

Cashless Payment in India: A Study with Special Reference to Payment and Settlement Systems Act 2007

¹Mamta Kumari & Prof. Raghuvinder Singh

¹Research Scholar, Himachal Pradesh University, Shimla, India; kashyapmamta643@gmail.com

ABSTRACT

The world economy is becoming increasingly electronic with more and more transactions occurring online and electronic payments significantly increased surpassing paper-based payment instruments. There are alternative e-commerce platforms available (instead of the traditional physical platforms) for almost every aspect of our life, starting from purchase of everyday household items to online brokerage. These services are the most receptive to innovation and considerably contribute to financial inclusion. In addition, governments worldwide, particularly in India, are targeting electronic delivery of public services and banking activities. The central banks play important roles in their national payment system and have different statutory authorities on regulation and supervision or oversight of payment service providers, payment schemes and payment system. The internet is being tapped for servicing the rural populace due to significant cost benefits it provided and the reach that it affords. However, to facilitate increasing volumes, security and efficiency are essential and so is the required infrastructure and regulatory environment. An internet E-Commerce Payment Gateway is thus a critical infrastructural component to ensure that such transactions occur without any hitches and in total security over electronic networks.

Keywords: electronic, payment, online, internet