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The Journey of Digital Wallets

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Digital wallets also known as e-wallets. It renders service which allows you to pay for the things, through mobile applications like phone pay, google pay, Paytm etc. in which one has to attach the bank account and it saves the card details of the users which provides QR scanners where you can easily transfer money from one person to another person. It also holds all types of transactions and track payment records like electricity bills, transportation bills, entertainment (movie tickets) etc. E-wallets are user friendly and are more easily accessible and secure than traditional wallets. Digital wallets are safe to use which is paperless, card less using different e-payment apps through single touch.

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- ATM

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The e-payment involves following stages:

- Registration
- Billing
- Choice of payment
- Confirmation of payment

The digital wallets increased after demonetization as there was an exchange of old notes to new notes and people were so confused and started using digital methods of transactions for exchange, purchasing of goods and services.

The outbreak of Covid -19 made e-payments activity rise in the lockdown period for the purchase of



grocery, Bill payments, e-pharma and others. Therefore, the Government is also encouraging people to use online payments and offering discounts in payments. With the fear of spreading virus through paper money everyone is shifting to digital wallets from small vendors to large corporations.

Due to covid-19 lockdown some sectors are facing huge loss particularly businesses like airways, entertainment, e-commerce (non-essential), foreign trades etc.

Through e-wallets the payments to government sectors are being encouraged and donated to the PM

relief funds, CRPF funds, Education funds etc. which leads to growth of digital payments.

According to the ET government report, the lockdown has driven many people to use digital mode of payment rather than traditional mode of transactions and the habit of using ATMs has also declined due to social distancing.

When the digital wallets were introduced, most of the people were unaware of using it. But after the demonetization period, it was widely spread among the individuals and the practice has been started since then. However, the usage of it is mounting up promptly during this pandemic to a great extent.

Many retailers are also pleasing payments via digital modes, which is also contactless and decreases the

risk of spreading coronavirus. Besides the National Payments Corporation of India (NPCI) has also urged people to use digital payment methods, so that people do not step out even to go to the ATM, reduce social exchange and limit the spread of Covid-19.

According to RBI there are three kinds of mobile wallet in India

1. **Open wallet:** it is directly issued by the bank which can be used to transfer funds, withdraw the money from Atm and purchase goods and services e.g. PayPal, Vodafone M-pesa.
2. **Semi- closed wallet:** this type of wallets allows users to purchase goods and services with the specific merchant location who have a contract with the wallet company to accept payment. It doesn't allow you to withdraw, add or redeem the cash. E.g. Paytm, Mobikwik
3. **Closed wallet:** it is issued by the company to consumers for buying goods and services from that specific company only. Here Money cannot be transferred to the bank account. e.g. Amazon pay, Ola money, uber money.

Advantages of Digital wallets

When there is a payment of an odd amount there won't be any issue of change while paying the bills. E.g. if a pen costs an odd amount of Rs.13 then it is easy to pay the amount through e-wallet without any "Change" issues. Secondly, while paying if there is an involvement of Debit / Credit cards there is a high chance of unveiling our Confidential bank details but it is restricted in digital wallets and the bank details are secured.

E-wallets are easy to access for day to day transactions as they consume less time because all the data has already been saved, the payment can be done in a single tap.

E-wallets can also act as a remainder for future bill payments automatically before the due date and it also offers cash backs and discounts in the form of rewards. If there is any theft of normal wallets / debit / credit cards / cash there will be a huge loss but there won't be any such type of loss in the case of digital wallets instead they are protected with passwords and biometrics even if there is a theft of the device.

Disadvantages of Digital wallets

To use digital wallets, one should have a smartphone/laptop/tablet, anyhow they only work with good internet connectivity and this type of wallets are of no use if there are any battery issues or some other problems. Digital wallets have a limitation of using it on some online platforms and it is restricted in other countries as every country has its own wallet. There is a risk of losing money through e-wallets as there are lots of ways to crack the passwords now-a-days.

Conclusion:

After demonetization e-wallets practice has commenced and it came into the limelight during this pandemic. Whether it is payment or transaction, e-wallet is considered the most convenient method. Even the public are showing more interest towards e-wallets for a few services like bill payment, fund transfer, credit card payment etc as they are rewarding in the form of cashback and coupons . The advancement in technology is increasing day by day putting an individual into a great risk if it is misused. For e.g. hacking of passwords.



K. Ashwini is a faculty at Department of Commerce Nizam College, Osmania University her area of interest is Finance and Marketing. She has been teaching Business law, Business organization management, Banking and Insurance, Managerial Economics (B.com) over a period of 4 years. She is Pursuing her Ph.D. from Indira Gandhi National Open University (IGNOU) she holds an additional interest in software's like SPSS and AMOS. She has published research papers in the reputed International and National Journals, paper presented in National seminar and had participated in International seminar and faculty development programmers'.

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Annexure I

Submission Date	Submission Id	Word Count	Character Count
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2	www.tribuneindia.com	2%		
3	Pooja Tiwari, Vikas Garg, Abhishek Singhal. "A study of Consumer adoption of Digital Wallet special Reference to NCR", 2019 9th International Conference on Cloud Computing, Data Science & Engineering (Confluence), 2019	1%		



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Reviewers Comment

Reviewer’s comment 1: The author commences with explanation of e-wallets and outlines its basic features and functions. Then moves on to explain the stages involved in making an e-payment and states how e-wallets have become a usual mode of payment post demonetisation and COVID 19 breakout, and further explains how e- wallets have been preferred in times of pandemic by general public, businesses and government.

Reviewer’s Comment 2: The author points out the advantages and disadvantages of e-wallets and comes to the conclusion of the paper. The author gives concluding remarks by stating how e-wallets are gaining momentum and being used widely.

Reviewer’s Comment 3: The author explains types of e-wallets. The paper is written in a lucid manner, the topic been explained in an adequate manner.



Editorial Excerpt

The article has 08 % of plagiarism(Report Annexed) which is accepted percentage for publication the finding related to this manuscript Digital wallets. It is well versed that a digital wallet (or e-wallet) is a software-based system that strongly stores users’ payment information and passwords for plentiful payment methods and websites. By using a digital wallet, users can comprehensive purchases effortlessly and swiftly with near-field communications technology. It has been earmarked finalized for publication under the category of “**Argument Based Credentials (ABC)**”.

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