



# LAGGERED MONEY PAYMENTS – STAGGERED ECONOMIC GROWTH A Case Study Of Jangareddigudem, Eluru Dist. Andhra Pradesh

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## **Introduction of the problem:**

The emergence of money as a medium of exchange pushed the age old barter system aside and became the backbone of all the economic activities in the modern societies offline and online too. Any financial payment is the beginning point of the whole economic growth process in any sector of the economy ex. Agriculture, Industry, Services. The entire economy is knitted through financial services like traditional banking and its modern online payment services like apps, payment gateways etc., for a quick and real time payments to catch up with the dynamic globalization context and to achieve sustained economic growth.

## **Study Area:**

Jangareddigudem, Eluru district, Andhra Pradesh is an aspirational revenue division poised with the potential horticulture and NTFP (non timber forest produce), semiskilled man power for speedy economic growth. Lack of literacy, awareness, understanding, digital literacy, internet penetration, purchasing power to buy smartphones and higher cost of money transfers and cyber security issues are the visible and identified reasons for laggard payments in jangareddigudem among street vendors, college students, private self employed money transfer/payment centers.

## **Research Questions:**

- What are the challenges in money payments and transfers in jangareddigudem, Eluru district, Andhra Pradesh among the street vendors, students and money transfer business entities.

**Research Methodology:**

This study is based on both the primary and secondary data. The primary data was collected from CSTS GOVT. KALASALA students about their exam fee payments to the AKNU adikavinannayyauniversity and street vendors on the challenges in adopting paytm/phonepe payment mechanism and money transfer/payment business entities with the help of a questionnaire and personal interviews. The collected data was tabulated with the use of MS office tools like excel and presented in terms of simple averages and pie charts.

**Findings:****FINANCIAL SERVICES (PAYMENTS SYSTEMS) – CHALLENGES**

- **Lack of awareness, literacy on schemes, methods, processes among consumers and traders**
- **Lack of digital literacy among citizens**
- **Lack of internet penetration**
- **Lack of purchasing power to buy smartphones of customers**
- **higher cost of money transfers for bulk transfers**
- **Cyber Security Issues**
- **Problems in Financial Inclusion and Financial Depth**
- **Missing ability of the formal financial system to mount a strong supply response to meet financial system demand**

Many of the citizens i.e., both the consumers and traders are not interested to send money online.

Many of the traders are not aware of the nitty-gritty of the online financial payments processes and technological issues and try to simply avoid the modern payment methods.

Many of the students also find it difficult to send money online.

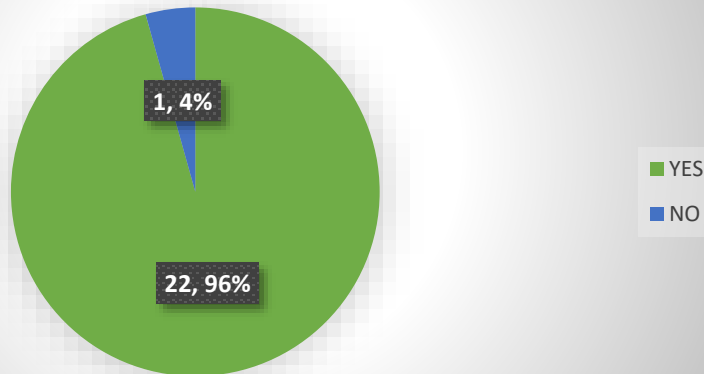
**VARIOUS GOVERNMENT INITIATIVES TO STRENGTHEN SPEEDY PAYMENTS SYSTEMS**

- **Bharat Broadband Network**
- **Uid ..Unique Identification**
- **Universalisation Of Bank Accounts**
- **Universal Electronic Bank Account (UEBA)**
- **Ubiquitous Access to Payment Services and Deposit Products at Reasonable Charges**
- **WHITE LABEL ATMS**
- **Immediate Mobile Payment Service (IMPS)**
- **B.Cs Business Correspondents**
- **Rural Service Mandate for Banks**
- **Cheque And Demand Draft**
- **Kisan Credit Cards**

➤ **E.money**

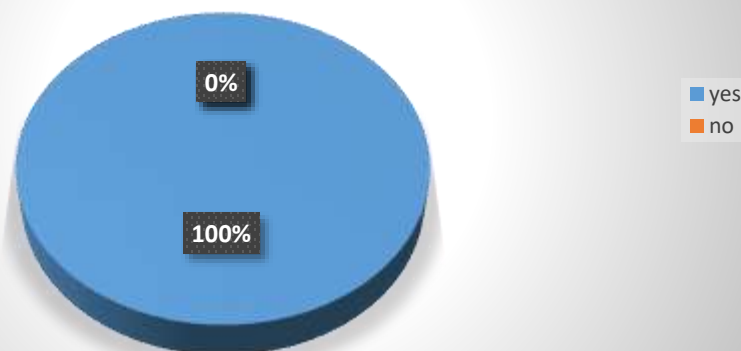
**STUDENTS' SAMPLE ANALYSIS**

**1. DO YOU HAVE SMART PHONE ?**



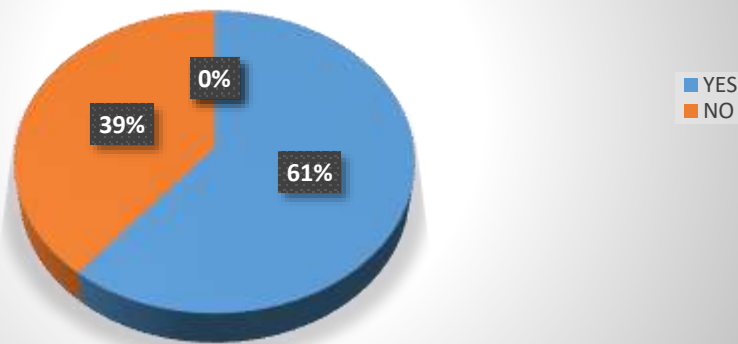
- Nearly 96% of the students do have their own smartphone or access to smart phone.

**2. Do you have bank account on your name**



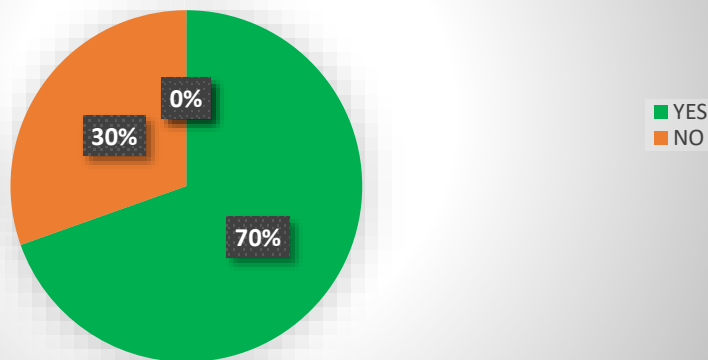
- All the students of sample 100%, do have a bank account on their name.

### 3. Do you have phonepe or paytm account ?



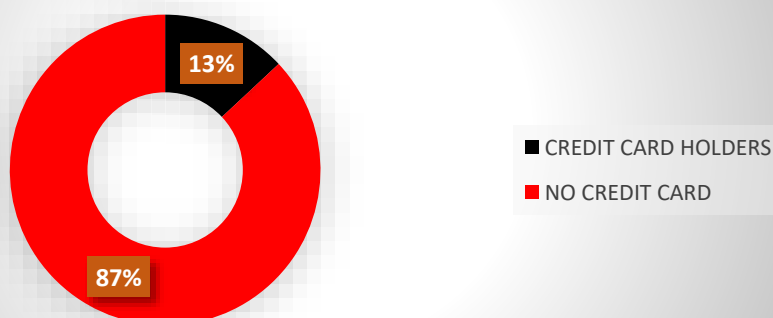
- But, only 61% students do have phonepe or paytm accounts to transfer money.

### 4. DO YOU KNOW HOW TO TRANSFER MONEY ONLINE ?



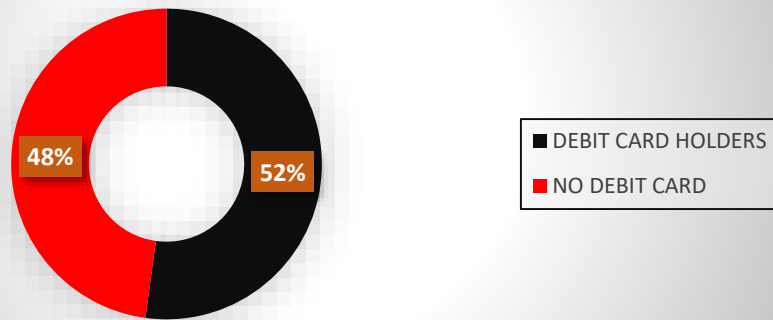
- Nearly 30% students do not know how to send money online.

### 5.(a) DO YOU HAVE CREDIT CARD?



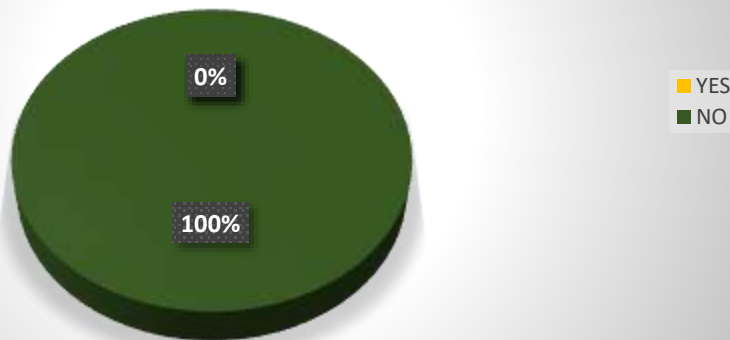
- Only 13% students do have access to credit card.

### 5.(b) DO YOU HAVE DEBIT CARD?



- Nearly 48% students do not have a debit card yet.

### 6. DO YOU KNOW WHAT IS RTGS AND NEFT ?



- **100% students do not know about RTGS & NEFT.**

#### Analysis of the sample:

- Nearly 96% of the students do have their own smartphone or access to smart phone.
- All the students of sample 100%, do have a bank account on their name.
- **But, only 61% students do have phonepe or paytm accounts to transfer money.**
- **Nearly 30% students do not know how to send money online.**
- **100% students do not know about RTGS & NEFT.**
- Only 13% students do have access to credit card.
- Nearly 48% students do not have a debit card yet.

As per the analysis of the sample data, it is found that even the educated youth of degree students' community do not possess adequate understanding, access to mobile phones, apps, internet, cards and processes, procedures and face troubles during transferring their money to needy activities like paying university fee or college fee from their mobile.

**Conclusion:**

Finally, the ethical issue regarding the negative social understanding of horizontal and vertical equality in paying taxes to the government seems to be the most important element in tax evasion and black money generation, secret financial transactions. Therefore, our society needs to revamp its ethical, financial, technological, digital understanding to enter the take off stage of growth amidst the **vikasitbharat** backdrop.

**QUESTIONNAIRE ON MONEY PAYMENT/TRANSFERS – CHALLENGES**

1. Do you have a smart phone yes/no

2. Do you have any bank account on your name yes/no

3. Do you have phonepe or paytm account yes/no

4. Do you know how to transfer money online yes/no

5. Do you have credit card or debit card yes/no

Credit card

yes/no

Debit card

yes/no

6. Do you know what is RTGS & NEFT yes/no

7. how much it costs you to transfer 1000 rupees through money transfer shop in jangareddigudem : or in your village

NAME :  
CLASS :  
ROLL NO :  
COLLEGE NAME :  
VILLAGE :

SIGNATURE

Arrange students in groups and ask them to go to street vendors

And money transfer business entities

And ask them to collect data on Challenges in money transfers - CYBER SECURITY ISSUES

REFERENCES:

1. **“NACHIKET MOR”** Committee report of RBI (reserve bank of India) on Comprehensive Financial Services for Small Businesses and Low Income Households, 2013

