

Cashless Economy in Tamil Nadu: Problems and Prospects

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Cashless economy is an economy where financial transactions are conducted online. There is no involvement of cash in a cashless economy. Digital currencies such as bitcoin can be used for conducting cashless transaction. Electronic payment has become more popular with the arrival of intermediaries such as Paypal and digital Wallet systems. The fund transfer between banks can be easily made through net banking. As per the current Indian scenario most of the urban people have shifted to cashless transaction with the easy accessibility of computer and networks. As far as rural people are concerned the level of involvement in cashless transaction is still low because of the inaccessibility to technology. The payments in a Cashless economy are made through various modes like mobile banking, Debit Card, Credit Card, Google Pay and PAYTM. The paper discusses the various cashless payment modes, benefits and challenges of cashless economy and the awareness level towards cashless transaction modes. The researcher has used convenience sampling method for selecting 100 respondents from rural and urban areas of Tamil Nadu using a google survey. The result shows that awareness level of individuals regarding cashless transaction significantly differs with respect to age, gender and education.

Keywords: Awareness level, Benefits, Cashless economy, Challenges, Payment modes.