

# Increase in Money Transfer Transactions using Various Online Payment Methods

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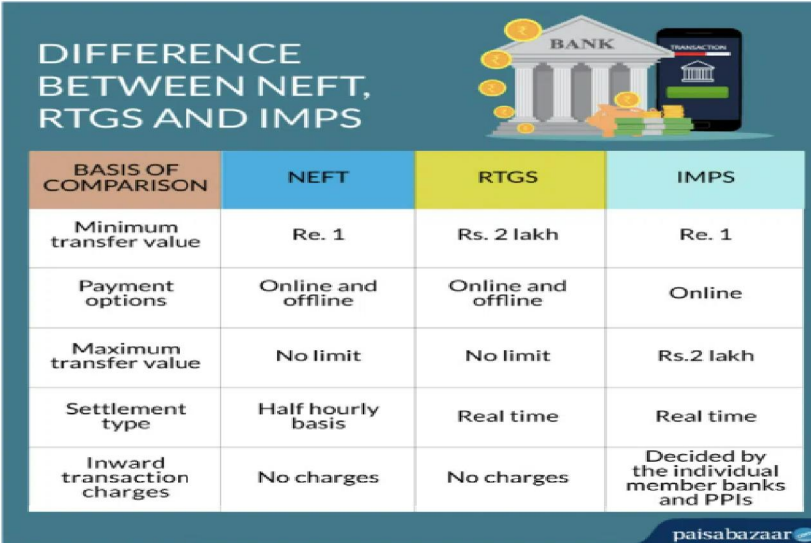
**Abstract:** Computer Science (CS) has altered many facets of our life, most notably by making it simple to obtain digital payments. During the Monetization phase, the Government of India obliged citizens to undertake all commercial activity in digital manner, either directly or indirectly. Ordinary people began to transition from old payment methods to digital payment systems that provided safety, security, and convenience of use. Because of the quick advancement of technology in smart phones and cheap internet access, the Indian market has embraced Digital Payments. The percentage of digital payments made through alternatives is rapidly increasing. The current study's goal is to determine the various forms of digital payment systems utilised by regular people in their daily lives.

**Keywords:** Digital, Payments, Demonetization, Digital Revolution

## I. INTRODUCTION

A digital payment is one that is made in a digital manner. In digital payments, both the payer and the paymaster employ digital ways of transferring and earning money. Also known as electronic payment. There is no use of physical cash (currency notes) in digital payments. All digital payment transactions are completed through the Internet. It is a quick and simple payment option. Banking cards, digital wallets, Unified International Research Journal Fund Transfer (NEFT), Aadhar Enabled Payment System (AEPS), and mobile banking are currently accessible digital payment methods. Later in the evolution of technology, digital payments begin to impact our daily lives and begin to provide exciting and profitable new services. [1]. According to the RBI Bulletin, cashless transactions in India are increasing on a daily basis. According to the report's statistics, between November and December of 2016, E-Wallet transactions were 50.74 billion in 2016 and 97.70 billion in January. It climbed to 108.69 billion in 2017. According to a Cash Karo India survey, the E-Wallet payment mechanism outperforms other payment methods in terms of client choice.

## II. CASH TRANSFER CATEGORIES



BASIS OF COMPARISON	NEFT	RTGS	IMPS
Minimum transfer value	Re. 1	Rs. 2 lakh	Re. 1
Payment options	Online and offline	Online and offline	Online
Maximum transfer value	No limit	No limit	Rs.2 lakh
Settlement type	Half hourly basis	Real time	Real time
Inward transaction charges	No charges	No charges	Decided by the individual member banks and PPIs

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Figure 1: Difference between payment modes and their values

### 2.1 Cards for Payment

Credit cards and debit cards are the two most frequent forms of payment cards. Payment cards are typically engraved plastic cards measuring 85.60 x 53.98 mm and according to the ISO / IEC 7810 ID-1 standard. Frequently, a matching card number ISO / IEC 7812 numerical standard is added. Electronic payment card linked to your own account or account card holder. These accounts might be bank accounts, loan or credit accounts, or a card used to authenticate the cardholder. Validation Card (CVV number) once Payment expiry date is provided. CVV numbers are a set of attributes that are utilised in credit and debit cards for inventory purposes, proprietary ownership, and risk reduction fraud. Payment cards require the authentication of two elements. Verification is the procedure by which the promises offered are compared to those that are stored in the database of authorised users' local operating system information on the local operating system.

### 2.2 Unstructured Supplementary Service Data (USSD)

USSD, often known as "Quick Codes" or "Feature Codes," is a system used by GSM phones to connect with service provider computers. This solution facilitates mobile banking transactions utilising the basic features of a cell phone; no mobile internet database is required for USSD mobile banking. USSD is frequently used to refer to real-time or instant messaging systems. USSD is occasionally used in combination with SMS. User submits network request through USSD, and network responds by acknowledging receipt: "Thank you; your message appears to have been received. You will receive a message on your phone." USSD requires the following information: MPIN / IFSC / Aadhar account / Account number.

Payment Interface Unified (UPI) The National Payments Corporation of India introduced the Unified Payment Interface (UPI) as a new payment interface (NPCI). [2] to promote a cashless society and mobile banking under the supervision of the Government of India. Payment Interface Unified (UPI). [3] is a system that allows several bank accounts to access various financial services like as cash transfers and merchant payments using a single mobile application. Sending and receiving funds with the UPI payment app is analogous to sending and receiving text messages on your smartphone. A user does not need to instal several banking apps on his or her smartphone. A user may simply link all of their bank accounts to a single UPI payment app, eliminating the need to remember or type banking user IDs/passwords. Each bank has its own UPI App for the Android, Windows, and iOS mobile platforms [4].

### 2.3 NEFT

The Reserve Bank of India owns and operates the National Electronic Funds Transfer (NEFT), a nationwide centralised payment system (RBI). For cash transfer or reception, NEFT provides the following benefits:

1. Availability 24 hours a day, 365 days a year.
2. Near-real-time money transfer to the beneficiary account and safe settlement.
3. Pan-India coverage is provided through a huge network of branches of various sorts of banks.
4. The recipient is not required to visit a bank office to deposit the paper instruments. If his or her bank provides such a service, the remitter can begin the transfers from the comfort of his or her own home or workplace.

### 2.4 RTGS

The abbreviation RTGS means for Real Time Gross Settlement, and it refers to a system that allows for the continuous and real-time settlement of financial transfers on a transaction-by-transaction basis (without netting). 'Real Time' refers to the processing of instructions at the time they are received; 'Gross Settlement' refers to the individual settlement of funds transfer orders. For money transfers, RTGS has several advantages:

1. It is a safe and secure method of transferring payments.
2. The RBI has established no monetary cap for RTGS transactions or transfers.
3. The system is available 24 hours a day, seven days a week. The monies are sent to the recipient account in real time.
4. The remitter is not required to utilise a tangible cheque or demand draught.

## 2.5 IMPS

Transferring funds in real time and around the clock was a huge difficulty in the banking business. During banking hours, only NEFT and RTGS were accessible for financial transfers. With the aforementioned scenario in mind, NPCI launched pilot research on the mobile payment system in August 2010 with banks such as SBI, BOI, UBI, and ICICI. Yes Bank, Axis Bank, and HDFC Bank also joined this league in September, October, and November of 2010, respectively. The Immediate Payment Service (IMPS) was publicly launched on November 22, 2010 in Mumbai by Smt. Shyamala Gopinath, DG RBI, and is currently available to the Indian public. NPCI provides this service via its current NFS switch.

## III. ACCOUNTING THROUGH INTERNET



Figure 2: Accounting through internet

## IV. CONCLUSION

Digital payments should become more common in the future as people's habits change and they accept digital payments. Cashless transactions are not only safer, but they also need less time to complete. It also helps to keep track of everything that is done. Since March 2016, India has had over 100 million active mobile communication users, including over 22 million smart phone users. This figure will slowly increase as internet speeds increase. Mobile network connection, Internet, and power are all on the rise, as are digital payments in rural regions. As a result, there is no question that the future trading system does not include any money transactions.

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