

ABSTRACT

Plastic money is a term that is used predominantly in reference to the hard plastic cards we use every day in place of actual bank notes. They can come in many different forms such as cash cards, credit cards, debit cards, pre-paid cash cards and store cards. The focus of this paper is to study the choice of people between paper money and the plastic money. The survey was conducted on people of all the age groups. It was observed that buyers like plastic cards over paper currency and also the major advantage that the cards provide to the shoppers is the convenience and accessibility. The main drawback consistent with them is that the accumulated transactional charges and extra formalities to acquire the cards from the Financial establishments.

Keywords: plastic currency, debit card, credit card, online.

I. INTRODUCTION

Polymer banknotes are made from a polymer such as biaxially oriented polypropylene (BOPP). Such notes incorporate many security features not available in paper banknotes, including the use of metameric inks. Polymer banknotes last significantly longer than paper notes, causing a decrease in environmental impact and a reduced cost of production and replacement. Modern polymer banknotes were first developed by the Reserve Bank of Australia (RBA), Commonwealth Scientific and Industrial Research Organisation (CSIRO) and The University of Melbourne in 1988. Other countries that have switched completely to polymer banknotes include; Brunei, Canada, New Zealand, Papua New Guinea, Romania, Kuwait and Vietnam. The latest countries to introduce polymer banknotes into general circulation include: the United Kingdom of Great Britain and Northern Ireland, Cape Verde, Chile, The Gambia, Nicaragua, Trinidad and Tobago, Republic of Maldives, Israel and Nepal. Government of India is also planning to issue plastic currency.

BOPP is a non-fibrous and non-porous polymer. Compared to paper banknotes, banknotes made using BOPP are harder to tear, more resistant to folding, more resistant to soil, waterproof (and washing machine proof), harder to burn, easier to machine process, and are shred able and recyclable at the end of their lives.

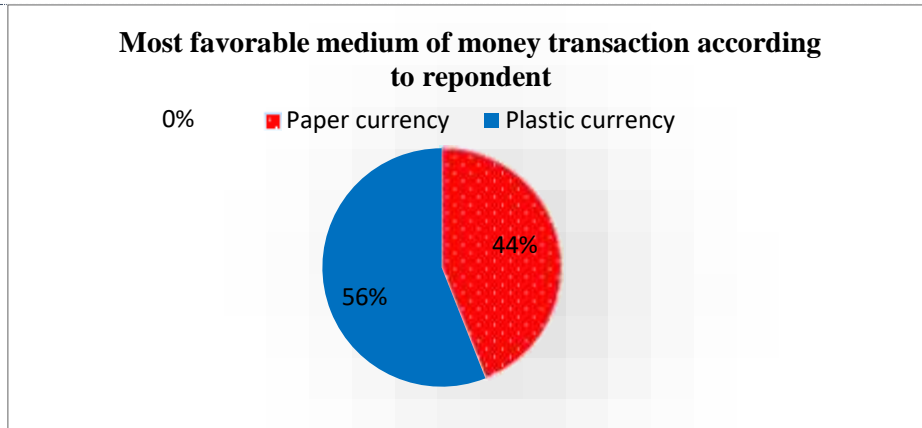
The reserve bank of India for long has been planning to launch plastic currency note.

II. RESEARCH METHODOLOGY & DATA ANALYSIS

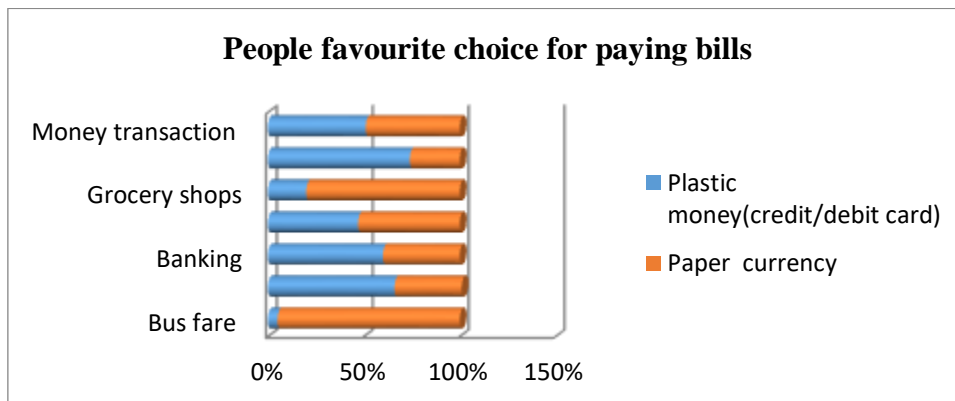
A survey was conducted to find out the choice of observers regarding plastic money. questionnaire was prepared that is important for research point of view to obtain desired result, almost all age group people were included in this research.

The data was collected during survey. The data so obtained was compiled and analysed in order to accomplish the research effectively. By using this statistical data, the interpreted results were expressed. The findings are presented below:

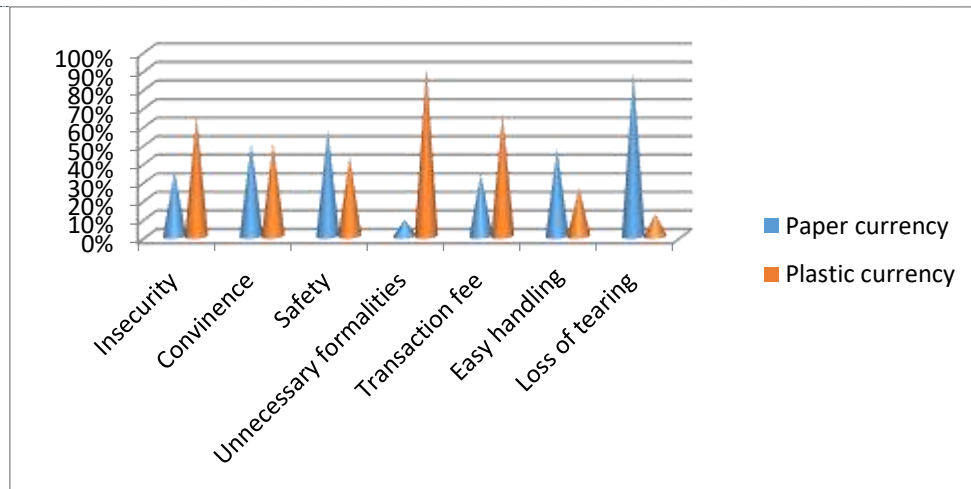
- 1) Most Favourable medium of money transaction according to Respondents: On the bases of the survey it was found that 56% people prefers plastic currency rather than paper currency.



- 2) It can be seen that majority of respondents prefer using plastic cards for buying, paying electricity bills/phone bills and for online transactions. These are all day to day transactions that require more than the average cash payments. Use of Debit cards is convenient as they can be swiped anywhere with ease and the deduction from respective bank account happens immediately unlike the credit cards where a swipe generates a future liability of payment.



- 3) There are certain problems faced by the people while using their respective cards. It can be seen from the figure that majority of them agree to the fact that the basic problem involving plastic money is fear among consumers of losing card, tearing and High unnecessary formalities. The lack of many security measures to ensure safety of people’s bank account also acts as a stimulus to the demotivation. Moreover the high processing fee leads to the problem of excess burden for the customers because they have to pay a price to owe a card and pay interest on using it too.



Problems and issues of customer

III. CONCLUSION

After survey it was found that Most of the respondents use plastic card for his or her transactions and possess atleast one such card. Individuals highly favour to use money more usually for all their daily purchases. The findings reveal that majority of respondents like using plastic card for purchasing apparels, paying electricity bills/phone bills and for on-line dealings and each one of them feel that it's a secure mode of transaction. As a security measure several customers suggest the implementation of Security Pin and digital signatures to scale back the misuse of plastic card. Hence paper currency will be more valuable to the customers.

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