### Difference between a card machine & POS

A card machine is simply a card reader and PIN pad whereas a POS system is a complete checkout terminal that comes with a credit card machine, monitor or tablet, cash register, printer and other peripherals. POS systems also come with additional software or apps that track inventory, monitor sales, generate discounts, create financial reports, help with marketing and other features

### PAYMENTS/MOBILE WALLET

Mobile wallets are essentially digital versions of traditional wallets that someone would carry in their pocket. They

4. transaction payment module"

offer payment services through which the individuals / business can receive/ send money via mobile devices. While there are many variations, usually they can hold digital information about credit and debit cards for making payments, store coupons and loyalty programs, specific information about personal identity and more

### BASIC REQUIREMENTS TO START USING A WALLET

- Bank Account
- Smartphone
- 2G/3G connection

Wallet App

### STEPS FOR ACCESSING MOBILE WALLETS FOR THE FIRST TIME

- Choose the wallet services available in the market.
- Download the application of wallet as chosen in above step Complete the registration process by providing details like Name, Email ID, Mobile No.
- Mobile number verification code is sent by the wallet company to verify the mobile no.
- Input the verification code during the registration process as requested by application in previous step
- Mobile wallet is created but it has to be loaded with some amount to use it for shopping.
- Mobile wallet can be loaded using Credit card, Debit card, Net banking, ATM card & IMPS. Mobile Wallet can be topped up with cash at designated location
- Once mobile wallet is loaded it can be used for Fund transfer, shopping & other transactions

### REFERENCE

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