

**GS- III. Inclusive Growth and Issues Arising out of it.**

- 1. Explain the difference between Cashless and less Cash Economy? Explain its advantages and the challenges in its Implementation.**

**Why this Question?**

- ▶▶ There is often anguish, on why adoption of digital payments is slow. One of the reasons, some claim, is that we have an overly ambitious “less cash” vision. In this context, we will analyse the digital connectivity in India.

**Key Demands of Question:**

- ▶▶ Explain the difference between cashless and less cash economy.  
▶▶ Explain in detail about its advantages.  
▶▶ Mention the challenges in its implementation.  
▶▶ Write the way forward measures to address the challenges.

**Structure of Answer:**

**Introduction:**

- ▶▶ Write the difference between cashless and less cash economy. Write about brief importance of this.

**Body:**

- ▶▶ Explain in detail about the cashless and less cash economy.  
▶▶ Mention its advantages in detail. For example transparency, addressing leakages, etc.  
▶▶ Explain in detail about the challenges in its implementation. For example lack of digital literacy.  
▶▶ Mention about the government intervention regarding the less cash economy. For example, promoting digitalisation.

**Conclusion:**

- ▶▶ Conclude with the way forward measures like digital divide to address the challenges of bringing Digital Economy.