A STUDY ON THE AWARENESS AND PERCEPTION OF DIGITAL CURRENCY IN MUMBAI

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ABSTRACT

Digital currency is any currency that's available simply in electronic form. Electronic performances of currency formerly dominate most countries fiscal systems. What differentiates digital currency from the electronic currency that's formerly in bank accounts is that digital currency noway takes physical form. You can go to an ATM right now and fluently transfigure the electronic record of your currency effects into physical bones.

This study concentrated to measure the mindfulness, differences, intention to invest, factors impacting the investment in digital currency among the public in the named major metropolises in the state of Maharashtra, India. A structured questionnaire was used to collect data from 50 respondents, the data is anatomized with colorful statistical tools. Variables were linked through qualitative literature review to prepare the structured questionnaire. The study revealed that lack of knowledge and awareness impact the investment greatly.

TYPES OF DIGITAL CURRENCY

Digital currency, still, noway leaves a computer network, and it's changed simply via digital means. There are three main kinds of digital currency:

1. Cryptocurrency
2. Virtual Currency and
3. Central bank digital currency, known as CBDCs.

IMPORTANCE / NEED FOR THE STUDY

Digital Currency is a new technology and its popularity is increasing among the people day by day. Reserve Bank Of India also introduced the Digital currency i.e. Digital Rupee or E- Rupee as a central bank digital currency. It is a tokenised digital version of Rupee. This E- Rupee was proposed in january 2017 and launched on 1st Dec, 2022. Digital currency mainly the Crypto currency is being used as a investment tool but this Digital Rupee or E- Rupee has a same function like a normal currency issued by RBI. It is not an investment tool like crypto currency. So it is imperative to study the awareness of Digital Currency among the people of mumbai region.

LITERATURE REVIEW

1. **Dr. Poongodi B, Anandraj K. -** A study on awareness of cryptocurrency among general public. This study aims to analyse the differences in demographic profile of the people towards the awareness level of cryptocurrency. This study mainly focused on identifying the association between cryptocurrency investment profile and demographic profile of the people of Tamilnadu State.

2. **Shailak Jani (2017) -** Scope for Bitcoin in India. The researcher highlighted the views of government of India on Bitcoin technology. Since Bitcoins are not regulated by any body, the customer must take proper measures to protect there holdings. This research paper provide information about the impact of legalisation of Bitcoins in India.

3. **Swati Shukla, Akshay. A** - A study on the awareness and perception of cryptocurrency in Banglore.

In this study, they have focused on different types, features, issues or challenges related with crypto-currency. This study mainly focused on the awareness and perception level of digital currency among the people's living in mumbai region.

OBJECTIVES

1. To study the awareness level of digital currency among people living in mumbai region.
2. To understand the future prospect of digital currency in India through people's perception.
3. To Analyse the awareness level of Digital Rupee among the people's in Mumbai.

HYPOTHESIS

H0 - The people's in mumbai region are not aware of Digital Rupee or E-Rupee.

H1 - The people's in mumbai region are well aware of Digital Rupee or E-Rupee.

SCOPE OF STUDY

As most of the digital currency which has not been perceived as legal means of sale for day to day conditioning till now in majority of the countries in the world. So the study of its mindfulness and perception among people which is substantially grounded in Mumbai will give some sapience on how people have perceived its presence in our own country. As Mumbai is a smart megacity, it represents the overall population of the country. So this study will reflect the overall perception of Indian people. The samples under study were employed people in colorful public/ private/ educational institutions, Business community, jobless orders and scholars but limited to Mumbai City only. As survey was done through Google Survey Form, so it was confined to the people who have online connectivity.

RESEARCH METHODOLOGY

Research is a systematic and scientific method of collection of information on the particular topic. The research design for this study is based on exploratory research method. It is a simplest and structured design. The data have been collected through primary data collection method which involves survey method based on the questionnaire. The option given in each question is multiple choice. The questionnaire were sent to different parts of mumbai region. The google form were circulated to measure their awareness and perception level of digital currency. The questinnaire was prepared in such a way that it should cover all the demographics age group, male, female, income level, occupations of the respondents.

Along with the primary data, secondary data also have been collected for the study from online platforms like different websites, articles, blogs, etc.

The variables which were under study have been measured directly through tables and graphs and results have been interpreted. On the basis of results and interpretations, findings, conclusion and suggestions have been made.

SOURCES OF DATA

This research is conducted on the basis of Primary as well as Secondary data. Following are the main sources of information:

Primary Sources

Survey Method - The questionnaire were circulated to general public of mumbai region through google form.

Secondary Sources

The Researcher made extensive use of internet to obtained Secondary data. Data collected from research journals, articles, websites.

Sample Size- The number of samples collected for this study is 50.

LIMITATIONS OF THE STUDY

There is no research study without limitations. There are a few limitations in the present study i.e. Awareness and Perception of digital currency in mumbai region .These limitations are discussed as follows:

1. It believes that the result of this study may be limited in terms of conception. Because it refers only to a single megacity and this extinguishes the occasion of generalizing to the other corridor of country.

2. The sample of the study consisted of only 50 respondents due to time constraint.

3. Sample size was very small, so the results can change with a bigger sample size.

4. Most of the respondents belongs to lower middle class group, so the findings might be differed in other income group.

DATA ANALYSIS AND INTERPRETATION

The data collected through primary sources were converted into tabular forms and pie chart. The data analysis of all the questions are given below -

**1. No. of respondents on the basis of Age are as follows-**
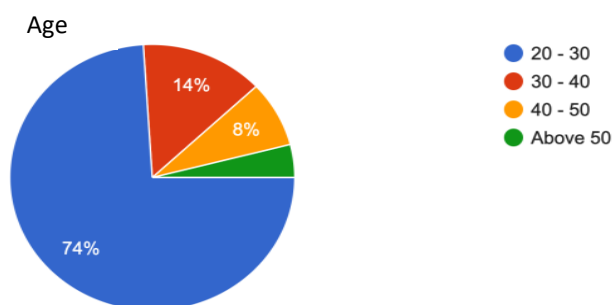
Sr. No	Responses	No. of Respondents	Percentage
1	20 - 30	37	74%
2	30 - 40	7	14%
3	40 - 50	4	8%
4	Above 50	2	4%
5	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 37 belongs to the age category of 20-30 years, 7 belongs to 30-40 years category, 4 belongs to 40-50 years category and 2 belongs to above 50 category.

From the above table and pie chart, it can be observe that among all the respondents 74% belong to 20-30 years age group, 14% belongs to 30-40 years age group, 8% belongs to 40-50 years group and only 4% belongs to above 50 age group. So the majority of the respondents belongs to 20-30 years.
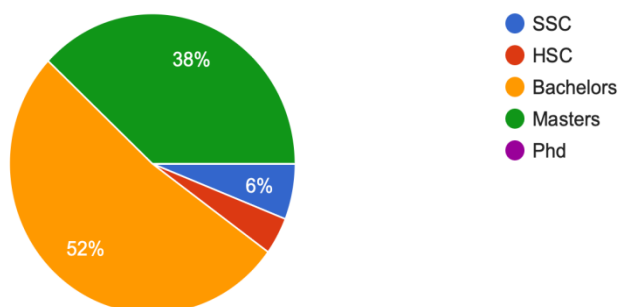
2. No. of respondents on basis of Gender -
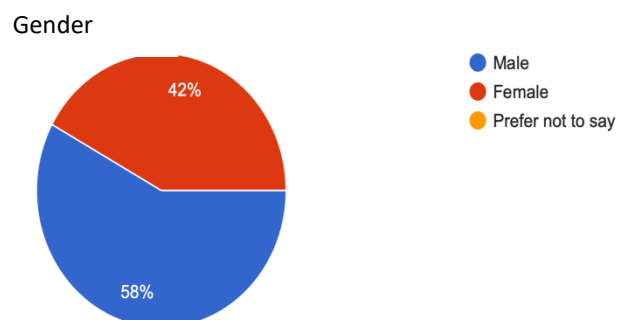
Sr. No	Responses	No. of Respondents	Percentage
1	Male	29	58%
2	Female	21	42%
3	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 29 are male and 21 are female. From the above table and pie chart, it can be observe that among all the respondents 58% are male and 42% are female. This shows that majority of the respondents are male.

3. No. of respondent on the basis of their educational qualification -
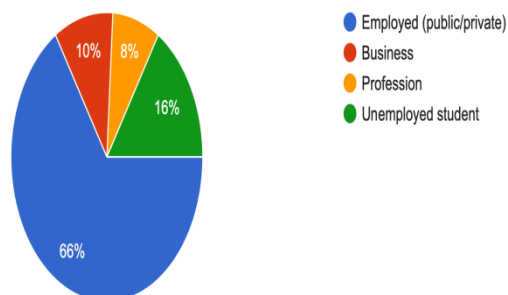

Sr. No.	Responses	No. of Respondents	Percentage
1	SSC	3	6%
2	HSC	2	4%
3	Bachelors	26	52%
4	Masters	19	38%
5	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 3 respondents have SSC as a educational qualification, 2 respondents have HSC, 26 respondents have Bacherlors degree and 19 respondents have Masters degree as their educational qualification. From the above data and pie chart, the researcher come to know that 6% respondents belongs to SSC, 4% belongs to HSC, 52% belongs to Bachelors degree and 38% belongs to Masters degree.

## 4. No. of respondents on the basis of their occupation -

Sr. No.	Responses	No. of Respondents	Percentage
1	Employed(Public/Private)	33	66%
2	Business	5	10%
3	Profession	4	8%
4	Unemployed Students	8	16%
5	Total	50	100%

Analysis & Interpretation

Out of 50 respondents, 33 respondents are employed in various sectors, 5 are business person, 4 are professionals and 8 respondents are unemployed students. From the above table and pie chart, it can be observe that 66% respondents are employed in different fields, 10% belongs to business, 8% professionals are remaining 16% respondents are unemployed students. This shows that majority of the respondents are employed.

5. No. of respondents on the basis of their annual income -
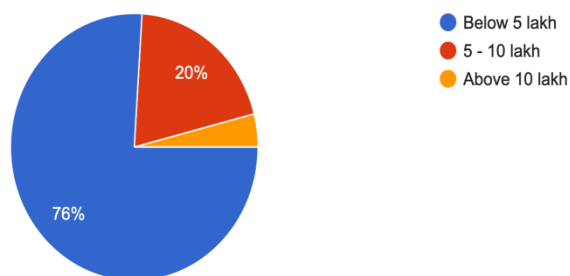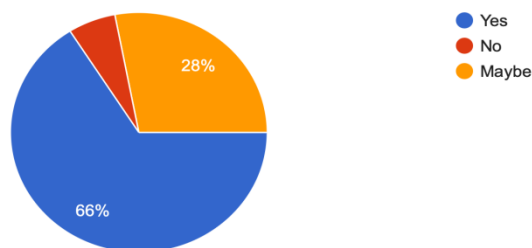

Sr. No.	Responses	No. of Respondents	Percentage
1	Below 5 Lakh	38	76%
2	5 - 10 Lakh	10	20%
3	Above 10 Lakh	2	4%
4	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 38 respondents have annual income below 5 lakh, 10 respondents earn in between 5 - 10 lakh and only 2 respondents have annual income above 10 lakh. From the above data and pie chart, the researcher come to know that 76% respondents have annual income below 5 lakh, 20% in between 5- 10 lakh and 4% respondents have annual income above 10 lakh. This shows that majority of the respondents have annual income below 10 lakh.

6. No. of respondents on the basis of their awareness regarding finance and investment-
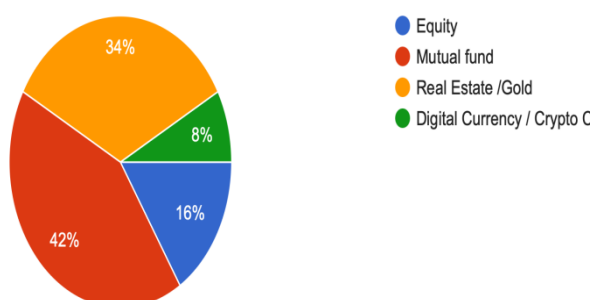

Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	33	66%
2	No	3	6%
3	Maybe	14	28%
4	Total	50	100%

Analysis & Interpretation

Out of total 50 respondents, 33 respondents think that they are aware about their banking, finance and investment, 3 respondents think they are not aware about it and 14 respondents are not sure about their knowledge in finance and investment. From the above table and pie chart, it can be observe that 66% of respondents are well aware, 6% are not aware and balance 28% respondents are not sure about their knowledge in finance and investment. So majority of the respondents are aware about it.

7. No. of respondents on the basis of their favourite investment tool in financial market-
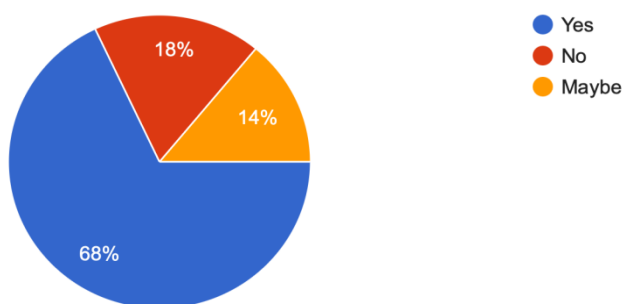

Sr. No.	Responses	No. of Respondents	Percentage
1	Equity	8	16%
2	Mutual Fund	21	42%
3	Real Estate/ Gold	17	34%
4	Digital Currency / Cryptocurrency	4	8%
5	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 8 respondents choose Equity, 21 respondents choose Mutual funds, 17 respondents choose Real estate/ Gold and 4 respondents choose Digital currency as their favourite investment tool. From the above table and pie chart, the researcher come to know that 16% respondents preferred Equity, 42% preferred Mutual fund, 34% preferred Real estate/ Gold and only 8% preferred Digital currency as an investment tool in the financial market.

### 8. No. of respondents on the basis of their awareness regarding Digital currency -

Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	34	68%
2	No	9	18%
3	Maybe	7	14%
4	Total	50	100%

Analysis & Interpretation

Out of all the respondents, 34 respondents are aware about digital currency, 9 respondents are not aware at all and remaining 7 respondents are not sure about it. From the above data it can be observe that majority of the respondents i.e. 68% are well aware about digital currency, 18% are not aware at all and 14% are not sure about their awareness of digital currency.

### 9. No.of respondents on the basis of their level of awareness of digital currency -
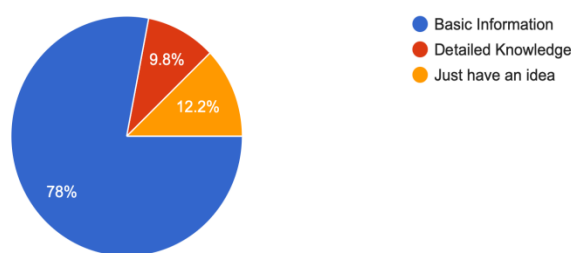
Sr. No.	Responses	No. of Respondents	Percentage
1	Basic Information	32	78%
2	Detailed Knowledge	4	9.8%
3	Just have an idea	5	12.2%
4	Total	41	100%

Analysis & Interpretation

Among the 41 respondents who are aware about digital currency, 32 respondents have only basic knowledge about it, 4 respondents have detailed knowledge, and 5 respondents have just an idea about digital currency. From the above data and pie chart, the researcher come to know that majority of the respondents i.e. 78% have basic knowledge about digital currency, 9.8% have detailed knowledge and 12.2% respondents have just an idea about it.

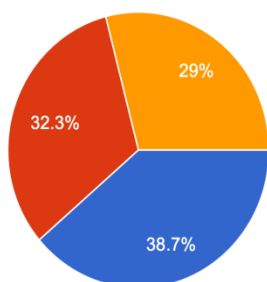### 10. No. of respondents on the basis of thier investment in digital currency-
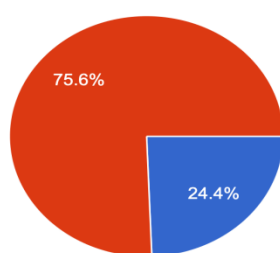
Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	10	24.4%
2	No	31	75.6%
3	Total	41	100%

Analysis & Interpretation

Among the 41 respondents, 10 respondents already have invested in digital currency and remaining 31 have not invested in digital currency. From the above data it can be observe that majority of the respondents i.e 75.6% have not invested in digital currency till now and only 24.4% have invested in digital currency.

11. No. of respondents on the basis of their choice to invest in digital currency or not -
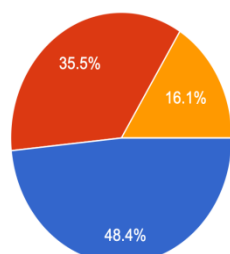

Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	12	38.7%
2	No	10	32.3%
3	Maybe	9	29%
4	Total	31	100%

Analysis & Interpretation

Among the 31 respondents who have not invested in digital currency, 12 respondents have shown their interest to invest in it. 10 respondents are not in favour of investing in digital currency and 9 respondents are not sure about it. From the above data and pie chart, the researcher come to know that 38.7% of respondents would like to invest in digital currency, 32.3% are not in favour of it and 29% of respondents are not sure about investing in digital currency.

12. No. of respondents on the basis of their income they like to invest in digital currency -
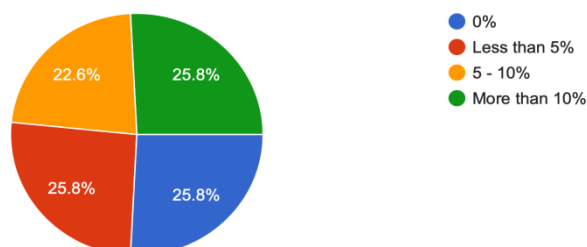

Sr. No.	Responses	No. of Respondents	Percentage
1	Less than 5%	15	48.4%
2	5 - 10%	11	35.5%
3	More than 10%	5	16.1%
4	Total	31	100%

Analysis & Interpretation

Among all the respondents, 15 respondents would like to invest less than 5% of their income, 11 respondents would like 5 - 10% of their annual income and 5 respondents would like to invest more than 10% of their income in digital currency. From the above data and pie chart it can be observe that 48.8% are ready to invest less than 5%, 35.5% can invest 5 -10% and 16.1% have shown interest to invest more than 10% of their annual income.

13. No. of respondents on basis of their returns on investment in digital currency -
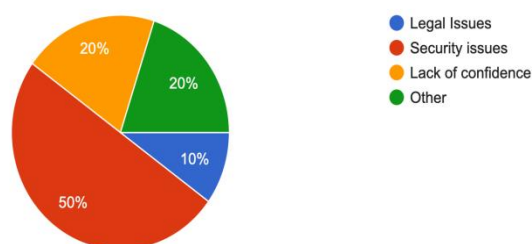

Sr. No.	Responses	No. of Respondents	Percentage
1	0%	8	25.8%
2	Less than 5%	8	25.8%
3	5 - 10%	7	22.6%
4	More than 10%	8	25.8%
5	Total	31	100%

Analysis & Interpretation

Among all the respondents, 8 respondents have not earned any return on investment in digital currency, 8 respondents have earned less than 5% returns, 7 respondents have earned between 5 -10% of return and 8 respondents have earned more than 10% of return on investment in digital currency.

14. No. of respondents on the basis of their indifference towards digital currency -
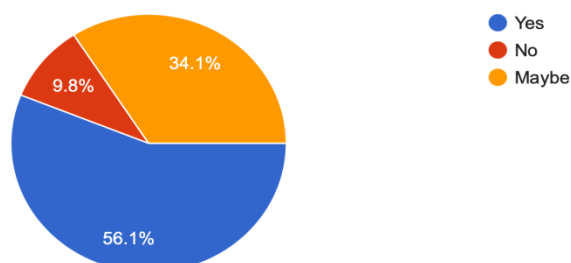

Sr. No.	Responses	No. of Respondents	Percentage
1	Legal issues	1	10%
2	Security issues	5	50%
3	Lack of confidence	2	20%
4	Other	2	20%
5	Total	10	100%

Analysis & Interpretation

Among the 10 respondents who were not interested to invest in digital currency, 1 respondent has reason as legal issues related to digital currency, 5 respondents have reason as security issues, 2 have reason as lack of confidence on digital currency and 2 have reason as other. From the above data and pie chart, it can be observe that majority of the i.e 50% have security issues as their indifference towards digital currency.

15. No. of respondents on the basis of their views regarding difference in Digital currency and Cryptocurrency -
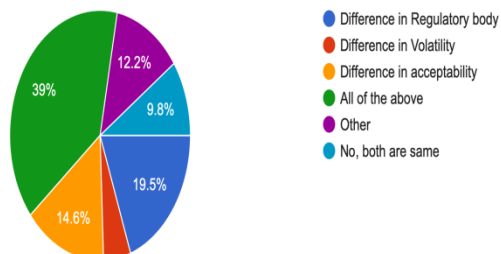

Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	23	56.1%
2	No	4	9.8%
3	Maybe	14	34.1%
4	Total	41	100%

Analysis & Interpretation

Among 41 respondents, 23 respondents think that there is a difference in digital currency and cryptocurrency, 4 respondents think that there is no difference in both of them and remaining 14 respondents are not sure about it. From

the above data and pie chart, it can be observe that majority of the respondents i.e. 56.1% thinks that there is a difference in digital currency and cryptocurrency.

16. No. of respondents on the basis of their views on difference in digital currency and cryptocurrency-
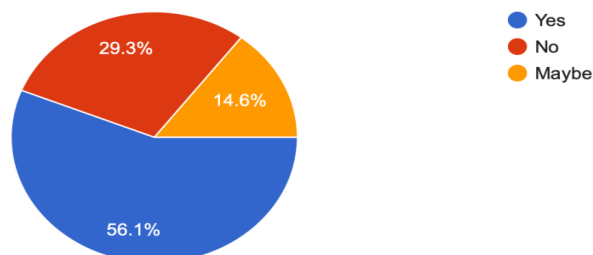

Sr. No.	Responses	No. of Respondents	Percentage
1	Difference in Regulatory body	8	19.5%
2	Difference in Volatility	2	4.9%
3	Difference in acceptability	6	14.6%
4	All of the above	16	39%
5	Other	5	12.2%
6	No, Both are same	4	9.8%
7	Total	41	100%

Analysis & Interpretation

Out of all the respondents, 8 respondents thinks that there is difference in regulatory body of digital currency and cryptocurrency, 2 thinks there is difference in volatility, 3 thinks there is difference in acceptability of both, 16 respondents think there is a difference in all the three i.e regulatory body, volatility and acceptability, 5 respondents have opted other option while 4 respondents thinks that there is no difference in digital currency and cryptocurrency, both are same.

**17. No. of respondents on the basis of their awareness regarding Digital Rupee -**

Sr. No.	Responses	No. of Respondents	Percentage
1	Yes	23	56.1%
2	No	12	29.3%
3	Maybe	6	14.6%
4	Total	41	100%

Analysis & Interpretation

Among all the respondents, 23 respondents are aware of Digital Rupee, 12 are not aware, and remaining 6 are not sure about it. From the above data and pie chart, the researcher come to know that majority of the respondents i.e 56.1% are aware of digital rupee, 29.3% are not aware of it.

18. No. of respondents on the basis of their views regarding Digital Rupee as -
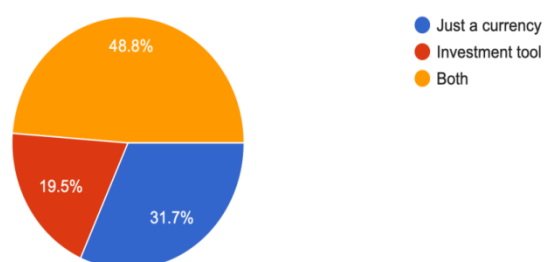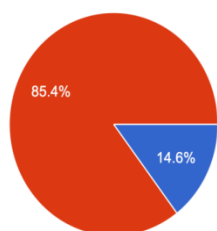

Sr. No.	Responses	No. of Respondents	Percentage
1	Just a Currency	13	31.7%
2	Investment Tool	8	19.5%
3	Both	20	48.8%
4	Total	41	100%

Analysis & Interpretation

Out of all the respondents, 13 respondents think that digital rupee is just a currency, 8 respondents think it is an investment tool, while 20 respondents think that it is both, currency as well as investment tool. From the above data it can be observe that majority of the respondents i.e 48.8% think digital rupee is currency as well as investment tool.

19. No. of respondents on the basis of their views on E-Rupee is which type of digital currency -

● Crypto currency
● CBDC (Central Bank Digital Currency)

Sr. No.	Responses	No. of Respondents	Percentage
1	Cryptocurrency	6	14.6%
2	CBDC	35	85.4%
3	Total	41	100%

Analysis & Interpretation

Among all the respondents, 6 respondents thinks that digital rupee is cryptocurrency and remaining 35 think it is a central bank digital currency. So majority of the respondents i.e 85.4% think it is a CBDC while other 14.6% think it is a cryptocurrency.

FINDINGS OF THE STUDY

1. Most of the respondents of the study belongs to 20-30 years age category.
2. Majority of the respondents i.e. 58% are male.
3. Most of the respondents are having Bachelors degree as their highest level of education.
4. Majority of the respondents are employed in various sectors. (Public/Private)
5. Majority of the respondents have annual income below 5 lakh.
6. Most of the respondents are well aware about finance and investment.
7. Among all the respondents, most of the respondents choose Mutual Fund as their favourite investment tool.
8. Majority of the respondents are well aware about digital currency.
9. Among those who are aware about digital currency, majorly have basic information related to it. Only few respondents have detailed knowledge about it.
10. Around 75% of the respondents have not invested in digital currency.
11. Among them who have not invested in digital currency, 38.7% are interested to invest in it and 32.3% of the respondents are not in favour of investing in digital currency.
12. Among those who are investing and want to invest in digital currency, majority of the respondents would like to invest less than 5% of their annual income.
13. Among those who are not in favour of investing in digital currency, majority of the respondents have security issues as their indifference towards digital currency.
14. Most of the respondents thinks that there is a difference in digital currency and cryptocurrency.
15. Majority of the respondents are aware of Digital Rupee issued by RBI.
16. Most of the respondents think that Digital Rupee is both, currency as well as investment tool.
17. Majority of the respondents think Digital Rupee is CBDC i.e. Central Bank Digital Currency.

CONCLUSION

The main aim of the research is to study the awareness and perception of Digital currency in Mumbai region. From the above findings, the researcher come to know that people are in general are aware about the Digital currency but not completely familiar with it. Because of lack of knowledge and security issues related to digital currency, they have not invested in it. From the above research it can be observe that, people are well aware about difference in Digital currency & Crupto currency and CBDC issue by RBI i.e. Digital Rupee, but not completely familiar with how it work. So the null hypothesis is rejected. They think it is currency as well as investment tool, but in reality E-Rupee is just a currency and not an investment tool. So there is a lack of awareness and knowledge related to Digital currency.

SUGGESTION

1. Sample size was very small so results might be different from actual perception.
2. It is advisable to conduct a research on bigger sample size to have extensive idea about perception of people.
3. There should be proper awareness about digital currency on what is it, how it works, types and so on.
People must also learn trading process which play a key role.

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