

# USAGE OF E-WALLETS AFTER DEMONETISATION

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**Abstract :** De-monetization has given a big boost to the digital payment platforms in India. They are fast, reliable, easy to learn and navigate. It is able to fulfill the requirement specifications. Immediately after demonetization, citizens were facing severe cash problems. Along with this the rate of usage of e-wallets shows an upward trend. Security is still a major concern regarding these platforms like e-wallets. This paper looks at the impact that Demonetization has had on the e-wallets in India. Specifically, it aims to see how the e-wallets have evolved with the advent of demonetization .

**IndexTerms-** De-monetization, E-wallets.

## I. INTRODUCTION

Demonetization generations memorable experience and is going to be one of the economic events of our times. Its impact is felt by every Indian citizen. Demonetization affects the economy through the liquidity side. On 8<sup>th</sup> November 2016, prime minister announced that 80% of the currency in circulation was stopped. Shortages of currency notes create an uncertainty in day by day money transactions. To overcome these problems central government promotes cashless transactions in place of currency transactions.

After results of demonetization people started using digital payment methods like e-wallets, debit cards, internet banking, etc. E-wallets become popular now a day. Paytm, Mobikwick, freecharge, Oxigen etc are the most popular e-wallets in India. E-wallets are prepaid accounts in which a user can store his money for future online transactions. Its password protected also. Using e-wallets, it's+ possible to make online transactions like mobile, dth, electricity bills, flight tickets etc. Convenience, less time consuming. Zero cost etc is some of the features that made e-wallets as one of the most popular digital payments methods among people in India.

## II STATEMENT OF THE PROBLEM

Demonetization created an uncertainty in the economy. There for people started depending more on digital payment systems like

e-wallets. So this study is to check the rate of usage of e-wallets after demonetization.

### 2.1 SIGNIFICANCE OF THE STUDY

After demonetization, our economy experienced a shortage of currency notes. E-wallets are a convenient tool for making digital payments. This study is relevant since its helps to know about the increase of dependence on e-wallets after demonetization.

### 2.2 SCOPE OF THE STUDY

This study covers the usage of various e-wallets like paytm, oxygen etc among college after demonetization.

### 2.3 OBJECTIVES OF THE STUDY

- 1) To understand the difference in usage rate of e-wallets after and before demonetization.
- 2) To assess the usage experience and perception of e-wallets among chosen people.
- 3) To understand the awareness about various digital payment systems among people before and after demonetization.
- 4) To analyze the effect of demonetization in digital payment system.

### 2.4 RESEARCH DESIGN AND METHODOLOGY

This study covers 50 e-wallet users among the students of Christ College, Irinjalakuda. Convenient sampling was the sampling technique adopted to select the required number of respondents. The study was conducted with the help of primary data. The data was collected through standard questionnaire. The collected data is coded and tabulated in order to organize them for interpretation. The tabulated data is also presented with the help of bar diagrams and pie charts. For organizing and presenting the data various statistical tools been used.

## III ANALYSIS AND DISCUSSION

**Table 1 - Opinion about cashless economy**

Opinion	Good	Very good	Bad	Neutral
Number of response	20	10	5	15
Percentage	40	20	10	30

(Source: Primary data)

This table shows the opinion of respondents about cashless economy. It shows that most of the respondents (40%) are in favor of cashless economy. Only 10% has an opposite opinion. 30% gives a neutral opinion.

**Table 2 – Promotion of digital payment system after demonetization**

Particular	Strongly agree	Agree	Disagree
Number of response	35	10	5
Percentage	70	20	10

(Source: Primary data)

This table reveals that about 70% of respondents agrees with the statement that, demonetization promoted the usage of digital payment methods. 20% of respondents agree with this. And 10% disagrees with this.

**Table 3 – Reason for using e-wallets is demonetization**

Particulars	Yes	No
Number of response	40	10
Percentage	80	20

(Source: Primary data)

This table shows that, majority of the respondents says, demonetization is the reason for using e-wallets for transitions. Only 20% opinioned, demonetization is not a reason for using e-wallets.

**Table 4 – E-wallets helps to overcome difficulties of demonetization**

Particulars	Much	Less	Neutral
Number of response	30	5	15
Percentage	60	10	30

(Source: Primary data)

The above table reveals that, 60% of respondents believes e-wallets helps to overcome the difficulties of e-wallets and 10% doesn't have such an opinion. 30% gives a neutral response.

**Table 5 – E-wallets using instead of currency after demonetization**

Particulars	Yes	No
Number of response	30	20
Percentage	60	40

(Source: Primary data)

Above table a show that, around 60% of respondents says e-wallets can be conveniently used in place of currency notes and 40% of respondents gives an opposite opinion.

**Table 6- Amount of money loaded in e-wallets in a month**

Amount	No: of respondents	Percentage
Below 1000	25	50
1000 – 5000	20	40
Above 5000	5	10

(Source: Primary data)

Above table shows the amount of money loaded in e-wallets by the respondents. Majority of respondents load only below 5000rs. 20% loads 1000-5000 and 5% load an amount more than 5000rs.

**Table 7 - Availability of e-wallets in India**

Particular	No : of response	Percentage
Very likely	5	10
Likely	10	20
Neutral	15	30
Unlikely	20	40

(Source: Primary data)

According to the above table, most of the respondents (40%) thinks e-wallets are not widely available in India And 30% holds an opposite opinion. And the rest of the respondents mark a neutral opinion to this.

**Table 8 – Opinion about security of e-wallets**

Particular	No : of response	Percentage
Very good	10	20
Good	20	40
Average	5	10
Bad	15	30

(Source: Primary data)

Here the above table describes the opinion of respondents regarding the security of e-wallets. Most of the respondents hold a positive opinion towards the security of e-wallets. Only 30% marks a negative response and 10% marks a neutral opinion.

**Table 9 – Issues that arise while using e-wallets**

Problems	No: of response	Percentage
Security problems	10	20
Poor network connections	5	10
Not acceptable in all transactions	15	30
Others	20	40

(Source: Primary data)

Above table describes the main problems that arise while using e-wallets. 20% of the respondents face security issues while using e-wallets. The other 20% is not happy with e-wallets, since it's not acceptable in all type of transactions. 10% of respondents face network issues and majority marks other issues also while using e-wallets.

**Table 10 – Refer e- wallets to friends**

Particular	No : of response	Percentage
Very likely	15	30
Likely	20	40
Neutral	10	20
Unlikely	5	10

(Source: Primary data)

Above table says 305 of the respondents are very likely to refer e-wallets to their friends. Most of the respondents (40%) like to refer the same to their friends. 20% marks neutral opinion to this and the rest doesn't want to refer e-wallets to their friends.

#### IV FINDINGS OF THE STUDY

- 1) Most of the respondents feel, the concept of cashless economy is good.
- 2) More than half of the respondents agrees that, demonetization promotes the usage of E-wallets.
- 3) Around 80% of the respondents say that, it is the demonetization that made them to use e-wallets.
- 4) Half of the respondents believe that, the usage of e-wallets helps them to overcome the difficulties caused due to demonetization.
- 5) Most of the respondents depend on e-wallets for online mobile recharge.
- 6) Half of the respondents consider e-wallets as an ease method to make their transactions after demonetization.
- 7) Around 40% of respondents consider e-wallets as a secured mode of digital payment system.
- 8) Less than half of the respondents feels, e-wallets are not widely popular in India.
- 9) Most of the respondents faces various issues while using e-wallets,
- 10) Most of the respondents gives good rating for e-wallets and says they will recommend E-wallets for their friends.

#### 4.1 SUGGESTIONS

- 1) Promote the usage of e-wallets, since it's a convenient method of digital payment system in this time of demonetization.
- 2) The use of government authorized e-wallets helps to reduce the risk.
- 3) Improvement of digital payment systems like e-wallets will help to reduce black money and unauthorized cash transactions.

#### V CONCLUSION

The objective of this study was to find the usage of e-wallets after demonetization. After the analysis of the study, it is clear that the rate of usage of e-wallets is showing an upward trend. Most of the responders depend on various digital payment methods after demonetization, for their transactions. So this study concludes that, demonetization is one of the major reasons for the promotion of e-wallets in India.

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