



Modes of E-Payments for Financial Transactions: Benefits and Issues

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Abstract

The payment in terms of electronic media is increased from last few years and it has created good awareness among the citizens and it has solved many issues related with handling cash and transport of cash from one place to another. The cash was the main way to perform financial transactions in society for long period. The medium through which we purchase goods, services is in the form of Government approved currency.

The main aim of this paper is to study effect of e-payment transactions and how we can create the awareness among people to use debit card, credit card and online payment mode to perform maximum transaction. The Use of debit, credit cards is not more in rural area due to unavailability of banking facility and ATM machines still are not enough to meet the requirements of the rural population. The Cashless transactions will save operations cost in Banks and also save the time of the users. It will directly have positive effect on Economy.

Following are the measures government should take to motivate large population of any country to use the various cards and Internet to perform financial transactions. Awareness, Infrastructure building, Banks Outlets, large number of Installations of ATMs, Point of sale Machines and reliable and most economical access to Internet is must.

Keywords: E-Payment, Cash, Internet, Debit Card, Credit Card, Password, ATM.

Introduction

The Cash in hand in any form gives more confidence to the holder of the cash to do purchasing. The Money in any form is having a long history and culture. The Barter system was prevailing for long in which goods were exchanged for goods in very old days. The present situation is very different and the use of currency at all the places of transactions is making government to print lot of notes to meet the needs of the users. The cashless transactions will have to be increased in coming days to take advantage of technology and Internet plays a important role in use of online transactions

- Lack of usability in case of large transactions.
- Lack of security due to physical handling.
- Lack of eligibility and transfer from unauthorized persons.
- High usage costs for customers and merchants.
- No Efficiency for large transactions.
- Lack of consistency.
- Can be easily stolen or misused.
- Owner cannot be traced where as banking transactions can be traced.

2. The different types of e-payment transactions

The cashless means use of advanced techniques to perform financial transactions. Following are the various means by which we can go cash less.

- Use of Debit Cards.
- Use of Credit Cards.
- Internet Banking.
- Intranet Banking.
- Mobile Banking.
- RTGS.
- Online Payment Apps.
- Web portals accepting Money transfer through their own link.



Source:

<https://www.google.co.in/search?q=The+Research+Paper+on+of+E-Pay>

Fig 1

Limitations of traditional Payment Systems in the context of E-Payments

Following are the limitation of traditional payment system in the context of E-Payments

All above means are now common and are used by customers to do financial transactions. Only problem is of Financial awareness and lack of knowledge in common man due to literacy. We can overcome this problem by conducting special sessions, seminars, role plays to educate the people.

3. The benefits of e-payments transactions

The Following are the benefits for the use of online transactions and various cards for financial transactions.

- Cost of Transactions through Internet are very less as compared to physical Transactions.
- The time required to do the Transactions is very less and customer going in bank can utilize their valuable time for other productive tasks.
- Reliability and security is more in Cashless transactions.
- Its very Risky to carry cash in hand in more denomination value.
- The proof for further use is available in online transactions cash transactions may not be traced.
- Global Presence through Internet Financial Transactions.
- Wider reach and use by Cashless transactions
- More faith and fare practice in Financial sector.
- Saving Valuable time of the citizens.
- Less requirement of Bank Personnel and Better use of facilities.

4. Problems In E-Payments

The Cashless economy is possible only when all the barriers are overcome. Some of the major hurdles are as given below-

- Infrastructural Facilities for Internet Backbone and other networks.
- Increase in outreach programmes for financial awareness to all
- Financial Provisions through Central Government
- Opening New Bank Branches and its ATMs
- Availability of Computer Security Experts and Programmes.

5. Future of e-payments

The future of E-payment is very positive and maximum payments will be done through this mode and it will be good sign in society to handle the lot of transactions from this mode. World Economy will depend on Maximum use of advanced tools techniques to perform financial transactions. The Cashless economy will have numerous benefits to the users and society as whole. The dedicated efforts from Government will be required.



Source:

<https://www.google.co.in/search?q=The+Research+Paper+on++Mode>

Fig 2

6. Conclusion

The paper cover in brief about e-payment at various levels its benefits and issued which can be handled in best way to get the people awareness' about this mode of payment. The use of various technologies to make the efforts less in carrying the cash from one place to another will be avoided and risk will be minimized. The Financial transactions are going to increase in near future. The use of Internet is must to get benefit from other developed

countries. The main drawback is awareness of English and use of technology at the grass root level regarding cash less transactions. The Government Local, State and at Central have to take serious efforts to create awareness and provide facilities for the same. power in leadership to become effective leader The Author has done decent contribution by creating the awareness and has discussed benefits of e-payments to the society. In future use of all these technologies will be mandatory and citizens should be ready for accepting the change for positive effect on Economy.

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