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# A Study on the Importance and Popularity of Plastic Money in Aluva

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***Abstract:*** *The banking sector is in a transactional mode towards a vibrant global market and sophisticated information technology. Due to this changing scenario banks are paying more attention to expand their activities from just lending and borrowing to other ends like insurance, merchant banking, leasing, electronic banking and so forth. Plastic card is the form of currency of choice in the consumerist society that the world today is. The credit card industry's roots go back to the 1950's when Diners Club and American Express launched their charge cards in the U.S. Today, perhaps barring the icy-polar caps, cards are all pervasive and have gained popularity as an important "payment mechanism". The potential for the plastic card is best reflected in the fact that close to18% of the personal expenditure globally now goes through this method, as against a measly 0.5% in India. This study was conducted to know about the different types of plastic money and to evaluate relationship between the educational background and users of plastic money.*
***Keywords****: Plastic money,banking,Credit Card, ATM Card*

## I. Introduction

In India, banks are increasingly using information technology for improving the quality of customer services and also for better marketing of their products. Thus, technology has converted the traditional brick -and -mortar banking into e-banking.

Globalization and liberalization have forced the banks to think in terms of technology benefits and quality service to customers as future is full of challenges and survival will be a difficult task. The entry of IT infrastructure in the corporate world of banks has brought with it many innovations, in particular the internet. Though these changes started with Narasimham Committee's (1992) suggestions for computerization, followed by Saraf Committee's (1994) recommendations for Electronic Clearing Services (ECS), Electronic Fund Transfers (EFT) and automatic data capture, the banks were actually required to use the BANKET and RBINET, Internet to accommodate itself to the innumerous transactions that had resulted as a result of globalization and liberalization.

The flexibility of e-banking offers unprecedented opportunities for the bank to reach out to its customers with the rapid expansion of the Internet facilities. E-banking is all set to play a very important role in the 21st century.

During the past decade, plastic cards have become more and more popular in India. The reason for their popularity has shifted from being recognized as a status symbol to convenience, security from misapportiae of theft and world wide acceptance. Banks have been permitted to enter the credit card business without prior approval of the RBI. As a result, many Indian banks have entered plastic card business during the last few years; including the premier bank namely State Bank of India. Banks have been given the freedom to start the card division by themselves or in association with other card issuing banks. However, setting up of an independent subsidiary to undertake the credit business shall require RBI approval.

Since many years, it is expected that electronic and paperless payments will become a prominent feature of banking. Global developments such as Clearing House Interbank Settlement System (CHIPS), the Automated Clearing House System (ACH) and Automated Teller Machines (ATM) have contributed to the development of electronic payment products.

Paper money was first used in China around the seventh century AD, only to be discarded in 1433. The use of paper currency re-emerged in England in 1694. The biggest problem which was occurring with the paper note is wear, the paper notes have very small life due to shifting of ownership from time to time and their usage. Australia was the first to develop the plastic notes which have longer life and when worm out they are recycled for further utilizing. The plastic notes also secure the government for copying because paper note is easily copied but plastic note cannot be copied at present.

In the late 1990's, plastic cards market in India, comprising Credit cards, Smart cards, Debit cards, Charge cards, Stored value cards, and others picked up momentum like never before, growing at an annual rate of 25%. Analyst attributed this growth largely to the rapidly increasing user base of debit cards.

Though initially, there were only two players, (HDFC and Citibank) debit card market base grow considerably through 1999 and reached the three million mark in March 2000. The usage figures indicated a very healthy growth of the market in future, as 7 out of 10 cardholders were reportedly using their card regularly.

Plastic notes are similar to paper but the only difference is that they are made of plastic and are more secured. But in travelling and shopping people used to carry huge cash which was very unsecured and also increased the crime rate. Hence cards were introduced in the world to resolve the issue of carrying huge cash. These cards are known as plastic money. The usage of plastic money (card) has increased in the mode of payment of huge amount and hence broth there are lots of different types of plastic money that can be used anywhere in the world.

Credit cards, debit cards, kissan credit cards etc., are a new innovation in financial services introduced by the financial institutions in extending easy availability of money. Even the phenomenon has caught the imagination of petrol cards for selling petrol on credit to its borrowers.

There are disadvantages also, which are now the concern of RBI. The security and secrecy of the data on the one hand for the prevention of frauds and the possible run on e- money are the major problems of banks and the RBI. The use of plastic money raises many questions on technical security, control and audit systems, most favoured technology to detect frauds and operational problems, foreseeing and plugging the weak spots of the cryptography based system. The legal aspects are partly taken care by the I.T Act of 2000, but there are many issues which the RBI and Government are concerned with in the present context, such as interconnectivity of systems clearing and settlement of e-transactions and Supervisory and Regulatory Board.

However, credit cards are hazardous for spendthrifts, who tend to use these cards indiscriminately. In a way, credit cards are a great source of wastage of money because they tempt one to go in for purchases that one may not have planned or do not need. Yet, plastic cards are more to people who can avail of varied services without paying money at the cash counter. Plastic money has replaced the traditional way of consumer durable financing through dealership. Banks are increasingly allowing borrowers to convert credit card dues into personal loans to prevent defaults.

Now the world is becoming globalized so every card is accepted everywhere with the power of VISA which interconnect different countries.

**Credit Card**

Credit cards is a substitute for cash which can be used by selected customers of banks issuing the cards for their use for payment for goods and services Many company executives, Business man and high and middle income individuals are found to be eligible member customers of banks for issue of these cards. These plastic cards will have the photo identity and his signature embossed on the card. It will also have the issuing Bank's name and validity period of the card. The bank issuing the credit cards knows the customer well and his creditworthiness.

Credit cards are basically sales aids. They enable a seller of goods or services to extend credit to the buyer without having to bother about the latter are creditworthiness. And because a buyer can avail of ready credit on his purchases, he is induced to buy more. He is neither required to pay interest on the amount of credit availed, nor are the prices of goods jacked up when bought with a credit card. And as an intermediary between the buyer and the seller, comes the card issuing organisation. The card issuer pays off the seller as soon as the goods are sold, but charges the buyer after 30 to 45 days.

Credit cards are also known as plastic money in their present form in the western world, where the move towards electronic banking is pretty aggressive, appear to be taking the road to a cashless society where the customers are using more credit cards and less of cash to service their needs.

Credit cardholders suffer from certain disadvantages also. The loss or stealing of a credit card may be serious. It may lead one with a liability of several lakhs of rupees. These days, pick pockets prefer credit cards because of unlimited access to money. But now, liability is limited to a maximum of Rs.1000 from the time the complaint is lodged.

**Standard Segregation Of Credit Card**

**a) Standard Card**- It is the most basic card (sans all frills) offered by issuers.
**b) Classic card**- Brand name for the standard card issued by VISA.
**c) Gold Card/ Executive Card** – A credit card that offers a higher line of credit than a standard card. Income eligibility is also higher. In addition, issuers provide extra perks or incentives to card holders.
**d) Platinum card**- A credit card with a higher limit and additional perks than a gold card.
**e) Titanium card-** A card with an even higher limit than a platinum card.

**Debit Card**

Debit Cards are machine readable, magnetically-encoded plastic cards, similar in appearance to credit cards. These are important because they could potentially replace cash, Cheque and Credit Cards in most retail transactions. Despite claims of cost savings and greater effiency, consumers and merchants have been reluctant to switch from traditional methods of payment to payments using debit cards.

The spending power depends on the drawing capacity, which in the case of Debit card is your own asset with the bank. Debit card is more advanced than ATM card in that it can used at specified Retail or Departmental stores also in addition to specified bank branches. It can be used to make payments by use of Debit card which automatically debits your account in the specified bank. Have your drawl is on your own assets or money whereas in the credit card, it provides a borrowing limit against which you can draw and pay interest and other charges on the use of this facility to withdraw up to a limit. If you have own assets or a share portfolio with the bank, you can have an overdraft account against them which means that you can use your own money rather than bank money through debit card.

Debit cards are of two types - **signature**- *based* and **pin-based**. Although signature –based debit cards offer higher revenue potential, customers are concerned about security threats. The fees in case of pin-based debit cards are two -third lower than signature- based debit cards. signature based verification generates a fee of roughly 180 bps per transaction, which is quite less than credit card transactions, but is still healthy revenue.

There are three basic variants in debit cards viz online debit cards, offline debit cards and prepaid debit cards. The most popular and easily available debit cards at present are online debit cards, meaning that funds are deducted from the customer's deposit account immediately upon usage of the card for making payment. With offline cards, there is a delayed settlement as the customer's account is debited after two to three days from the date of card transaction. The third type of debit card-the prepaid card comes in two forms, a special purpose card and a so - called smart card. Prepaid cards differ from other cards in terms of technology and range of usage. In smart cards, a micro chip allows storage of more information as compared to storage of information on magnetic strips.

**Store Value Card**

This is a card issued by chains of large departmental stores. It can be used only in these establishments. A variation is cards with a single use-paying for petrol or phone calls issued by oil or telephone companies. In India, the big hotel chains- Taj Oberai, Welcome group and Centaur – issue their own credit to boost business.

Some retailers operate their own credit card schemes providing cards that can usually only be used their own outlets. They are often marketed with a range of offers such as instant free credit or discounted purchases but they also tend to charge high interest rates.

The purpose of these cards issued by retailers or a company differs from that of bank and T &E cards. These are used by departmental stores mainly as marketing tools to retain customers and increase turnover. **The main features** of stores value card are as below:

1) These are issued by big departmental stores or retailers.
2) The customer can use these cards only in that retailer’s outlets or for purchasing the company’s products.
3) They cost a little or no cost to the retailer.
4) These are usually developed by the traders in partnership with banks or finance companies who undertake the administration and sometimes the financing involved.

**Types of stored value card**

Following are the different types of stored value cards that are available:

a) **Budget card.** This card requires monthly payments on behalf of that holder. The cost of goods purchased is spread over a certain period.
b) **Option card**. Here, the payment can either be made in full or is at the cardholder’s discretion. However, option available is subject to a minimum repayment and interest is charged on the balance outstanding amount.
c) **Monthly card**: the cardholder is required to make the payment every month. No extension of credit is given beyond a month. This card differs from the budget card, where outstanding credit can be settled in 30 monthly installments

**ATM Card**

An ATM is a computerized machine. It is an un attended electronic machine in a public place, which is connected to a data system an d related equipments. Automated Teller Machines has come in handy for the urban people to save time and energy for withdrawing money, instead of waiting for hours in queues. Now the boon is also available to villagers. They can have the advantages of on ATMs, that too sitting at their doorsteps.

When a person open a bank account, he should get an ATM card or cash point card so that he can take money out of his account via an ATM. Here electronically customer card is identified by code number and the customer’s account is debited and is handed over to the customer.

**Master Card &Visa**

MasterCard is a product of MasterCard International and along with VISA are distributed by financial institutions around the world. Cardholders borrow money against a line of credit and pay it back with interest if the balance is carried over from month to month. Its products are issued by 23,000 financial institutions in 220 countries and territories. In 2010, it had almost 2100 million cards in circulation, whose users spent $1950 billion in more than 16.2 Million locations.

Master card is an association of financial institution- some issue cards, some service merchants and some do both. The system has to transfer to the merchant from the member that signed up the merchant. The member that issued the must obtain all the information necessary to bill the card holder.

**Smart Card**

The smart card is a relative newcomer in the retail payment system. It is a e-money with a huge potential usage. It has an integrated circuit with a microprocessor chip, embedded in it, which gives it wide capacity in performing many calculations, faster and accurately than an accountant. It does maintain records, statements and acts as an electronic purse, storing e-money. It is useable for drawing cash and makes payments with automatic facility of keeping accounts of balances of the party.

During a loading operation, the deposit account of card holders is debited and credit is given to a centeralised card account. In Europe, banks generally issue these cards but in the U.S.A., non-banks also issue these cards. The issuer must have a strong and efficient supervisory system to reduce the systematic risks.

**Dinners Club Card**

In 1950s, the dinners club issued their cards in U.S. The Dinners club card was invented by Dinner's club founder Frank McNamara and it was intended to pay restaurant that would accept Dinner's club card. Dinners club would pay the restaurant and the card holder would repay Dinners club. The Dinners club was technically a charge card rather than a credit card since the customer could repay the entire amount when billed by Dinners club.

**Petro Card**

For the first time in the country, a petroleum company rewards its customers for buying petrol or diesel. Petro card was launched combining the e-purse along with the rewards. Bharat petroleum has launched the smart card technology to the country in a very big way through it state of the art rewards program called Petro Bonus operated through Petro card.

Petro card is highly secure the customer can store money in his e-purse safely, thereby eliminating the need for carrying cash. The card was launched nationally only in early March 2000 and has been a phenomenal success with more than 1, 25,000 customers already enrolled in to the program. The card has been extremely well received by customers. This has validated the company's belief that the smart card technology for cash and traffic management at our retail outlets.

**Charge Card**

A charge card is a plastic card that provides an alternative payment to cash when making purchases in which the issuer and the cardholder enter into an agreement that the debt incurred on the charge account will be paid in full and by due date (usually every 30 days) or be subject to severe late fees and restrictions on card use.

A card that charges no interest, but requires that user to pay his/ her balance in full upon receipt of the statement usually on a monthly basis. While it is similar to a credit card, the major benefit offered by a charge card is that it has much higher, often unlimited, spending limits.

Investopedia explains cost associated with a charge card will often be a set fee for the card along with larger penalties on any unpaid balances. This type of card does not allow cardholder to carry a balance from one month to the next as they would with a credit card. American express and Dinners club are examples of charge card.

Charge cards allow you to buy things on credit in the same way that credit cards do. The difference is that with a charge card, you need to pay your balance in full every month. You usually have to earn a certain amount of money before a charge card provider will consider you for a card.

**Travel And Entertainment (T& E) Card**

Travel and Entertainment (T & E) cards are issued by American Express and Diners Club. The following are the unique features of such cards:

- Credit is offered only for a short period between purchase and billing.
- Once billed, the cardholder is expected to settle in full.
- If full settlement is not made in time, a penalty is imposed.

- No interest is charged on an overdue account.
- A joining or annual fee is charged.
- Additional revenue is generated for the T&E company by charging merchants a commission on the sales charged to the card. Commission on the sales charged to the card. Commission rate may go up to 5%.
- Unlike bank credit sales, the major source of income for T& E company is the commission instead of interest payments.

**Global Cards**

This card allows the customer to access their accounts from anywhere and at any time conveniently. They need not carry cash; instead they can use the Bank's global Debit card that combines the benefit of traditional ATM card and a credit card.

**Agricultural Card**

Agricultural card is otherwise known as Kissan Credit Card. This are made to give the financial help to farmers. The coverage of the help extended to all farmers and to improve the credit flow under agriculture, the schem has extended to farmers for term credit as also working capital for agriculture and allied activities and a reasonable component for consumption needs, thus, paving the way for acceptance of Kisan Credit card as a single window for comprehensive credit. The banking system has been routing crop loans through Kisan Credit Cards having recognized it is as a accepted mechanism delivery of credit to farmers.

**Prepaid Cards**

A perfect cash alone. The value decreases as it is used. Such fixed value cards- single or multiple-purpose-are bought against cash and then used to pay for phone calls, train and bus tickets, highway tools, video games, carwashes and refreshments. As the essence is basically pay-now-buy-later, it is the reverse of the credit card concept.

User can use a prepaid cash card in the same places as a credit card. The difference is that user doesn't run up a bill. Instead, he loads money onto his card in much the same way that he load credits onto a prepaid mobile phone. And because he can't spend more than he has his card, he don't need a bank account or to have a good credit history in order to use one.

**Super Smart Card**

With a micro chip stuck at the back, this can be used as an electronic ID and to check bank balances. With a super chip added, it becomes smarter still. It can be plugged in to an electronic retailing network for booking airline tickets, playing the stock market, transferring money or just buying goods, either on credit or by using it as an instantaneous electronic cheque.

## II. Scope Of The Study

The paper money has small life cycle and can't be recycled as compared to plastic money which has long life cycle and can be recycled for further utilization. Due to this problem faced with the paper note the invention of plastic money has been introduced.

Plastic money is secured and cannot be copied. Australia is the first country to have all polymer barometer, the rest of the world is starting to follow the lead.

Another problem that arises is that one cannot keep the huge amount of cash with oneself and this gave an impetus to the idea of plastic cards which is known as plastic money accepted worldwide and one can keep the huge amount with oneself while going anywhere in the world. The plastic money makes the society a cashless society.

As the usage of plastic cards increases, the number of suppliers are also increasing which offers the different features. Some suppliers are charging hidden charges and high interest rate. The agent who convinces the people to get the credit card by offering wonderful packages, in reality, agent hides some important facts which will be disclosed only after receiving the bill.

It was necessary to preconceive, in the most fundamental sense, the nature of bank, money and plastic money; even beyond that to the essential elements of each and how they might change in a microelectronic environment. Several conclusions emerged: Firstly money had become nothing guaranteed, alphanumeric data recorded in value less paper and metal. It would eventually become guaranteed data in the form of arranged electronics and photons which would move around the world at the speed of light.

## III. Objectives Of The Study

1. To find out the importance of plastic money in the present era.
2. To find out the usefulness and popularity of plastic money.

**3.** To analyse the relationship between plastic money and educational level of users of plastic money.

**Hypothesis**

1. $H_o$: credit card is the most popular plastic money

$H_1$: credit card is not the most popular plastic money

2. $H_o$: There is a positive relationships between plastic cards and education level of the plastic card holders
   $H_1$: There is no relationship between plastic cards and education level of the plastic card holders

## IV. Methodolgy: Data Collection

Primary data was collected from persons known to the researcher. The questionnaire was given after enquiring of the usage of cards. Hence a selective convience sampling was indulged in. The study was conducted by taking a sample size of 50.

**Tools Of Analysis**

The data collected was analysed using the mathematical tools like percentage and weighted average mean is used to get prove the hypothesis. Tables are used to represent the data.

## V. Limitations Of The Study

The study involves primary data collected through a questionnaire; hence personal prejudice might have kept in regarding sampling.

**Testing Of Hypothesis**

- **$H_o$**: credit card is the most popular plastic money
- **$H_1$** :credit card is not the most popular plastic money

In order to test the hypothesis percentage test was used. And it was found that ATM/ATM cum Debit card is commonly used by all the respondents i.e., 96% of the them are using the ATM/ ATM cum Debit card. And credit card users are 46%. So the hypothesis is rejected.

That means the credit card is not the most popular plastic money.

- **$H_o$**: There is a positive relationship between plastic cards and education level of the plastic card holders
- **$H_1$** :There is not a positive relationship between plastic cards and education level of the plastic card holders
  In order to test this hypothesis, percentage test was used. Majority of the respondents (40%) are Graduates. 36% of respondents are Post Graduates. 18% of respondents have matriculation. Only 6% of the respondents are having other qualifications. None of the respondents are below matriculate.

That means there is a relationship between plastic cards and education level of the plastic card holders.

## VI. Findings

The major findings of the study are presented below.

1. Majority of the respondents (56 percentage) belong to the group of 20-35 age groups.
2. Majority of the respondents (64 percentage) are males and 36 percent of respondents are females.
3. 40 percent of the respondents are graduate.
4. 46 percent of the respondents are private employees (Mainly new generation companies).
5. Majority of the respondents (46 percentage) have an annual income between Rs.1, 00,000-Rs.3, 00,000.
6. 100 percentage of the respondents are aware of at least one plastic money.
7. 72 percentage of the respondents have heard about credit cards and 80 percentage of the respondents have an idea about debit card.
8. Majority of the respondents are unaware of Petro card (64 percentage) and shop card (62 percentage).
9. Majority of the respondents do not have an idea about smart card (88 percentage) and super smart card (100 percentage).
10. 70 percent of the respondents have knowledge about prepaid mobile recharge card and 86 percentage of the respondents have no idea about agricultural card.
11. 94 percent of the respondents have no idea about loyalty card and 98 percentage of the respondents have an idea about ATM/ATM cum Debit card.
12. 96 percentage of the respondents use ATM/ATM cum debit card. 60 percentage of the respondents use debit card. 46 percentage of the respondents use credit card. 40 percentage of the respondents use prepaid mobile recharge card.18 percentage of the respondents use shop card. 8 percentage of the respondents use petro card. 2 percentage of the respondents use smart card. 2 percentage of the respondents use loyalty card. None of the persons use agricultural card and super smart card.
13. Majority of the credit card users (34.72 percentage) have been using the card for 3-5 years. And 46.67 percentage of debit card users have been using the facility for 5-10 years.

14. Majority (75 percentage) of the petro card holders have been using this facility for 1-2 years. And 44.44 percentage of the shop card users have been using the card for less than one year.
15. Smart card users have been using this facility for a period of 3-5 years and 45 percentage of the prepaid mobile recharge card users have been using the facility for a period of 3-5 years.
16. 100 percent of the loyalty card users have been using the card for less than one year and majority of the ATM/ATM cum Debit card holders have been carrying their cards of 5-10 years.
17. Majority of the credit card (65.52 percentage) and debit card (56.67 percentage) users frequently use their card frequently.
18. Majority of the petro card (75 percentage) and shop card (55.55 percentage) use the card frequently.
19. 100 percentage of the smart holders use the card rarely and 55 percentage of the prepaid mobile recharge card holders frequently use the card.
20. 100 percentage of loyalty card holders are frequent users and Majority of ATM/ATM cum Debit card users (58.33percentage) are also frequent users.
21. Credit card users select credit card because of a number of reasons. Customer services offered bags the 1st rank. 2nd, 3rd and 4th ranks are occupied by reasons such as higher credit limits, having an account already with the same institution, payment terms respectively. Reward points and Enhancements are other two reasons which will get 5th and 6th ranks.
22. 52.17 percentage of the credit card holders do not keep any balance to pay off debts.
23. 56.52 percentage of the credit card holders do not enter in to online purchases.
24. 77 percentage of the debit card holders select debit card because of convenience.
25. Majority of the debit card holders (46.67 percentage) mainly use cash withdrawal facility.
26. 40 percentage of the ATM/ATM cum Debit card holders select the card because of its flexibility to use. 40 percentage of the card holders select the card because of its less time consuming feature.
27. Majority of the ATM/ATM cum debit card users (73 percentage) often use cash withdrawal facility.
28. 50 percentage of the petro card holders are spent on an average between Rs.2500 to Rs.5000 per month.
29. Majority of the petro card holders (50 percentage) are attracted towards using petro card because of discount factors.
30. Majority of the shop card holders (31 percentage) purchase textiles.
31. Majority of the shop card holders (66.67 percentage) spent an average of Rs.1000- Rs.5000.
32. 54 percentage of the shop card holders are attracted by the discount factors.
33. 90 percentage of the prepaid mobile card users can follow the instructions printed in the card.
34. 35 percentage of the mobile recharge card users most frequently recharge the cards which have a value between Rs.25 –Rs.50.
35. Majority of the mobile recharge card users (50 percentage) recharge their mobile per month between Rs.100 to Rs. 500.
36. 74 percentage of the credit card holders are satisfied with the services provided by card issuer and debit card holders (96.67 percentage) and says that they get the required service from the card issuer.
37. 100 percentage of the petro card and shop card holders agree that they get the required service from the card issuer.
38. 100 percentage of the smart card holders get the required service from the card issuer. 90 percentage of the prepaid mobile recharge holders are satisfied with the services offered by card issuer.
39. 100 percentage of the loyalty card holders and ATM/ATM cum Debit card holders get the required service from the card issuer.
40. 100 percentage of the loyalty card holders and ATM/ATM cum Debit card holders get the required service from the card issuer.
41. 92 percentage of the respondents' family members are using any plastic money.
42. 84.78 percentage of the family members use the ATM/ATM cum Debit card. 50 percentage of the family members use the Debit card. 47.83 percentage of the family members use the credit card. 43.48 percentage of the family members use the prepaid mobile recharge card. 15.22 percentage of the family members use the shop card. 8.70 percentage of the family members use the petro card.

## VII. Suggestions

1. In India the rate of interest charged to credit cards is between rate 10 percentage to 20 percentage, in foreign countries it is only 3 percentage so by reducing the interest rate of credit cards, can get more users of credit card. Proper care must be given while using credit cards because it might higher debt responsibilities to the user. Proper using of the card will provide many enjoyable facilities to the users and even user can purchase the goods without paying any money through reward points.
2. Banks need to focus more on activation of plastic money, since it is a critical step towards usage. Banks may take out bound calls to encourage activation and enhanced usage of money.

3. Before providing a card, customer must be made aware of the proper usage of the plastic money.
4. Proper implementation of machine must be done otherwise it is a bane as banks may be caught in fraud traps.
5. Every individual becomes an account holder as part of the financial inclusion, if the providing of plastic money also give equal priority by the banks, the monetary transactions can be made simpler through banks.

## VIII. Conclusion

It was necessary to reconcile, in the most fundamental sense, the nature of bank, money, and credit card; even beyond that to the essential elements of each and how they might change in a microelectronic environment. Conclusions emerge: First money had become nothing but guaranteed, alphanumeric data recorded in valueless paper and metal. It would eventually become guaranteed data in the form of arranged electronics and photons which would move around the world at the speed of light.

ATM/ ATM cum Debit card is the most popular plastic money. And there is a positive relationship between the education level and usage of the plastic money. The study also shows that only a certain percentage of the credit card holders are unsatisfied from the services rendered by the card issuers. Majority of the respondents' family members are using any one of the plastic money.

To sum up, increasing acceptance of plastic money has become a source of income to banks and facilitates the public transactions. The currency management is made easier and cost lower. It economies the use of currency and increases the bank credit and money with the public. The banks and the public both stand to gain by usage of plastic money.

As such, plastic money is fast catching the imagination of the people, in particular, the younger generation in a big way.

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