

DISSERTATION

A study about the use of e-payments among rural people in Pavumba area of Thazhava village

Introduction

An **e-payment** system is a way of making transactions or paying for goods and services through an electronic medium, without the use of cheques or cash. The electronic payment system has grown increasingly over the last decades due to the growing spread of internet-based banking and shopping. As the world advances more with technology development, we can see the rise of electronic payment systems and payment processing devices. One of the most popular payment forms online are credit and debit cards. Besides them, there are also alternative payment methods, such as bank transfers, electronic wallets, smart cards etc. E-payment methods could be classified into two areas, credit payment systems and cash payment systems.

Credit payment systems

- **Credit Card** — A form of the e-payment system which requires the use of the card issued by a financial institutions to the cardholder for making payments online or through an electronic device, without the use of cash.

Cash payment systems

- **E-check** — An **electronic** version or representation of a paper **cheque**. The account holder writes an **e-check** (or **e-cheque**) using a computer or other type of **electronic** device and transmits the **e-cheque** to the payee electronically. Like paper **cheques**, e-checks are signed by the payer and endorsed by the payee.
- **E-cash** is a form of an electronic payment system, where a certain amount of money is stored on a client's device and made accessible for online transactions.
- **Stored-value card** — A card with a certain amount of money that can be used to perform the transaction in the issuer store. A typical example of stored-value cards are gift cards.
- **Direct debit** - A financial transaction in which the account holder instructs the bank to collect a specific amount of money from his account electronically to pay for goods or services.
- **E-wallet** — **E-Wallet** allows to store multiple credit card and bank account numbers in a secure environment, and eliminate the need to enter in account information when making payments. Once you have registered and created **E-Wallet** profiles, you can make payments faster and with less typing. Paytm, Bhim, Mobikwik, Alipay, American Express, Apple pay, Microsoft Wallet, Samsung Pay etc. are **examples for digital** wallets. The largest companies to provide users with this service are Google, Amazon, and Paypal.

- **Smart card** — A plastic card with a microprocessor that can be loaded with funds to make transactions; also known as a chip card.
- **Net banking** – Net banking means internet banking. It allows the customers to access their bank accounts and make any transactions without physically visiting any of the branches of the financial institutions. Customers can just conduct their transactions through net banking.

Scope of Study

Electronic payment has gained a lot of curiosity among the people all over the world. This new way of making payments is more efficient and convenient to both the business and the customers. This research study has been made with an effort to study the prospects of Electronic payment system among the villagers in Pavumba. The key aspiration of the study is to find out the factors that influence the implementation of Electronic payment in the locality.

The data for the research has been collected through questionnaires which were given to the employees of the Union Bank of India .

Methodology

Method of collecting data for this study is sample survey conducted among 100 persons in the locality by using pre-tested questionnaire.

Objectives of Study

- (1) To analyse the habit of using e-payment mechanism among rural people.
- (2) To study the scope and extent of using e-payment mechanism.
- (3) To study the benefits of using e-payment mechanism.
- (4) To study the problems faced by them while using this mechanism.

Hypothesis

- H1 – The habit of using e-payment mechanism among rural people is comparatively less.
 H2 – e-payment mechanism is more beneficial to the customers and business as a whole.
 H3 – Rural people face many problems while using e-payment mechanism.

Analysis

Age : In this study I have interviewed people above the age of 15

Table 1 (Age group of people)

Age group	Numbers	Percentage
15-25	12	12
26-35	20	20
36-45	32	32
46-55	15	15
56-65	12	12
Above 65	9	9

Source : Primary Data

Of the total participants in the survey, majority belongs to the age group of 36-45 (32%).

Sex : In this study we interviewed people of different sex

Table 2 (Sex of people)

Sex	Numbers	Percentage
Male	57	57
Female	43	43
Transgender	0	0

Source : Primary Data

Of the total participants in the survey, majority belongs to Male (57%).

Occupation : In this study we interviewed people having different occupation

Table 4 (Occupation of people)

Occupation	Male	Female	Numbers	Percentage
Coolie (Labourers)	19	12	31	31
Agriculture	14	4	18	18
Employee in Private sector	6	8	14	14
Govt employee	5	3	8	8
Unemployed/Students	13	16	29	29
Total	57	43	100	100

Source : Primary Data

Of the total participants in the survey, majority belongs to Coolie (Labourers) (31%).

Occupation : In this study we interviewed people of different income groups

Table 5 (Income group of people)

Annual Income	Male	Female	Total	Percentage
below 25,000	27	23	50	50
25,001 -50,000	5	7	12	12
50,001 – 1,00,000	14	2	16	16
1,00,000 – 2,00,000	2	3	5	5
above 2,00,000	9	8	17	17
Total	57	43	100	100

Source : Primary Data

Of the total participants in the survey, majority belongs to Annual income below 25,000 (50%).

Bank Account holders on the basis of sex

Table 6 (Bank Account Holders)

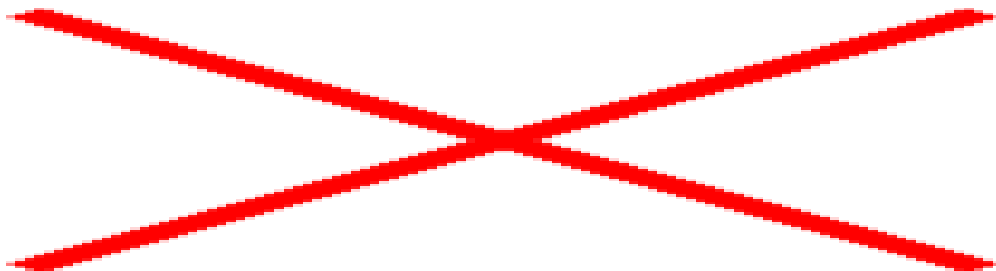
Bank Account	Male	%	Female	%	Total	%
Yes	53	93	36	84	89	89
No	4	7	7	16	11	11
Total	57	100	43	100	100	100

Source : Primary Data

Of the total participants in the survey, 93% Male and 84% Female have Bank accounts. Total 89% people have bank accounts.

Bank Account holders on the basis of Occupation:

Table 7 (Bank Account Holders on the basis of occupation)

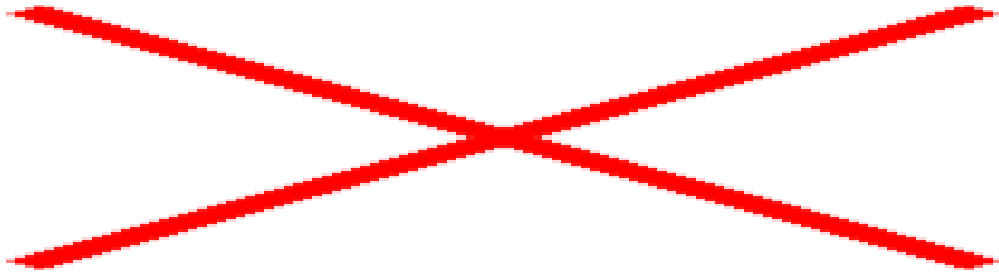


Source : Primary Data

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Bank Account holders on the basis of Income

Table 7 (Bank Account Holders on the basis of Income)



Source : Primary Data

Of the total participants in the survey, 93% Male and 84% Female have Bank accounts. Total 89% people have bank accounts.