

PROJECT REPORT

“An Analysis of the Use of Plastic Money in Chhattisgarh ”

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“An Analysis of the use of Plastic Money in Chhattisgarh ”

Chapter 1

Introduction

Money is regarded as a medium of exchange and payment tool. Initially barter system was used as the significant mode of payment. Over the years, money has changed its form from coins to paper cash and today it is available in formless form as electronic money or plastic card. The major change in banks which has been brought in by the technology is through introduction of products which are alternative to cash or paper money. Plastic cards are one of those types of innovations through which the customers can make use of banking services just by owning the card issued by bank and that too without restricting himself in the official banking hours. Plastic cards as the component of e - banking have been in use in the country for many years now.

History

With hundreds of millions of plastic cards in circulation today, these Plastic cards have become a way of life. India alone is home to millions of them. Initially positioned as a status symbol these plastic cards have caught on in a big way amongst the educated population of the country.

Extending credit to their customers has always been an extremely common practice .However in the early 1940s, when individual retail merchants in America found it more and more difficult to afford credit to these patrons, financial institutions came into the picture.

1946 -The earliest plastic card was called Charge - It and was invented in 1946. It revolved around a system of credit developed by John Biggins a credit consultant at Flatbush National Bank, Brooklyn, New York. This "card" allowed the customers to charge local retail purchases. The merchant deposited the same at Biggins Bank. The bank reimbursed the merchant and collected payment from the customer.

1951 -The Franklin National Bank in Long Island New York issued the first official credit card .In 1951, a Mr. Frank McNamara had just finished dinner in a New York restaurant when ,to his acute embarrassment, he discovered that he had left his wallet in another suit. While talking the restaurant owner into letting him pay the bill the next day, an idea for a new credit card was already being concocted in his mind. Within a few months he formed a company called Diners Club and convinced 27 restaurants and 200 people to join it. By 1951 there were 42,000 Diners club cards in circulation.

1958 - American Express saw this as direct competition to its traveler's cheque division and brought out its own charge card in 1958. Within three months they managed half a million cardholders.

1960 - Bank of America introduced its own card called Bank Americard. Beginning with a small group of cardholders and merchants, the bank began to license regional financial institutes to act as BankAmericard for their region. BankAmericard grew and in the next few years more and more communities across the US became serviced by a regional member.

1966 -Fourteen US banks in Buffalo, New York formed Interbank - a new association on the same guidelines.

1967- Four California banks changed their name to the Western States Bankcard Association. They opened membership to other financial institutions in the west the product called Mastercharge. Eventually all financial institutions and banks interested in issuing credit cards became members of either Bank Americard or Master Charge. All parties benefited from this system and led to rapid growth in cardholder accounts, merchant accounts and sales volumes.

1977 - BankAmericard became VISA and in 1979 MasterCharge became MasterCard International.

1980-With only two players in domestic card industry, HSBC and Citibank the number swelled to over 25 in the year 2010.

1981- Credit cards in India made their debut and are on the verge of an unprecedented boom.

1981 – 2010 The market has virtually grown to over 4 million cards with over 25-30% of compounded annual growth in new cardholder's base.

The recent growth in the use of plastic money after 2010 mainly credit and debit cards has been phenomenal. There are hundreds of millions of credit cards in circulation today, these little rectangular pieces of polymerized substance have become a way of life. India alone is home to millions of them.

Spending pattern through plastic money has changed drastically. Travelling, dining and jewellery are some the top purchases that Indians make through credit cards. Few years ago, it was jewellery and apparel purchases that formed the largest chunk of purchases through plastic money. Fuel accounts for a very small portion of credit card purchases as these are largely paid through debit cards.This growing trend will soon rise up to the point where the plastic money will completely replace the need for carrying cash. Will this change be for good or bad only the future will decide.

Plastic Money business is definitely going big time. In a country where a decade back people

had hardly heard the word plastic money or credit card. It has been estimated that there are likely to be around half million potential card users in the near future. This forecasting derives credibility from the fact that more and more local and international financial institutions are exhibiting enthusiasm in this direction. This in turn reflects prospects in Indian market in accommodating numerous credit card competitors operating on the circuit, ensuring healthy and competitive card business deals. However, the card-based usage has picked up only during the last few years. Payment by cards is now becoming a much preferred mode for making retail payments in the country (Report on trend and progress of banking in India 2006-07, RBI). Thus, plastic cards are such payment tool which gives a customer an opportunity of non cash payment of goods and services and are designed to facilitate small value retail payments by offering a substitute for bank notes and coins and thus to complement traditional payment instruments.

The recent growth in the use of plastic money mainly credit and debit cards has been phenomenal. After the Demonetization by the Prime Minister Mr Narendra Modi and his emphasis on Cashless Transaction, Initially positioned as a status symbol, these plastic cards have caught on in a big way amongst the educated population of the country.

With the Indian economy expanding rapidly at more than 7.5 per cent per annum and the middle class budding cashless transactions in India are becoming very popular. Generally, increasing reliance on cashless transactions is seen as sign of a modern economy where there is a strong synergy between the ordinary consumers and its financial institutions.

The plastic money in the form of cards was introduced by banks in India in 1990's. But it was not very popular among Indian consumer at the time of its introduction. The change in demographic features of consumers in terms of their income, marital status, education level etc. and upgradation of technology and its awareness has brought the relevant changes in consumers' preferences. These changing preferences have also modified their outlook and decision regarding the acceptance and non- acceptance of particular product and services in the market. Thus, the plastic cards are gaining popularity among bankers as well as customers and getting accepted in the market place. It can be well imagined from the discussion that no doubt, the plastic cards market is growing at a large pace in India yet it has long way to go as it lacks behind if compared to the usage trends of other countries. Hence, it has become important that the payment system in India has to be modernized enough to be at par with the systems prevalent in other countries, since our domestic financial markets are increasingly getting integrated with markets abroad. RBI is also taking important steps in order to

enhance its usage and popularity through initiatives like regulating card market to maintain the security levels and to build up confidence of bankers and customers. Despite the strong advances in e-payments, an estimated 90 percent of personal consumption expenditure in India is still made with cash ,which indicates the tremendous growth potential of this business. So this can be considered as mere beginning which indicates the bright future prospects of plastic card market in India.

The plastic money can be in the form of Credit cards or Debit cards. Debit and credit cards offer more than a way to access money without having to carry around cash or a bulky checkbook. **Debit cards** are like digitized versions of checkbooks; they are linked to your bank account (usually a checking account), and money is debited (withdrawn) from the account as soon as the transaction occurs. **Credit cards** are different; they offer a line of credit (i.e., a loan) that is interest-free if the monthly credit card bill is paid on time. Instead of being connected to a personal bank account, a credit card is connected to the bank or financial institution that issued the card. So when you use a credit card, the issuer pays the merchant and you go into debt to the card issuer.

Most debit cards are free with a checking account at a bank or credit union. They can also be used to conveniently withdraw cash from ATMs. Credit cards have the advantage of rewards programs but such cards often require an annual fee to use. Financial responsibility is a big factor in credit card use; it is easy to overspend and then get buried in overwhelming credit card debt at a very high interest rates.

This comparison provides a detailed overview of what debit and credit cards are, their types, associated fees, and pros and cons.

Credit Card versus Debit Card comparison chart

<u>Credit Card</u>	<u>Debit Card</u>
About Credit cards are lines of credit. When you use a credit card, the issuer puts money toward the transaction. This is a loan you are expected to pay back in full (usually within 30 days), unless you want to be charged interest.	Any time you use a debit card to buy something, money is deducted from your account. With a debit card, you can

Credit Card versus Debit Card comparison chart

<u>Credit Card</u>	<u>Debit Card</u>
	really only spend the money you have available to you.
Connected To Not required to be connected to a checking account.	Checking or Savings Account
Monthly Bills Yes	No
Application Process Somewhat difficult, depending on one's credit score and other details.	Easy, with basically no barrier to receiving a debit card.
Spending Limit The credit limit set by the credit issuer. Limits increase or stay the same over time as a borrower's creditworthiness changes.	However much is in the bank account connected to the card.
Interest Charged If a credit card bill is not paid in full, interest is charged on outstanding balance. The interest rate is usually very high.	No interest is charged because no money is borrowed.
Security Credit cards in the U.S. are not very secure in and of themselves because many still use dated card security technology. However, consumers are not held liable for this poor security.	A PIN makes them secure so long as no one steals the card number and PIN, and as long as you don't lose the card itself. If the card/info is stolen, debit cards are very

Credit Card versus Debit Card comparison chart

<u>Credit Card</u>	<u>Debit Card</u>
	insecure.
<p>Fraud Liability Low. Rarely held liable for fraudulent activity. If you are, you are only held liable for a maximum of fixed amount.</p>	<p>High. If someone steals your card and makes purchases, that money is removed from your bank account. Investigating this damage takes time. The longer you wait to report the fraud, the more likely you will be held liable for your own losses.</p>
<p>Credit History Responsible credit card usage and payment can improve one's credit rating. Credit cards typically report account activity to at least one of the three major credit bureaus on a monthly basis.</p>	<p>Does not affect credit history.</p>
<p>Overdraw Fees Low. Some credit card companies allow to overdraw amount over the maximum credit line with a fee.</p>	<p>High "overdraft" fees. Possible to overdraw amount over the account limit.</p>
<p>PIN In the U.S., this is uncommon, but PINs are being phased in.</p>	<p>Usually</p>

Pros and Cons of Using Debit vs. Credit Cards

Most people carry and use both credit and debit cards because both types of cards have their unique advantages.

Acceptance by Merchants

The vast majority of retailers accept both credit and debit cards, and customers pay the same price irrespective of the payment method they choose. But merchants pay a fee — called interchange fees — to payment processors like Visa and MasterCard for every credit or debit card transaction. This is usually flat fee, plus a percentage of the total transaction. The fees charged for a debit card are *much* lower than those charged for a credit card.

Security and card Theft

Debit cards, which make use of a PIN, are more secure cards in and of themselves. However, credit cards are much more secure for consumers in a practical sense when fraud occurs.

If someone steals your debit card information, the thief has direct and immediate access to the funds available in the bank account connected to your card. As it takes banks time to investigate fraud, you will have little immediate recourse. Worse, if you do not notice and report the fraud soon enough (within two days), you may be on your own loss. This can make paying bills that you would have otherwise had the money for difficult, if not impossible.

In contrast, if your credit card information is stolen, the thief takes out money from your credit issuer. This is money that you will *very* rarely be held responsible for if you make a concerted effort to report suspicious account activity as soon as you are aware of it

Risk of Overspending

With debit cards, you can usually ask your bank to offer overdraft protection or reject transactions when there are insufficient funds in the account. There is some risk of overdraft fees but you generally cannot spend a lot more money than you have if you use a debit card.

On the other hand, credit card debt can become a nightmare very quickly if you fail to pay your bills on time. Most monthly credit card bills list two amounts — minimum payment due and monthly balance. If you only make the minimum payments that are due, interest

starts to accrue on the remaining balance at staggeringly high rates of 12 to 24%. And since this interest is compounded, it is very easy to get mired in a lot of debt. Financial advisors are unanimous in recommending that consumers repay their credit card debt first, before other loans like student loans or home equity loans.

Credit History

It is important to build a good credit history for yourself over time. A good credit score ensures you pay lower interest on mortgages and car loans, and lower insurance premiums. Landlords and potential employers also run credit checks. Debit cards do not affect credit history at all. But credit cards can play an important role in building credit history. Owning a credit card and paying off credit card bills in full every month makes a positive impact on your credit history. Conversely, owning a credit card but falling behind on payments negatively impacts your credit score.

Rewards and Cashback

For years credit card issuers have been enticing customers to sign up by offering rewards programs for using the card. The more you spend, the more money card issuers make in transaction fees and, possibly, in late payments and interest if you fall behind in repayment. The most common credit card rewards are airline miles, "points" that can be redeemed for cash or discounts at certain retailers, and cash back. A majority of the credit cards that offer rewards also require an annual fee for the use of the card. Banks have also started offering some rewards for the use of debit cards but these are not as strong as credit card reward programs because banks get lower fees per transaction on debit card use. Examples of debit card rewards include fee waiver on checking accounts if the debit card is used three times in a month, and revolving discounts at certain merchant locations.

Interest and Fees

Few debit cards charge monthly or annual fees, nor do they charge interest. Some credit cards charge an annual fee (which may or may not be worth it, depending on the card's rewards), and all credit cards charge late fees and interest on debts that are not repaid on time. .

The main fee consumers have to be aware of when it comes to debit cards is the **overdraft fee** or charge, which may be as steep as \$30 or more per overdrawn transaction. An account becomes overdrawn when you make a charge that exceeds your available balance. For example, if you have Rs1000 in your account, but spend Rs1200, you have exceeded

your account balance by Rs 200 and may be charged an overdraft fee by the bank. If you have not opted in to an overdraft coverage program, your card will simply be declined.

Most banks offer overdraft protection and coverage services for a price. A few banks, support free overdraft protection by linking up multiple accounts so an overdrawn account will have access to "backup" funds.

Not all fees are bad, perhaps. For example, debit and credit cards often charge small fees for transactions carried out overseas, but these fees or rates are often *much* lower than currency conversion rates you can get at a traveler's exchange using physical money. (And some credit cards, in particular, have no foreign transaction fees at all.) Of the two types of cards, debit cards are more likely *not* to work overseas, so confirming their functionality before traveling with them is a must.

Churning

In recent years, a personal finance subculture has risen out of credit card rewards — specifically out of how to take the most extreme advantage of card signup bonuses and card rewards programs. This process, which usually involves signing up for lots of different credit cards (and sometimes later closing them), is usually known as "churning." While not exactly widely known, churning has become popular enough over time to have an active subreddit community and garner the attention of financial advice sites and the credit card companies themselves.

Some who are especially careful may benefit from their efforts, but long-term returns may not go as planned, and churning — particularly any and all opening and closing of accounts — can negatively affect your credit score. Churning can be an especially bad idea if you are looking to take out a mortgage any time soon.

Payments

Because a debit card is connected to a bank account that it withdraws funds from, as needed, there are no further payment processes to consider. Credit cards, however, are loans that must either be repaid in full by a certain date or have a minimum amount, as set by the card company, paid onto them at the end of each billing cycle (with the knowledge that interest will be charged on any balance carried over into the next month — the loan left unpaid).

Most credit cards operate on a 30-day billing cycle. In the past, some credit cards operated on different billing cycles that made due dates fall on different days of the month. By law, credit card bill due dates must fall on the same day each month, and no late fees can be charged for payments that are "missed" due to the effects of holidays or weekends on the banking system.

Types of Debit Cards

1. PIN-only cards: PIN-only debit cards are linked to your bank account and can be used for cash transactions and fund transfer, buy from retailers and pay bills online or by phone. The card holder is required to enter a secure PIN for every transaction to establish identity and maintain security.

2. Dual-use cards: Dual-use debit cards are both signature- and PIN-enabled, and tied directly to your bank account. You can verify your identity either by signing or entering your PIN.

3. EBT cards: Electronic Benefits Transfer (EBT) cards debit cards provided by a state or government agency to users who qualify for food stamps, cash payments, or other benefits. EBT cards can be used to make purchases at participating retailers or to withdraw cash from an ATM, depending on the type of program.

4. Prepaid cards: Prepaid cards are not linked to a specific account, but provide access to funds deposited directly on the card by you or a third party. In effect, they work as a store-credit or gift card.

Except prepaid cards, all other types of debit cards are linked to a bank account, typically a checking account but some savings accounts also offer linked "convenience" cards.

Types of Credit Cards

1. The Standard Credit Card: These are general purpose credit cards with revolving balance (i.e. credit is used up when purchases are made, and is open again once the bill is paid). Standards cards are usually starter credit cards, usually for applicants with little or no credit history who meet the minimum required criteria.

2. Reward Credit Cards: These cards offer several rewards programs in the form of cash, points or discounts, and are intended to influence your spending. Reward cards usually come with an associated annual fee and a lot of fine print; the key is to make sure the rewards earned exceed the annual fee.

3. Secured Credit Cards: Also known as pay-as-you-go cards, their primary purpose is to give people with bad credit history a chance to reestablish credit. The user first deposits a "secure" amount into a savings account — that makes for the credit line. The credit limit is usually a percentage (50%-100%) of this amount. These cards come with an annual fee and a high APR.

4. Charge Cards: Charge cards do not have a preset spending limit and balances must be paid in full at the end of each month.

5. International Credit Cards: If one has noticed, most cards have "Valid only in India and Nepal" printed on them. An International card is valid in India as well as anywhere in the world. Which means that you spend in foreign currency on the card but pay back in Indian Rupees on your return . As an Indian resident, you can buy foreign exchange using your International Credit card from an authorized dealer or moneychanger against your Basic Travel Quota (BTQ). To find out your entitlement to foreign exchange for business or other trips abroad, you should contact any bank authorized to deal in foreign exchange in India. You can incur expenses on your International Credit card mainly for personal spending. You cannot use your card for expenditure that is not permissible by the Reserve Bank of India.

6. Virtual Cards: In a world that's turning to the net for all its needs, it is only natural that you should own a card that is for the internet alone. The virtual card from Citibank is just that. The answer to all your questions on the safety of transacting online. The virtual card, or the Citibank e-Card is the first ever web card only in India. Now you don't need a Credit Card to shop online. Accepted wherever MasterCard is, the Citibank eCard offers you a safe and easy way to shop on the Internet. On approval, you get your card number, valid dates and a card verification number. Unlike with other credit cards, you don't get a physical plastic card. All you get is a card number and expiry date. Therefore, this Card cannot be used for transactions that require in person presentation of a physical MasterCard card. The Citibank e Card cannot be used for 'dualmode' transactions i.e. it cannot be used to purchase an item over the Internet that subsequently requires a presentation of a physical MasterCard Card to obtain that item.

7. MasterCard's : MasterCard started in the late 1940's when banks in US issued special paper that could be used like cash. In 1951 The Franklin National Bank in New York formalized the practice by introducing the first real credit card. Several franchisees evolved over the next decade. Interbank Card Association (ICA) to be renamed as MasterCard as it

is known today was born on August 16th 1966. Member committees were established to run the association. These committees established rules for authorization, clearing and settlement, handled marketing, security and legal aspects of running the organization.

Association of Membership

In 1968, the erstwhile ICA began what is a huge global network by forming an association with Banco Nacional in Mexico. They also formed an alliance in Europe with Eurocard. The first Japanese members also joined that year. The eighties saw the Africa, Australia, Asia, and Latin America joining the ICA. ICA was renamed MasterCard to reflect the global commitment.

9. VISA card : Thirty years ago people paid for their purchases by cheque or cash. They did not have an alternative until payment cards entered the market. Payment cards over these 3 decades have become an integral part of our lives. The possibilities are amazing, you can use them for travel, food and commodities or simply cash. Today owning a payment card opens up a whole new world of opportunities. Visa International has over 21,000 member financial institutions that have propelled it to the top. Visa International is the world's leading full-service payment network. Visa has a range of cards namely Visa Classic, Visa Gold, Visa debit, Visa commercial cards and the Visa global ATM network in over 300 countries and territories that gives the consumer choice. Visa cards are the world's most widely used and accepted form of plastic payment.

Between March 2015 and March 2016, India added some 0.38 million credit cards and added 3.44 million debit cards. While the number of cards is increasing slowly, people are gradually becoming more comfortable in using them as well, and there's an increase in their usage. The number of credit and debit cards in India is steadily rising but Indians still prefer debit cards over credit cards. In March 2016, a total of 24.51 million credit cards and 661.8 million debit cards were in operation, according to the Reserve Bank of India.

It's not that only the card numbers have increased, but even the types of cards on offer have seen a surge. Today the domestic card industry is flooded with different types of cards ranging from gold, silver, global, co-branded credit cards, smart to securethe list is endless. Foreign banks have shouldered the major responsibility of increasing the card base and adding value-added services to the card products in the past.

The scenario has changed dramatically in the last of couple of years with the entry of State Bank of India (SBI), a domestic major in the banking sector. More and more nationalized

banks and private sector banks like ICICI and HDFC Bank are aggressively launching credit card with value added features.

Indian consumers are also using the plastic money for everyday spends such as petrol, hospitals, telephone services and home furnishing. Consumers in India are also using credit cards more and more to pay school dues for their kids. However, India is at a low 11 per cent in comparison to other countries in the Asia-Pacific region when it comes to using plastic money for recurring bills such as utilities, subscriptions and insurance.

There is no doubt that the domestic card industry has to yet to mature and offers significant long-term growth potential. Most banks issue Visa or MasterCard, or both. Diners Club is a proprietary brand of Citibank in India. American Express is also a proprietary brand, which is not affiliated with any of the other brands. While most banks offer Visa and MasterCard, Diners Club is offered only by Citibank and American Express cards by American Express. Visa and Master Card are the most popular cards in India and have an almost equal market share.

An indepth analysis of use of cashless transactions in the Indian economy particularly in a developing new born state ie. Chhattisgarh, is hence required to estimate and analyze cashless transaction behaviour of house hold families, because now a days the use of plastic mode of transaction in C.G. is very much popular. Transition from the existing cash-based retail payments to cashless payments can occur by promoting payment through debit cards, credit cards or smart cards. This will require rationalizing costs associated with the use of plastic money, making it more secure mode of payment and conducting focused financial education programmes for increasing public awareness. This transition would lead to saving currency management costs and generate valuable information on spending behaviour of the masses.

Chapter 2

Review Of Literature

A number of studies have been done regarding the Plastic Card usage. Following are a few of them :-

1. Hirschman 1982; Jonker 2005;-We complement our analysis of payment behaviour with qualitative data on payment attribute perceptions. Perceptions - or perceived differences in payment attributes - have been found to be important determinants of consumer payment behaviour
2. Feinberg Richard A. (December 1986). It was found that consumers prefer plastic money over paper money and the major benefit that the card provides to the customers is the convenience and accessibility. The major problem according to them is the increased transactional costs and unnecessary formalities to procure the cards from the financial institutions. They felt that the future of plastic money is bright and according to them, the next thing to come via technology would be the use of digital signatures
3. Brito and Hartley (1995) indicate that the cost of paying interest on credit card debt is likely to be lower than the transaction costs associated with arranging loans from banks or other financial institutions.
4. Telyukova and Wright (2005) and Zinman (2007) show that consumers maintain balances in their low-interest-bearing bank accounts for liquidity reasons, even while carrying high-interest credit card debt. The authors suggest that a rational consumer may pay interest on credit card debt to avoid some of the expected costs associated with not holding precautionary or transactions balances.
5. Zinman (2007a) and Klee (2006) have shown that individuals who carry revolving credit card balances are significantly more likely than convenience users to adopt debit.
6. Mandeep Kaur and Kamalpreet Kaur(2008), in their article, "Development of Plastic Cards Market: Past, Present and Future Scenario in Indian Banks" conclude that Indian banking sector is accepting the challenge of information technology as all the groups of bankers have now recognized it as essential requirement for their survival and growth in future Despite the strong advances in e-payments, an estimated 90 percent of personal consumption expenditure in India is still made with cash which indicates the tremendous growth potential of this business. So this can be considered as mere beginning which indicates the bright future prospects of plastic card market in India.

7. Alvares, Clifford (2009)The article reports on the problem regarding fake currency in India. It is said that the country's battle against fake currency is not getting easier and many fakes go undetected.
It is also stated that counterfeiters hitherto had restricted printing facilities which made it easier to discover fakes. According to chief economist Soumendra K. Dash, the solution to the problem is to provide people incentive to use plastic cards and make cashless transactions.
8. In this Project, we revisit the contents and method of Keynes's Indian Currency and Finance(1971a). By focusing on the rationale of his proposal for a new international monetary system combining cheapness with stability, we argue that Keynes's analysis of monetary developments in Asia in the first years of the twentieth century may provide useful hints for an overall rethinking of the major faults of today's Bretton Woods II system. (2010–11)
9. Subhani in 2011 conducted a study on 'Plastic Money/Credit Cards Charisma for Now and Then'. The study was based to find out the charisma of plastic money, its usability and affordability and its impact on its preference to use. The research found that the preference to use of plastic money/ credit card has its pros and cons with its usability and affordability. According to the consumer behaviour, plastic money is a form of conditioning and acts as a stimulus which qualifies a consumer to spend. The study shows that the preference to go for plastic money has a positive association with the easy use of plastic money because the precept of credit card usability is linked with a psychological phenomena that people are likely to spend less with credit card and spend more with the same amount of cash on hand in the same budget and this precept also linked with the consumer self convenience, i.e. convenience and easy use which delves into spending.
10. Khurana, Sunayna1,Singh, S. P.(2011)In today's busy world, nobody has the time to withdraw money from the bank account forshopping. Everybody is interested in carrying the plastic money (credit card and debit card) in their wallet for shopping as it gives convenience, safety, easiness and even style.In this cutthroat competition, banks have to work hard to gain market share and to meet the expectations of customers so that they can delight their customers. This study is carried out to identify customer preferences and expectations from credit/debit card services. The main objective is to identify the factors that influence the choice of credit cards, customer satisfaction, and consumer behavior regarding the credit card in Tier-III cities. Primary data was collected from 200

respondents by the questionnaire method. Results show that the choice of credit card depends upon income, gender and profession of the respondent. Customer satisfaction depends upon income, frequency of usage in a month and amount of usage per month.

11. Loewenstein and Hafalir in 2012 conducted a study on “The Impact of Credit Cards on Spending”. The study focused on two types of customers, revolvers (who carry debt) and convenience users (who do not carry debt), and measured the impact of payment with credit card as compared with cash by an insurance company employees spending on lunch in a cafeteria. It was found that there was change in the diner’s payment medium from cash to a credit card when an incentive to pay with a credit card was given. It was then found out that credit cards do not increase spending. However, the use of credit cards has a differential impact on spending for revolvers and convenience users. Revolvers spend less when induced to spend with a credit card, whereas convenience users display the opposite pattern.
12. Bansil Patel and Urvi Amin (2012) in their research paper “Plastic Money : Roadmap Towards Cash Less Society” discussed that now days in any transaction Plastic money becomes inevitable part of the transaction and with it life becomes more easy and development would take better place and along with the plastic money it becomes possible that control the money laundry and effective utilization of financial system would become possible which would also helpful for tax legislation.
13. P Manivannan (2013) in his research paper “Plastic Money a way for cash Less Payment System” examined that Plastic Money i.e. usage of Credit card was measured a luxury, and has become needed. These plastic money and electronic payments was and used by only higher income group. This facility extended not only to customers in urban areas or cities, but also to customers residing in rural area. However, today, with development of banking and trading activity, the fixed income group or salaried classes are also start using the plastic money and electronic payment systems and particularly Credit cards.
14. Vimala V. and Dr. Sarala K.S., (2013).” Stressed on the Usage and perception of plastic money among the customers of BOI” with emphasis of the awareness level, perception and usage of new innovative services in regards to plastic money.
15. Sushma Patil, 2014 Anupama Sharma (2012) in her research paper “Plastic card frauds and the countermeasures: towards a safer payment mechanism” have thrown light on the number of frauds increased considerably in the usage of plastic cards as in case of plastic card frauds the most affected parties are the merchants of goods and services as they have

to bear the full liability for losses due to frauds, the banks also bears some cost especially the indirect cost whereas the cardholders are least affected because of limited consumer liability and concluded that all these losses can be dealt with by making the prudent use of the new technology and taking the respective counter measures.

16. Tabrez Haq and Bushra Malik, (2014). "Consumer response towards the usage of plastic money" with emphasis on increase of shift of plastic money in India by consumers from Credit cards to Debit cards -The distribution of plastic money has increased due to the fact that banking sector has become more aggressive. Moreover, duplication of users is an important area of concern for the industry which can exaggerate the number of active users. The present paper makes an attempt to understand the after effects of recession on plastic money industry and its impact on consumer preferences. The paper duly investigates the acceptability of the cards among the Indian consumer and the factors influencing the card choice.

Chapter 3

Research Methodology

Research problem

Spending through credit cards rose by 30% year-on-year to Rs 22,128 crore during the April-June quarter of 2011-12 against Rs16,948 crore last year, according to data released by the Reserve Bank of India (RBI). Spending through debit or ATM cards, increased by 45% year-on-year to Rs11,691 crore during the April-June quarter compared to Rs 8,065 crore last year. “It’s a natural progression for country like India, which is growing rapidly and more people availing banking facilities,” said Anand Selvakesari, country business manager, global consumer group, Citibank. “However, there is still much potential left as penetration of plastic money in India is less than countries such as the US and China.”

However, the total number of credit cards in the country witnessed a marginal fall as total outstanding credit cards at the end of June 2011 declined 6% to 1.8 crore from 1.9 crore at the end of June 2010. On the contrary, the number of debit cards rose 25% to 24.0 crore at the end of June 2011 compared to 19.0 crore at the end of June 2010.

“The growing number of point-of-sale terminals in the country have also helped in increasing payment through credit and debit cards,” said M Narendra, chairman, Indian Overseas Bank. However, bankers are likely to be cautious in selecting their customers for credit cards due to the uncertainty in the global economy. “We will continue expanding our cards base in India, but will select customers cautiously.

In a young state like Chhattisgarh, which is a business hub, having ample prospects of development and growth, a study on the Plastic Card usage becomes all the more important. Therefore, the statement of the problem would be :-

1. How can plastic cards usage be increased?
2. How can a state like Chhattisgarh make maximum use of plastic cards?

Objectives

Primary objective:-

To know the perception of people towards plastic money.

Secondary objectives :-

- To know the importance of plastic money in the daily life of consumers.
- To study the benefits of debit card and credit cards.

- To find out the market leader among the various banks/companies issuing credit and debit cards
- To know the problems faced by respondents using plastic money.
- To study the satisfaction level of consumers towards plastic money.

Research Design.

The research was an exploratory followed by descriptive one because the entire project was based on questionnaire and analysis which is of exploratory nature followed by the detailed description and analysis so the project is of descriptive design also.

After the descriptive analysis the Regression Coefficients were worked out by using SPSS to see the causative relationship between the various factors influencing credit card usage. Significant factors were identified and suggestions given for increasing the Plastic Card usage.

The nature of the study was statistical pertaining actual field conditions. The reason for choosing this type of data is, qualitative research provides insights and understanding of problem setting while quantitative research seeks to quantify the data and typically applies some form of statistical analysis.

Sample Unit

Individuals who are salaried people and students of various colleges were chosen as samples.

Sample Size

Total Sample size was of **300**

Sampling Technique

The sampling method used was Non probability Convenience sampling because the respondents chosen for filling the questionnaire were chosen conveniently from the area of study which was entire Chhattisgarh State.

Data Sources

Primary Sources: This data include both qualitative and quantitative data. Data were generated through questionnaire as a research instrument.

Research Approach: Survey method

Research Instrument: Questionnaire

Types of Questionnaire: Structured

Type of Questions: Open-ended and Close-ended questions

Secondary Sources: The data was collected from journals, internet, reports and publications.

Chapter 4

Analysis of Data and Findings

The data was collected from 300 respondents by means of Questionnaire/Schedules and then analyzed. The Findings of Analysis were as follows :-

Table 1: Response for Plastic Cards is the most Convenient way of paying

Response	Number of Respondents
STRONGLY AGREE	126
AGREE	36
DISAGREE	18
STRONGLY DISAGREE	120

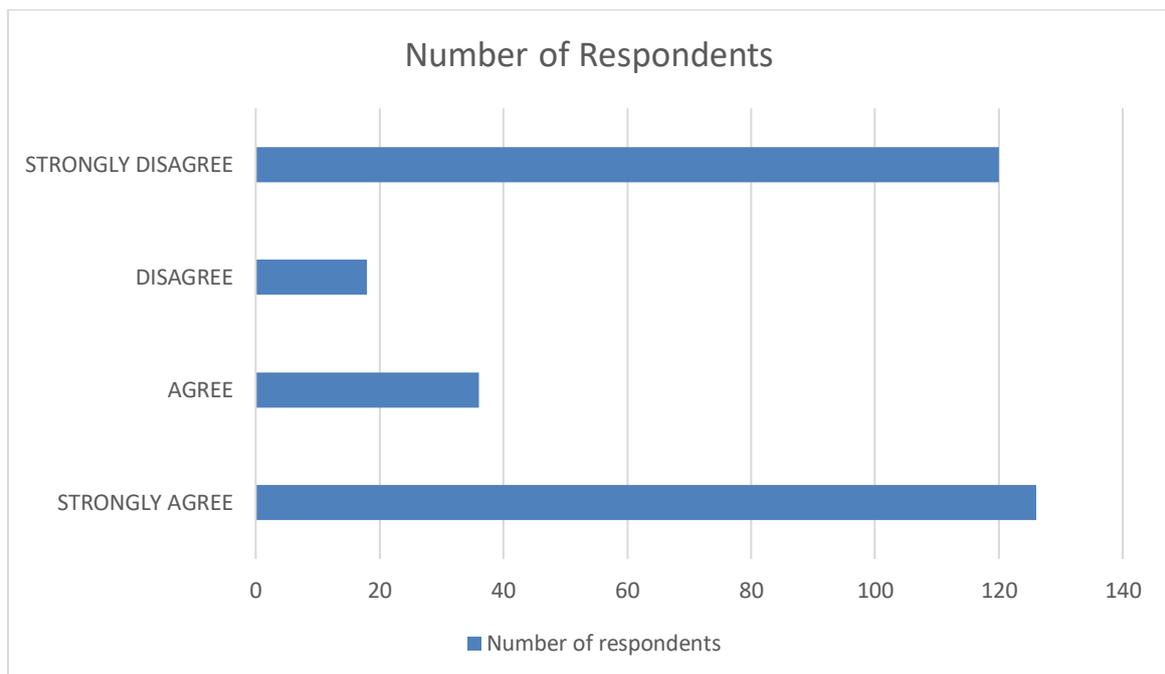


Figure 1: Response for Plastic Cards is the most convenient way of paying

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Cards is the most convenient way of paying” has been presented in table above. From the table it is evident that 126 respondents strongly agreed to the point, 36 respondents agreed to the point, 18 respondents disagreed to the point while 120 respondents strongly disagreed to the point.

When the respondents were asked if they use Plastic cards to pay utility bills like Telephone Bill, Electricity Bill etc, the response attained was as under :-

Table 2 Plastic Card is the most preferred way to pay your Utility Bills

Response	Number of Respondents
STRONGLY AGREE	24
AGREE	39
DISAGREE	162
STRONGLY DISAGREE	75

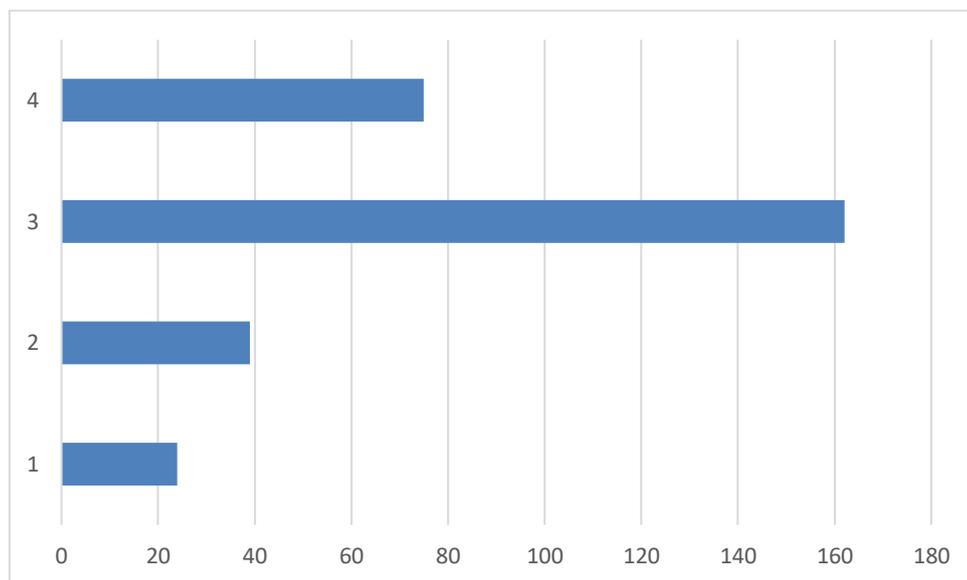


Figure 2 Plastic Card is the most preferred way to pay your utilities Bills

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Card is the most preferred way to pay your utilities Bills.” has been presented in table above. From the table it is evident that 24 respondents responded for ATM cum DEBIT Card, 39 respondents responded for credit card, 162 respondents responded for both while 75 respondents responded for other.

People normally don't prefer to carry large amount of cash these days while travelling. It is neither convenient nor safe. When the respondents were asked about their preference to pay through Plastic cards while travelling, the responses were as follows :-

Table 3 While travelling, Plastic card is the preferred way of payment

Response	Number of Respondents
STRONGLY AGREE	90
AGREE	66
DISAGREE	67
STRONGLY DISAGREE	77

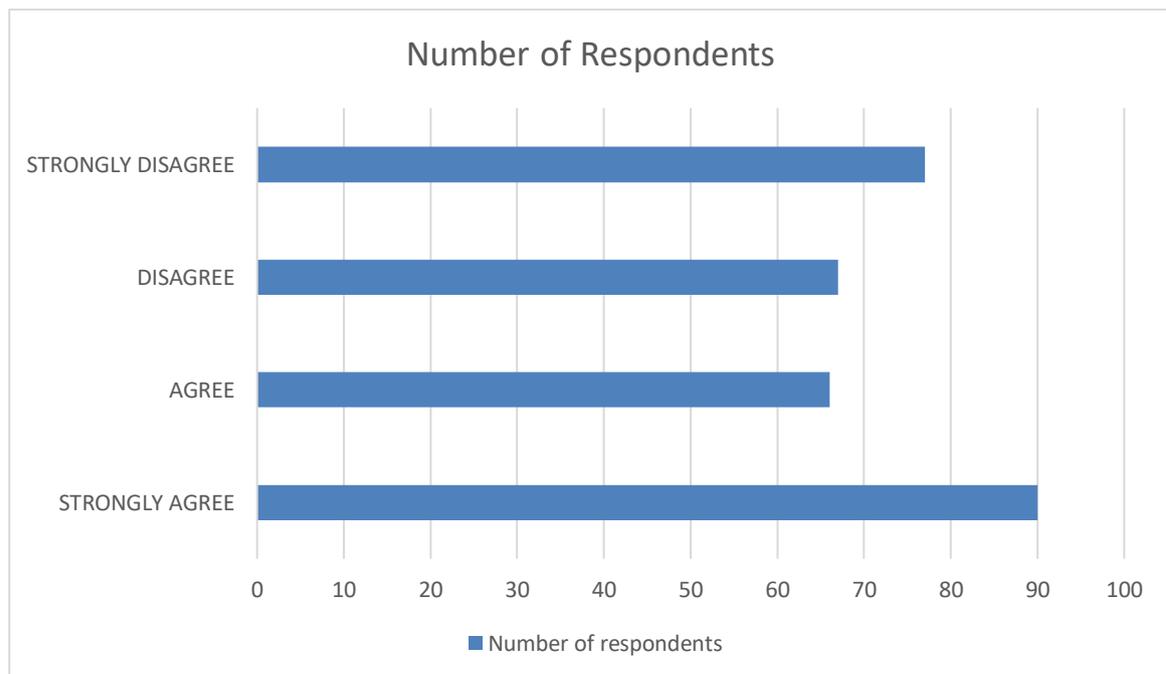


Figure 3 While travelling, Plastic card is the preferred way of payment

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “While travelling, Plastic card is the preferred way of payment” has been presented in table above. From the table it is evident that 90 respondents strongly agreed to the point, 66 respondents agreed to the point, 67 respondents disagreed to the point while 77 respondents strongly disagreed to the point.

One Myth associated with Plastic cards is that they are not safe-The user’s account can be hacked. This is not true. Plastic cards have different layers of security as per need and cannot be easily misused. The viewpoint of respondents in Chhattisgarh on this point was as under :-

Table 4 Use of Plastic card is safest mode of transaction

Response	Number of respondents
STRONGLY AGREE	27
AGREE	48
DISAGREE	150
STRONGLY DISAGREE	75

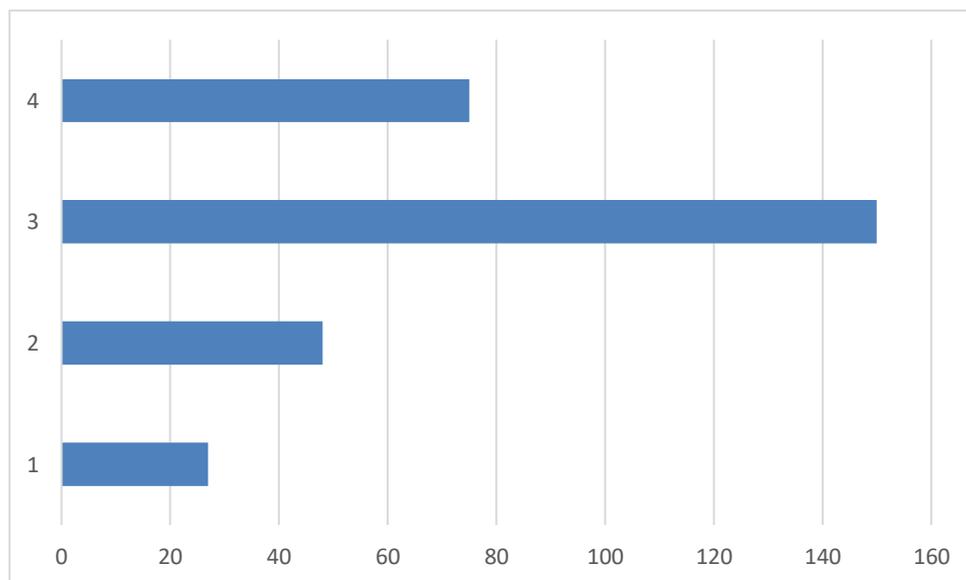


Figure 4 Use of Plastic card is safest mode of transaction

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Use of Plastic card is safest mode of transaction” has been presented in table above. From the table it is evident that 27 respondents strongly agreed to the point, 48 respondents agreed to the point, 150 respondents disagreed to the point while 75 respondents strongly disagreed to the point.

This finding clearly reveals the fact that the people are not fully aware of the security procedure associated with the use of Plastic Cards.

When the people were asked if they think that Plastic cards can be Misused and that's why they don't opt for Plastic cards, Most of the people disagreed. The response was as under :-

Table 5 Misuse of Plastic Cards is the reason you don't opt for Plastic Money

Response	Number of Respondents
STRONGLY AGREE	39
AGREE	90
DISAGREE	108
STRONGLY DISAGREE	63

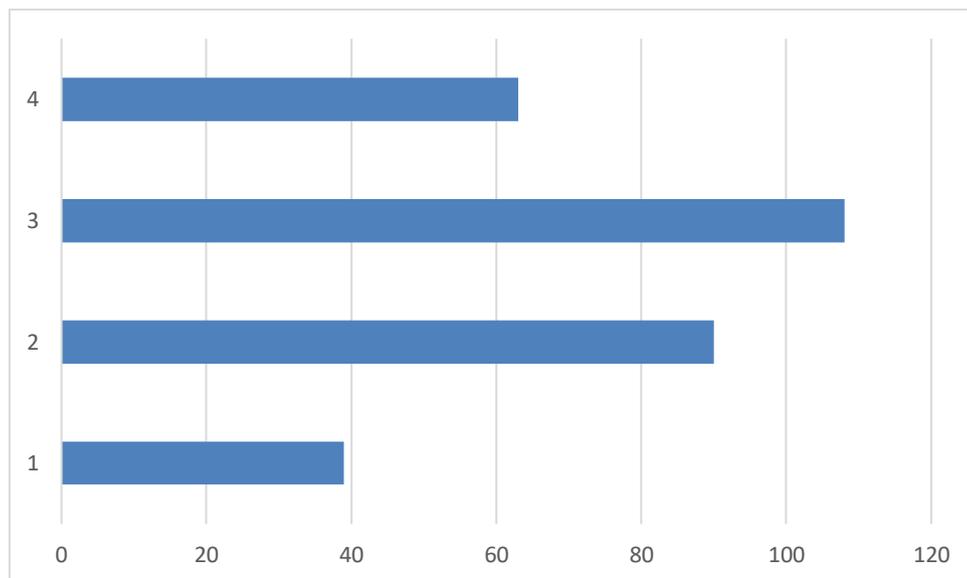


Figure 5 Misuse of Plastic Cards is the reason you don't opt for plastic money

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Misuse of Plastic Cards is the reason you don't opt for plastic money” has been presented in table above. From the table it is evident that 39 respondents strongly agreed to the point, 90 respondents agreed to the point, 108 respondents disagreed to the point while 63 respondents strongly disagreed to the point.

People have the general notion that credit cards are expensive as many charges are levied on it like joining fee, Service Tax, Interest, Outstation Fee etc. When the respondents were asked about their opinion, following was the picture :-

Table 6 Credit Card are expensive as many other charges are charged on it

Response	Number of Respondents
STRONGLY AGREE	24
AGREE	51
DISAGREE	105
STRONGLY DISAGREE	120

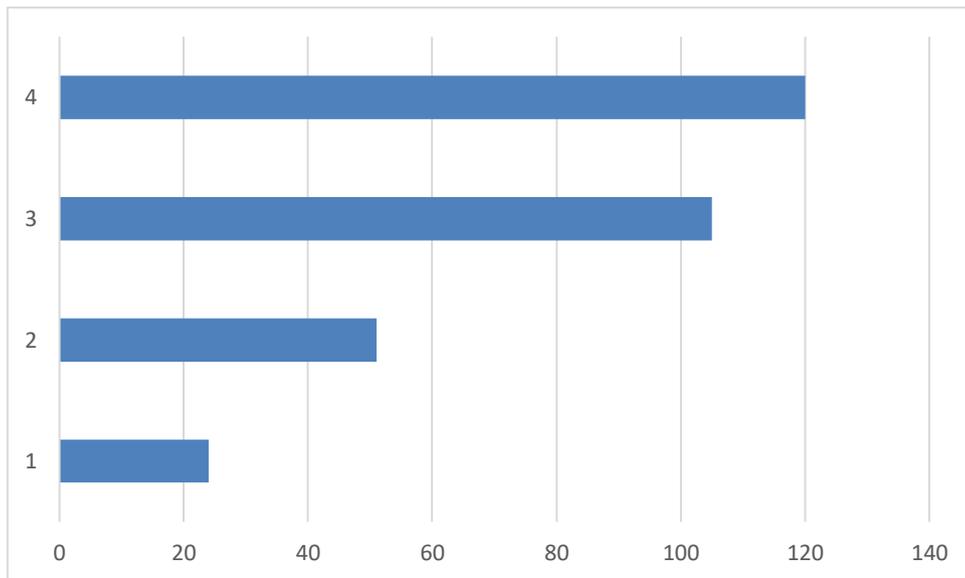


Figure 6 Credit Card are expensive as many other charges are charged on it

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Credit Card are expensive as many other charges are charged on it” has been presented in table above. From the table it is evident that 24 respondents strongly agreed to the point, 51 respondents agreed to the point, 105 respondents disagreed to the point while 120 respondents strongly disagreed to the point.

Some companies offer incentives like discount, cash back etc, when the purchase is done through Plastic Money. When the respondents were asked their opinion about this, following was the response obtained from them :-

Table 7 Plastic Card is cheaper

Response	Number of Respondents
STRONGLY AGREE	18
AGREE	60
DISAGREE	102
STRONGLY DISAGREE	120

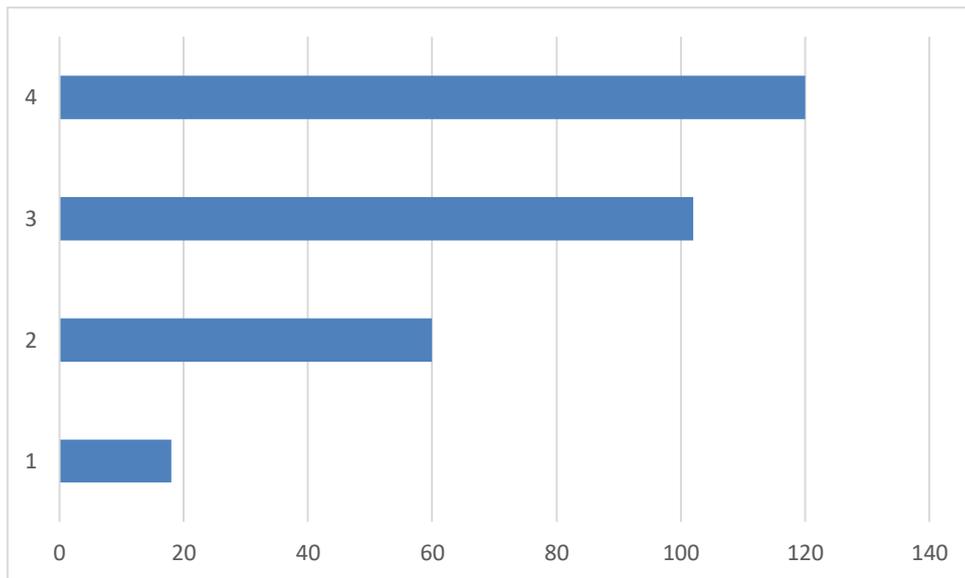


Figure 7 Plastic Card is cheaper

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Card is cheaper” has been presented in table above. From the table it is evident that 18 respondents strongly agreed to the point, 60 respondents agreed to the point, 102 respondents disagreed to the point while 120 respondents strongly disagreed to the point.

When asked about the benefits pertaining to Plastic card usage, the response obtained was as under :-

Table 8 The use of Plastic card is beneficial

Response	Number of Respondents
STRONGLY AGREE	153
AGREE	39
DISAGREE	9
STRONGLY DISAGREE	99

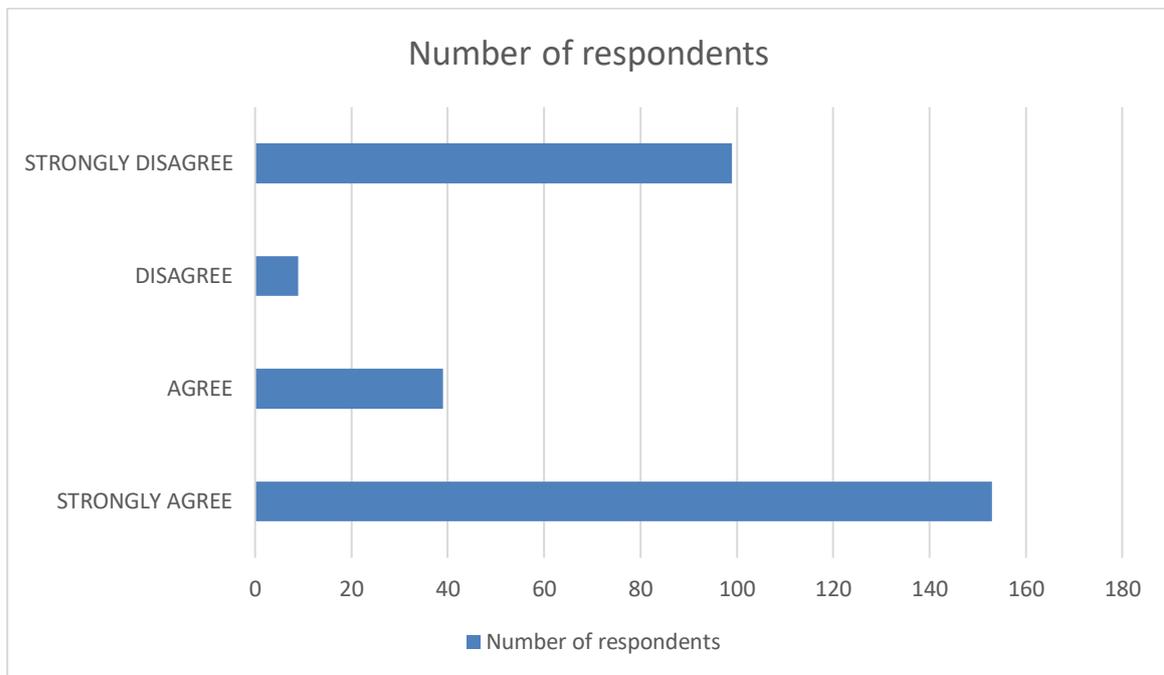


Figure 8 The use of Plastic card is beneficial

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “The use of Plastic card is beneficial” has been presented in table above. From the table it is evident that 153 respondents strongly agreed to the point, 39 respondents agreed to the point, 9 respondents disagreed to the point while 99 respondents strongly disagreed to the point.

The respondents were susceptible about the reliability of the Plastic money. Generally people have the notion that the use of plastic money is not safe as the account can get hacked. This perception clearly revealed itself in the responses of the respondents as seen under :-

Table 9 Plastic Card is considered as more reliable and secured

Response	Number of Respondents
STRONGLY AGREE	69
AGREE	70
DISAGREE	99
STRONGLY DISAGREE	62

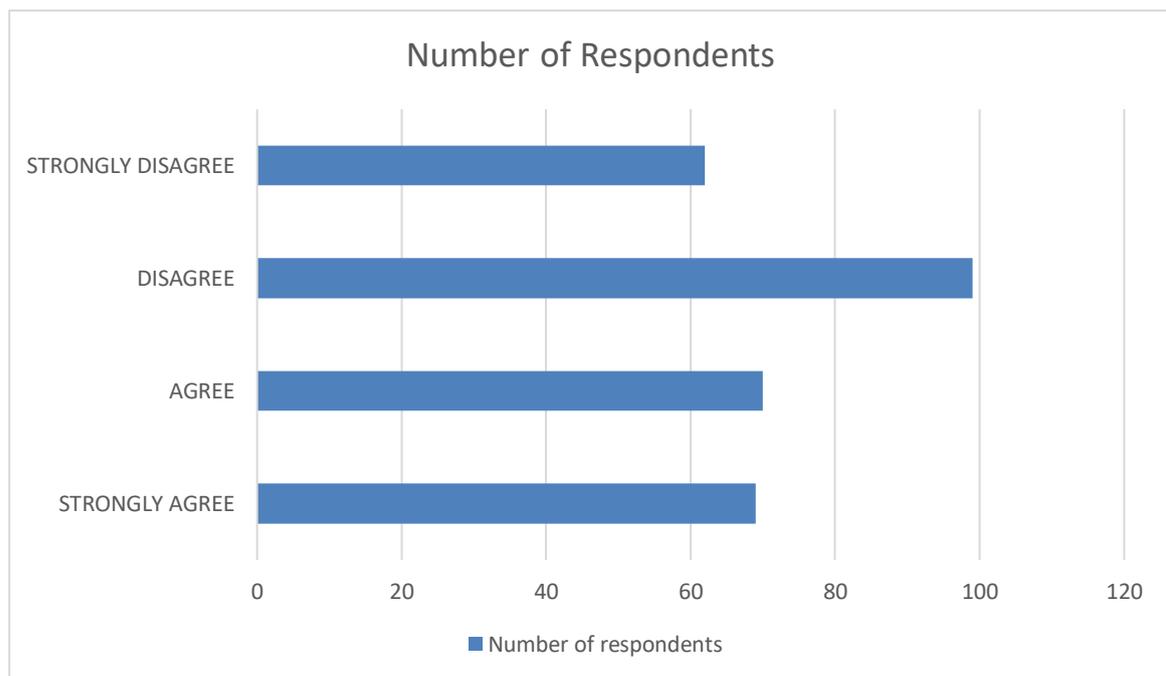


Figure 9 Plastic Card is considered as more reliable and secured

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Card is considered as more reliable and secured” has been presented in table above. From the table it is evident that 69 respondents strongly agreed to the point, 70 respondents agreed to the point ,99 respondents disagreed to the point while 62 respondents strongly disagreed to the point.

With the recent advents in Technology, Duplicate money is posing a great problem for the common man. When the respondents were asked if Plastic money can be a replacement of Paper Money, the following responses were obtained :-

Table 10 Due to Duplicity of Paper money you are shifting to Plastic money

Response	Number of Respondents
STRONGLY AGREE	12
AGREE	60
DISAGREE	165
STRONGLY DISAGREE	63

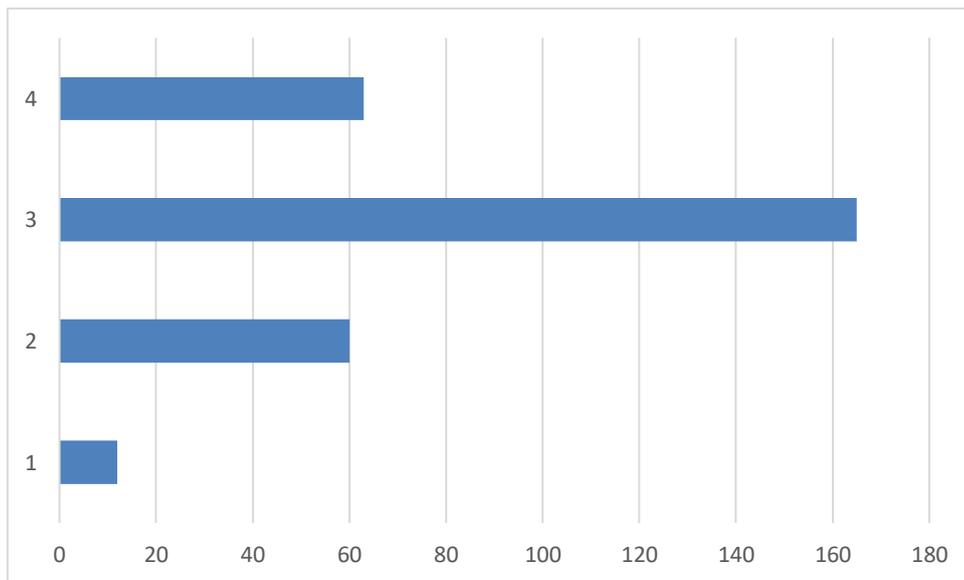


Figure 10 Due to Duplicity of Paper money you are shifting to Plastic money

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Due to Duplicity of Paper money you are shifting to Plastic money” has been presented in table above. From the table it is evident that 12 respondents strongly agreed to the point, 60 respondents agreed to the point , 165 respondents disagreed to the point while 78 respondents strongly disagreed to the point. It means that Plastic money was not considered an alternative to paper Money.

Looking at the recent increase in the use of Plastic money, specially after the Domonetisation in November 2016, the chances of penetration of Plastic money in the circulation have increased many fold. When the respondents were asked for their opinion about the same, the following responses were obtained:-

Table 11 Plastic money will penetrate in society more in future

Response	Number of Respondents
STRONGLY AGREE	126
AGREE	135
DISAGREE	12
STRONGLY DISAGREE	27

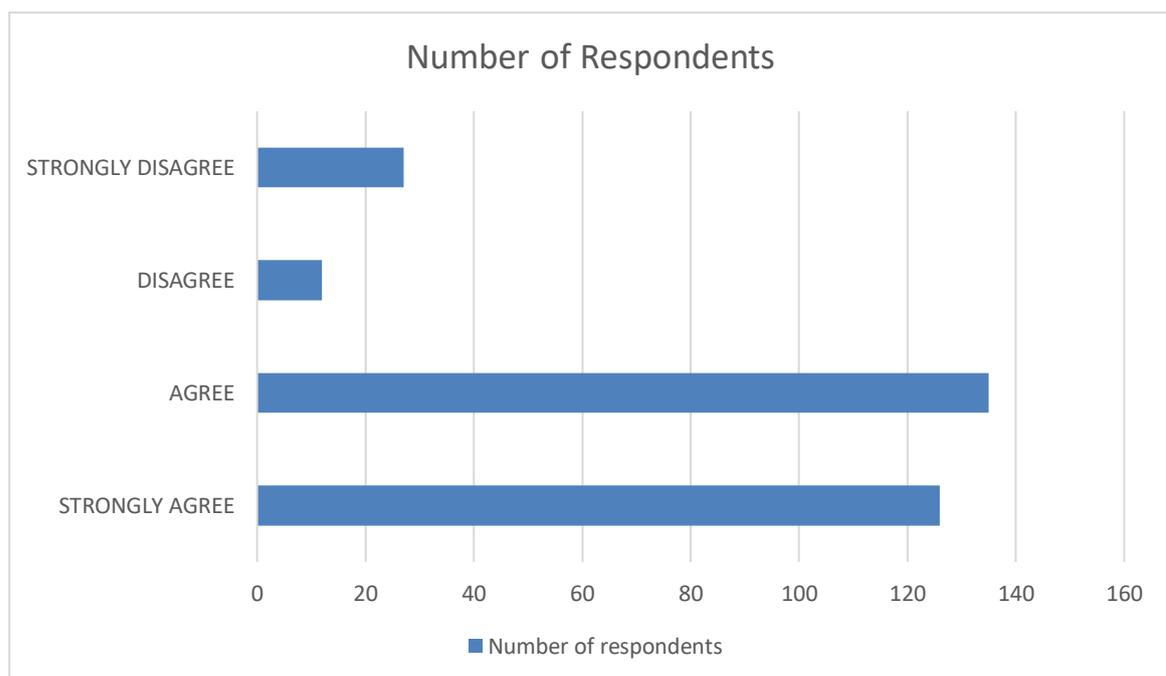


Figure 11 Plastic money will penetrate in society more in future

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic money will penetrate in society more in future” has been presented in table above. From the table it is evident that 126 respondents strongly agreed to the point, 135 respondents agreed to the point, 12 respondents disagreed to the point while 27 respondents strongly disagreed to the point.

When our P.M Mr Narendra Modi,came up with the idea of Demonetization,one of the primary objective of his move was to throw black money out of the circulation by this move.Time will tell , how much this move was successful. We tried knowing people’s opinion about this and the responses were as under :-

Table 12 Credit card/Debit card transaction in country over cash transaction will help to curb black money circulation in economy

Response	Number of Respondents
STRONGLY AGREE	51
AGREE	105
DISAGREE	105
STRONGLY DISAGREE	39

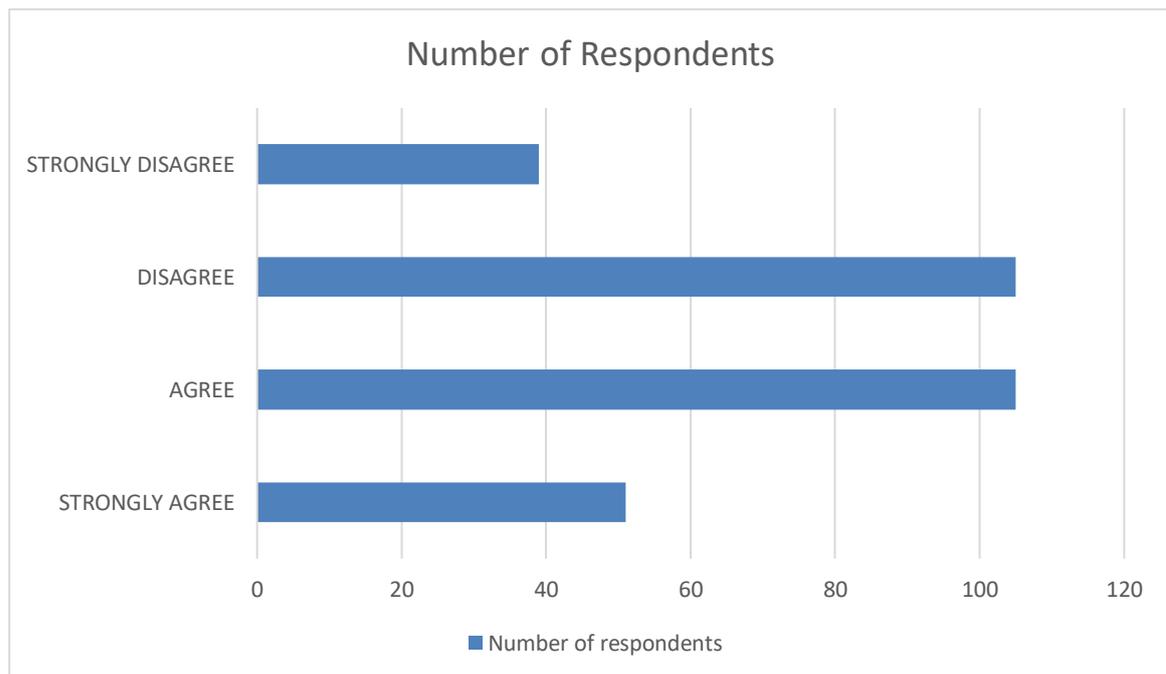


Figure 12 Credit card/Debit card transaction in country over cash transaction will help to curb black money circulation in economy

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Credit card/Debit card transaction in country over cash transaction will help to curb black money circulation in economy” has been

presented in table above. From the table it is evident that 51 respondents strongly agreed to the point, 105 respondents agreed to the point, 105 respondents disagreed to the point while 39 respondents strongly disagreed to the point.

Political will goes a long way in influencing the policy matters of an economy. A financial minister can definitely influence the use of Plastic Money in a country. A hypothetical scenario was presented before the respondents to know about their opinion in this regard. The following responses were obtained :-

Table 13 If you are financial minister of the country, will the country see increase use of Plastic Money

Response	Number of Respondents
STRONGLY AGREE	37
AGREE	105
DISAGREE	108
STRONGLY DISAGREE	50

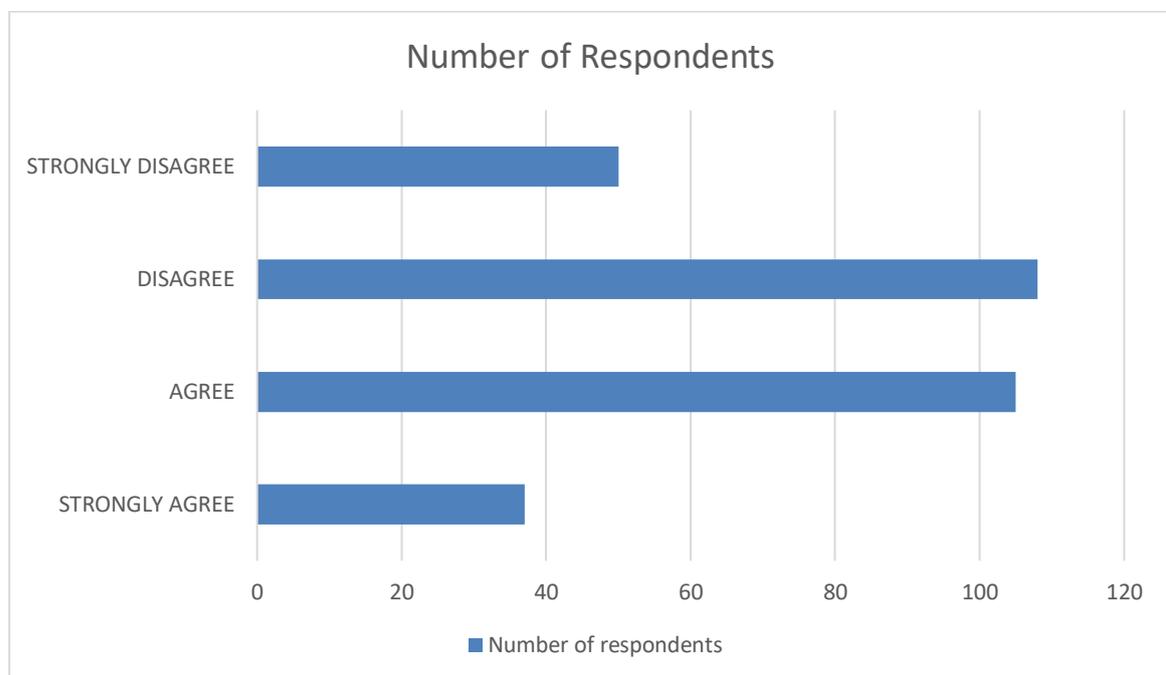


Figure 13 If you are financial minister of the country, will the country see increase use of plastic money

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “If you are financial minister of the country, will the country see increase use of plastic money” has been presented in table above. From the table it is evident that 37 respondents strongly agreed to the point, 108 respondents agreed to the point, 105 respondents disagreed to the point while 50 respondents strongly disagreed to the point.

Table 14 More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in the economy

Response	Number of Respondents
STRONGLY AGREE	114
AGREE	63
DISAGREE	87
STRONGLY DISAGREE	36

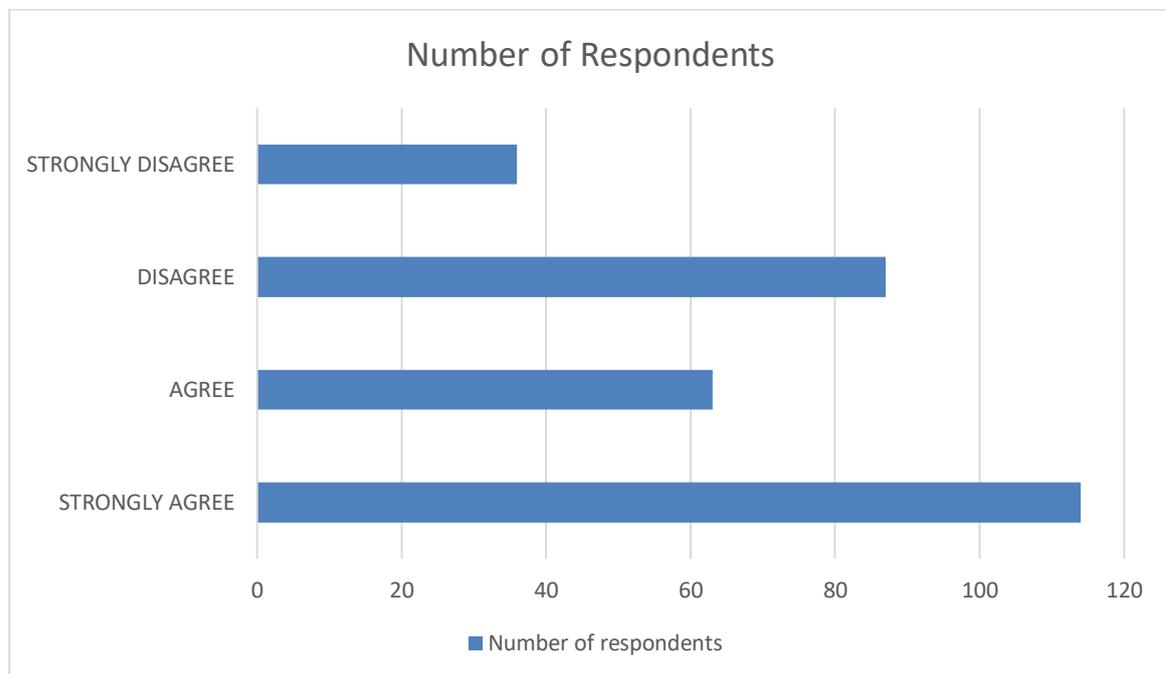


Figure 14 More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in economy

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in economy” has been presented in table above. From the table it is evident that 114 respondents strongly agreed to the point, 63 respondents agreed to the point, 87 respondents disagreed to the point while 36 respondents strongly disagreed to the point.

Initially when the Plastic cards were introduced, they were considered as a symbol of High Socio Economic Status, but now every one of 10 persons holds some form of Plastic card. When the respondents were asked about their opinion pertaining to this the scenario was as under :-

Table 15 Plastic Card is regarded as a symbol of high Socio Economic status

Response	Number of Respondents
STRONGLY AGREE	40
AGREE	77
DISAGREE	102
STRONGLY DISAGREE	81

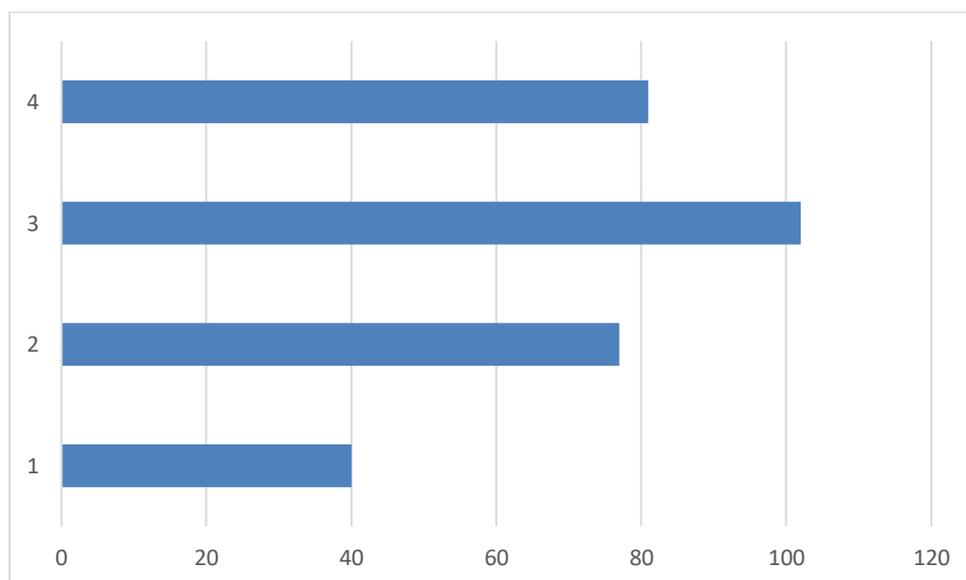


Figure 15 Plastic Card is regarded as a symbol of high Socio Economic status

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Card is regarded as a symbol of high Socio Economic status” has been presented in table above. From the table it is evident that 40 respondents strongly agreed to the point, 77 respondents agreed to the point, 102 respondents disagreed to the point while 81 respondents strongly disagreed to the point. It was thus concluded that Plastic cards are no longer considered as a Status Symbol.

Table 16 Plastic Cards lead to Over Consumption and Spending

Response	Number of Respondents
STRONGLY AGREE	114
AGREE	96
DISAGREE	56
STRONGLY DISAGREE	34

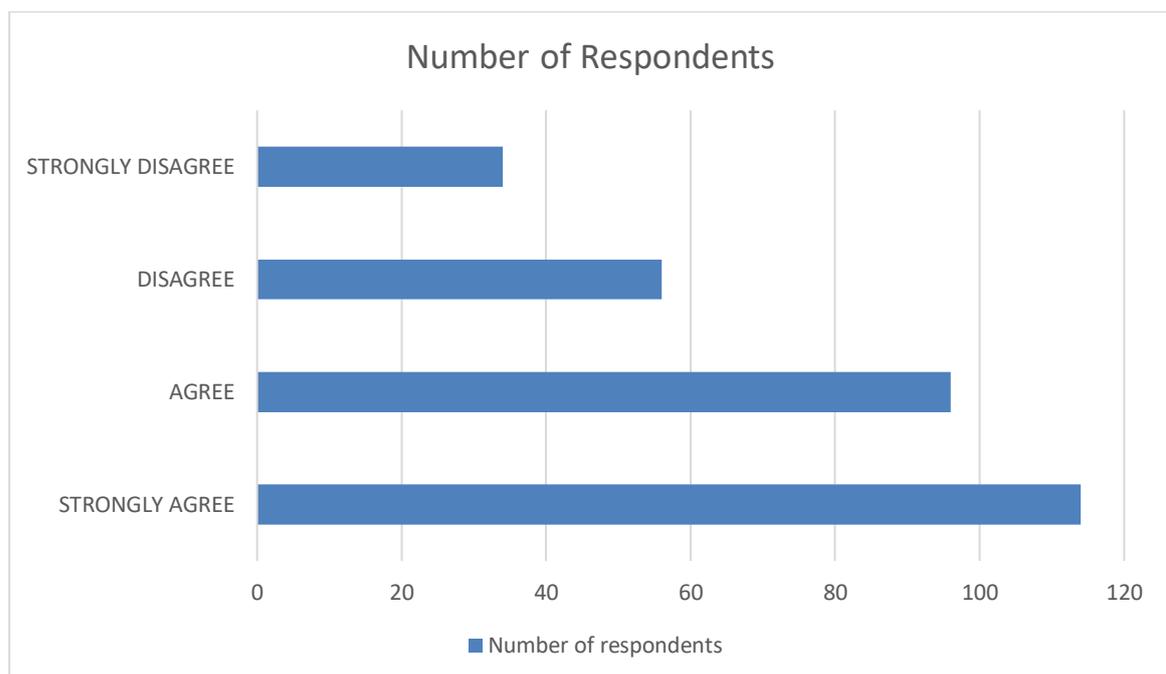


Figure 16 Plastic Cards lead to over consumption and spending

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Plastic Cards lead to over consumption and spending” has been presented in table above. From the table it is evident that 114

respondents strongly agreed to the point, 96 respondents agreed to the point,56 respondents disagreed to the point while 34 respondents strongly disagreed to the point.

Table 17 Political will can stimulate the use of Plastic cards

Response	Number of Respondents
STRONGLY AGREE	63
AGREE	102
DISAGREE	102
STRONGLY DISAGREE	33

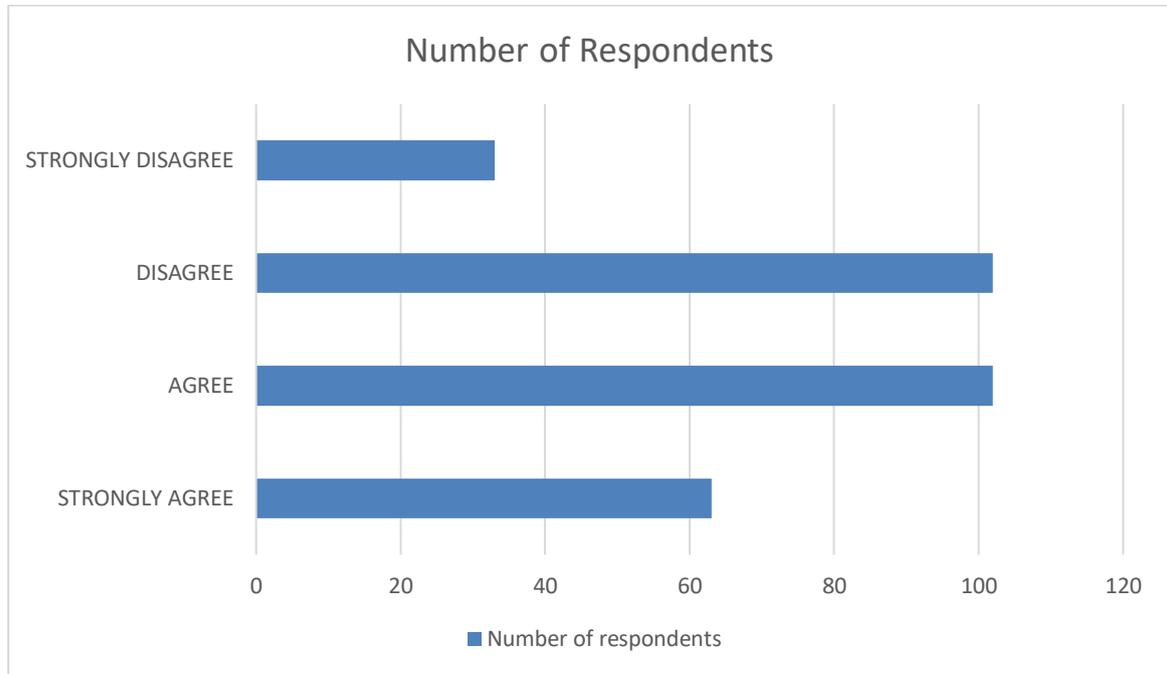


Figure 17 Political will can stimulate the use of Plastic cards

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Political will can stimulate the use of Plastic cards” has been presented in table above. From the table it is evident that 63 respondents strongly agreed to the point, 102 respondents agreed to the point,102 respondents disagreed to the point while 33 respondents strongly disagreed to the point.

Table 18 Will prefer to pay by Plastic Money (Dependent Variable)

Response	Number of Respondents
STRONGLY AGREE	104
AGREE	45
DISAGREE	54
STRONGLY DISAGREE	97

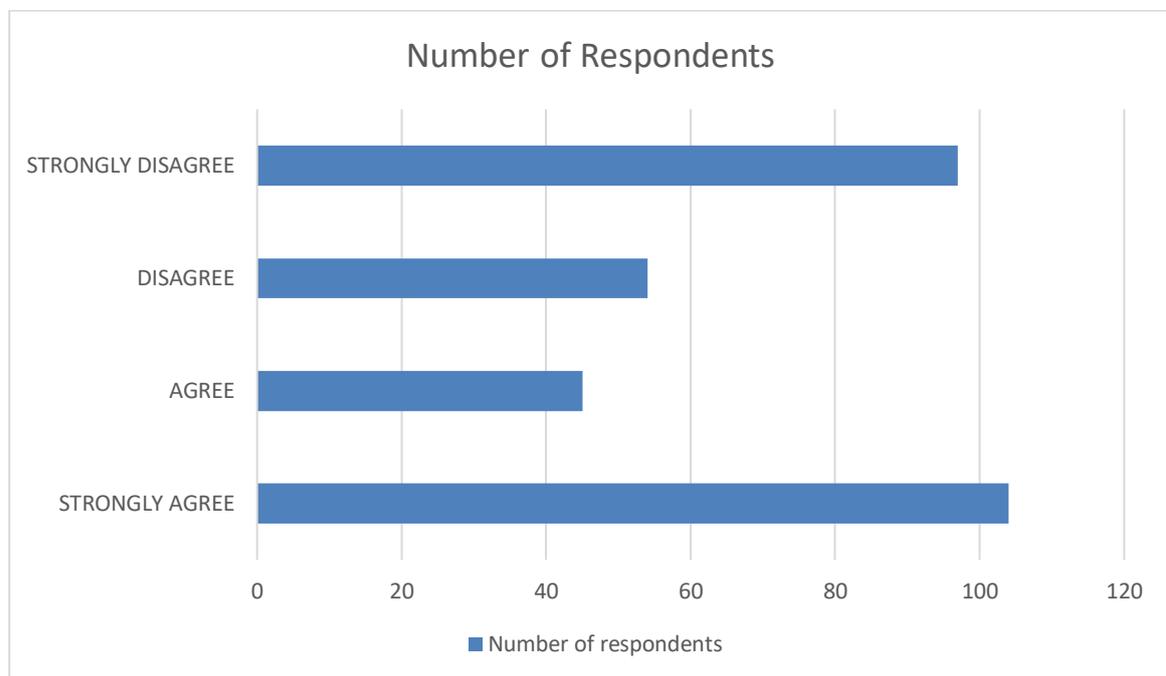


Table 18 Will prefer to pay by plastic money (dependent variable)

(X axis – Number of Respondents ; Y axis – Response)

The response obtained for the question “Will prefer to pay by plastic money (likeliness to pay by this method)” has been presented in table above. From the table it is evident that 104 respondents strongly agreed to the point, 45 respondents agreed to the point, 54 respondents disagreed to the point while 97 respondents strongly disagreed to the point.

Regression Analysis

Table 1 to 17 presents the analysis for independent variable, while table 18 presents the analysis for the dependent variable. Regression analysis for determination of relationship between dependent and independent variables has been presented below.

Table 19 Anova Summary for the Regression Model

<i>Regression Statistics</i>	
R Square	<u>0.826344</u>
Adjusted R Square	<u>0.792215</u>
Observations	300

ANOVA

	<i>Significance</i>	
	<i>df</i>	<i>F</i>
Regression	<u>16</u>	<u>4.35E-23</u>
Residual	<u>283</u>	
Total	<u>299</u>	-

From the table above it is evident that the model can explain **79.2 %** variation in dependent variable using independent variable. From the significance F observation it is evident **that model is a legitimate model as significance F is less than 0.01.**

Table 20 Regression Summary (Table 17 has been excluded from the model)

	<i>Coefficients</i>	<i>P-value</i>
Intercept	0.436419	0.389015
Convenient	0.814022	1.12E-13
Bl_preference	-0.05062	0.677398
Utility	0.738	0.182
Travel_pref	0.056311	0.0067701
Safe	0.058399	0.00506779
Misuse_pc	-0.14436	0.020757
Creditc_exp	0.102113	0.114387
Cheaper	0.051943	0.00430256
Beneficial	0.12375	0.00778566
Reliable_sec	0.10415	0.0000196523
Duplicity	-0.04877	0.00557386
Penetrate_society	0.029743	0.00705545
Curb_bl_money	0.044061	0.604956
Inces_pl_money	0.033934	0.722554
Corruption	-0.17849	0.055512
Soc_eco_stata	0.084514	0.367784
Consu_spending	0.00674	0.000940328

The variables in bold have significant relationship with the dependent variable. From the table it is evident that one level rise in the convenient to pay from plastic money will lead to likeliness to pay by plastic money by 0.81 level, one level increase in misuse of plastic money will lead to decrease in use of plastic money by 0.14 level while one level increase in corruption will lead to decrease in use of plastic money by 0.17 level. (The significance level used for the analysis is 10% significance level, 90% confidence level). One level up

in safety will lead to use of plastic money by 0.06 level. One level up consumer spending will lead to rise in use of plastic money to 0.0067 level. One level up in beneficial level of use of plastic money will lead to rise in use of plastic money by 0.123 level. A one level rise in reliability will lead to rise in use of plastic money by 0.145 level. A one level rise in penetration in society will lead to rise in use of plastic money by 0.029 level. A one level rise in likeliness of you being financial minister of country will lead to rise in use of plastic money by 0.033 level in country.

Chapter 5

Conclusion and Suggestions

Looking at the broad scenario, there is no doubt that the plastic money is rising up in the market. The day will come when all the transaction will be done through plastic money, yet there are more further technologies which have been implemented in Japan and US but India is still growing in its first phase. The day will come when all the train tickets would be purchased by credit cards. People will start keeping bunch of cards in their pockets instead of currencies. The day will come when the cinema tickets will be purchased through credit cards. Thus in these growing phenomenon there doesn't seem any declination instead it is growing at a higher rate. Consumers are preferring these cards mostly for shopping online. E-commerce has given a better way to use the plastic money. It can be concluded that plastic money has a very bright future in the coming years because of the increasing trend of e-commerce.

21ST Century banking has become wholly customer-driven & technology driven by challenges of competition, rising customer expectations & shrinking margins, banks have been using technology to reduce cost & enhance efficiency, productivity & customer convenience. Technology intensive delivery channels like net banking, mobile banking, etc have created a win-win situation by extending great convenience & multiple options for customer. From educating customers about credit cards there is a need to educate them about the differentiating factors of the cards. Because visa and master card are advertising regularly and thereby increases awareness. The strategy should be to emphasize on its differentiating characteristics. They also need to identify potential customers and target those using mailers. As internet is growing at a fast rate the net users can be targeted by having interactive sites. The prospective company's card personality could also be used in the home page to solve customer queries in the 'Best Possible Manner'.

Talking about our study out of the 18 independent variable which influence the usage of Plastic money in Chhattisgarh, 9 variables were found to be significant in the study. The model used in the study was that of Regression and it was found that the model can explain **79.2 %** variation in dependent variable using independent variables so it can be said to be a legitimate model. On the basis of the analysis, the following suggestions can be given to increase the Plastic card usage :-

1. It was found that people in Chhattisgarh don't prefer to pay their utility bills like Telephone Bill , Electricity Bill etc by Plastic cards. In the changing scenario of today where

everything is going paperless and cashless, there is a great need to educate and motivate the people to pay their utility bills by Plastic money.

2. It was Found that people find cards as a convenient way of payment. Gone are the days which required people to carry huge amount of cash to make their payments. With the P.M Mr Narendra Modi's emphasis on Cashless transactions in banks, departmental stores, grocery outlets, Apparel stores etc, now the people in Chhattisgarh are adapting to this new way of transaction.

3.Reduction in Cashless transactions will also lead to the restriction of the influx of Duplicate money from abroad. Safety measures pertaining to the fund transfer need to be increased to encourage and assure people so that the use of Plastic money increases.

4.Safety in the Plastic money is an important factor that induces its usage.Multiple level of security should be insured like Password,OTP (One time password), use of Shttp (secured sites)instead of http etc.

5.Transaction charges on online transactions should be waived off to induce the people to use Plastic cards more.

6. Subsidy on Electronic Transactions can also lead to increased usage of Plastic cards.

7. People should be motivated to make more use of Plastic cards while travelling. Travel Companies can give discounts to lure the customers to make the use of Plastic cards.

8. Plastic money can play a very important and in fact a major role in the eradication of corruption in India. These are the reasons that how are it possible:-

- Every money transfer or transaction is maintained and recorded and also the transactions of crores and crores of money cannot go unrecorded. Each official can have only that much of amount that he earns or has saved through his or her earnings.
- None of the money transactions are illegal. As,all the money transfer and transaction happens through bank accounts, none of the illegal money can be transferred.
- All the conversions of the Indian currency into dollars or swiss dollars are recorded and also their amount is recorded if a lot of money is converted.
- The number of fraudulent money practises are reduced as no fake paper notes can be printed as they are not usable.
- All the transactions will be recorded and also payments made in this manner are billed out in order to maintain a proof of the transaction made. Hence this will eradicate the problem of lack of evidence when it comes to transactions made. Many a times, we do not

take a cash memo from the shopkeeper although it is the only record or proof that says that we have purchased an item from that shop.

9. Thumb scanning facility can be incorporated with plastic money usage so that the safety is insured and people get assured to use plastic cards.

Thus, this study has tried to throw some light on the factors affecting the usage , prospects and growth potential of Plastic card usage in Chhattisgarh along with some suggestions to increase the usage.

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- a) Market b) Agriculture c) Banking d) Insurance e) Health
f) Govt. Schemes g) Social Work h) Other (Pl. specify)

Questionnaire/ Schedule

Q. 1 Plastic Cards is the most convenient way of paying.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 2 You have any type of Plastic Card.

- Yes
- No

If Yes then tick the appropriate type :-

1. ATM cum Debit Card 2. Credit Card 3. Both 4. Other (Pl. specify)

Q. 3 Plastic Card is the most preferred way to pay your utilities Bills.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.4 While travelling, Plastic card is the preferred way of payment.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 5 Use of Plastic card is safest mode of transaction.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 6 Misuse of Plastic Cards is the reason you don't opt for plastic money.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q .7 Credit Card are expensive as many other charges are charged on it.

- Strongly Agree

- Agree
- Disagree
- Strongly Disagree

Q. 8 Plastic Card is cheaper.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 9 The use of Plastic card is beneficial.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.10 Plastic Card is considered as more reliable and secured.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.11 Due to Duplicity of Paper money you are shifting to Plastic money.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.12 Plastic money will penetrate in society more in future.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.13 Credit card/Debit card transaction in country over cash transaction will help to curb black money circulation in economy.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.14 If you are financial minister of the country, will the country see increase use of plastic money.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.15 More credit card/Debit card transaction in country over cash transaction will help solve the problem of corruption in economy.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.16 Plastic Card is regarded as a symbol of high Socio Economic status.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 17 Plastic Cards lead to over consumption and spending.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q.18 Political will can stimulate the use of Plastic cards.

- Strongly Agree
- Agree
- Disagree
- Strongly Disagree

Q. 19 Precautions to be adopted while using ATM cards

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Q. 20 Precautions to be adopted while doing online transaction using cards

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“छत्तीसगढ़ राज्य में प्लास्टिक मुद्रा के प्रयोग का विश्लेषण”

निम्नलिखित प्रश्नों के उत्तर उपरोक्त विषयांतर्गत लघु शोध परियोजना से सम्बन्धित है । कृपया उत्तर दे कर सहयोग प्रदान करें । आपको यह आश्वासन दिया जाता है कि आपके उत्तर गोपनीय रखे जायेंगे ।

सामान्य जानकारी

1. नाम:—
2. आयु:—
3. स्थान:—
4. ग्रामीण / शहरी:—
5. परिवार में सदस्यों की संख्या:—

महिला	पुरुष
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6. परिवार में कार्य शील सदस्यों की संख्या:—

महिला	पुरुष
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7. परिवार की आय:—
 - 1- 10,000 रुपये से कम
 - 2- 10,000 से 20,000 रुपये के मध्य
 - 3- 20,000 से 50,000 रुपये के मध्य
 - 4- 50,000 से 100,000 रुपये के मध्य
 - 5- 1,00,000 रुपये से अधिक
8. श्रेणी:—

1. कृषक	2. गृहणी	3. सेवा क्षेत्र	4. व्यापारी	5.
औद्योगिक क्षेत्र	6. अन्य (कृपया स्पष्ट करें)			
9. शिक्षा:—

1. प्राथमिक	2. उच्चतर माध्यमिक	3. स्नातक	4. स्नात्कोत्तर
5. व्यवसायिक	6. अन्य (कृपया स्पष्ट करें)		
10. प्लास्टिक कॉर्ड का उपयोग:—

1. संगठित क्षेत्र	2. असंगठित क्षेत्र	3. दोनों
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(α) यदि उत्तर संगठित क्षेत्र है तो उपयोग के क्षेत्र:—

1. इलेक्ट्रॉनिक	2. थडळ.	3. किराना	4. कृषि उत्पाद
5. कपड़े			

(इ) यदि उत्तर असंगठित क्षेत्र है तो उपयोग के क्षेत्र:-

1. इलेक्ट्रानिक 2. थडळ. 3. किराना 4. कृषि उत्पाद 5. कपड़े

(ब) यदि उत्तर दोनो (संगठित/असंगठित) क्षेत्र है तो उपयोग के क्षेत्र:-

1. इलेक्ट्रानिक 2. थडळ. 3. किराना 4. कृषि उत्पाद 5. कपड़े

11. कॉर्ड के उपयोग के क्षेत्र:-

1. बाजार 2. कृषि क्षेत्र 3. बैंकिंग क्षेत्र 4. बीमा 5. स्वास्थ्य क्षेत्र
6. सरकारी योजनाएँ 7. सामाजिक कार्य

अनुसूची

(1) कॉर्ड भुगतान का सबसे सुविधाजनक तरीका है।

- पूर्णतः सहमत
 सहमत
 असहमत
 पूर्णतः असहमत

(2) क्या आपके पास कोई कॉर्ड है।

- हाँ
 ना

यदि उत्तर हाँ है तो उपयुक्त प्रकार पर सही (√) का चिन्ह लगाएँ।

- जड सह डेबिट कॉर्ड
 क्रेडिट कॉर्ड
 दोनो
 अन्य प्रकार (कृपया स्पष्ट करें)

(3) उपयोगिता बिल का भुगतान कॉर्ड के द्वारा किया जाना सबसे पसंदीदा तरीका है।

- पूर्णतः सहमत
 सहमत
 असहमत
 पूर्णतः असहमत

(4) यात्रा करते समय कॉर्ड के द्वारा भुगतान करना पसंदीदा तरीका है।

- पूर्णतः सहमत
 सहमत
 असहमत
 पूर्णतः असहमत

(5) कॉर्ड/प्लास्टिक मुद्रा का प्रयोग भुगतान का सबसे सुरक्षित तरीका है।

- पूर्णतः सहमत

- सहमत
 - असहमत
 - पूर्णतः असहमत
- (6) कौर्ड का दुरउपयोग होने के कारण प्लास्टिक मुद्रा का प्रयोग नही करते ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (7) क्रेडिट कौर्ड महंगे पड़ते है क्यौंकि उन पर कई अन्य शुल्क लगाए जाते है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (8) कौर्ड सस्ता पड़ता है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (9) कौर्ड का प्रयोग लाभदायक है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (10) कौर्ड का प्रयोग विष्वसनीय है ।
- पूर्णतः सहमत
 - असहमत
 - असहमत
 - पूर्णतः असहमत
- (11) पत्र मुद्रा के नकली होने की संभावना के कारण कौर्ड का प्रयोग कर रहे है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत

- (12) प्लास्टिक मुद्रा भविष्य में समाज में और फैल जाएगी ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (13) नगद लेनदेन के स्थान पर क्रेडिट कार्ड/डेबिट कार्ड द्वारा लेनदेन करने पर अर्थव्यवस्था में काले धन के प्रसार को नियंत्रित किया जा सकता है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (14) यदि आप राष्ट्र के वित्तमंत्री हैं तो राष्ट्र प्लास्टिक मुद्रा का बढ़ता हुआ प्रयोग देखेगा ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (15) नगद लेनदेन की अपेक्षा क्रेडिट कार्ड/डेबिट कार्ड द्वारा अधिक लेनदेन राष्ट्र में भ्रष्टाचार की समस्या का समाधान कर सकता है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (16) कार्ड को उच्च सामाजिक आर्थिक स्तर का सूचक माना जाता है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (17) कार्ड्स के द्वारा उपयोग और व्यय की अधिकता की समस्या आती है ।
- पूर्णतः सहमत
 - सहमत
 - असहमत
 - पूर्णतः असहमत
- (18) राजनैतिक इच्छा शक्ति के द्वारा कार्ड का प्रयोग बढ़ाया जा सकता है ।
- पूर्णतः सहमत

- सहमत
- असहमत
- पूर्णतः असहमत

(19)। ज्ड कॉर्ड/डेबिट कॉर्ड/केडिट कॉर्ड का प्रयोग करते समय अपनाई जाने वाली सावधानियों

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(20) कॉर्ड के द्वारा ऑनलाइन खरीदी करते समय अपनाई जाने वाली सावधानियों

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Different Uses of Plastic Money at a Glance

