Executive Summary
The payments business in India is on the cusp of a revolution. Cash remains the most readily available and widely used form of payment in India. Savings held in cash of local shops range from 40 percent in urban areas to 27 percent in rural areas, according to the Indian Consumer Economy Survey 2016-17.

Handling cash transactions is a cost to banks. The cost of cash transactions in India is equivalent to 1.7 percent of the gross domestic product (GDP). The Reserve Bank of India and commercial banks run up a total of Rs. 21,000 crore in currency operations costs annually. So, currency chest logistics accounts for 2 percent of GDP. On an average, a branch bank transactions cost a bank about Rs40-50 per customer. When a customer needs a small amount of cash, firstly they need to search for nearest ATM. If at all they find the ATM at times ATM runs short of cash and also they don’t get required.

Our proposed application "CHUTTA" will help, by customer expressing their need for money (Rs2500); simply locating nearest local shop (e.g. Paan Wala, Kirana Store etc.) who has mentioned on application his/her willingness of a certain amount to be deposited. On matching, Customer visit the shop; will receive cash on immediately doing e-transfer of the same amount in the shopkeeper’s account. The customer also can do 24hrs prior booking of collecting money. So, the burden of ATMs, Vans (used to carry money) and currency chests as well as currency chests wastage on robbery. We are providing customers with a platform which will reduce their efforts in visiting an ATM for cash requirements by helping them connect with the nearest vendor having easy access to physical cash and imbibing habit of digital transaction and acceptance.

Operational Value Chain
Money flows from printing mints to ATMs via various routes with currency management companies. On an average, a person visits ATM 3 to 5 times per month. Bank has to bear an average of Rs. 45 per customer if they deal in physical cash. If a person goes to deposit money in a bank branch or at deposit machine, branch as well as currency chests have to perform – collection, sorting, storage and distribution comprising expensive armoured van actions on physically collected cash. With our "Chutta" application, we are providing customers with a platform which will reduce their efforts in visiting an ATM for cash requirements by helping them connect with the nearest vendor having easy access to physical cash and imbibing habit of digital transaction and acceptance.

BMC Model
Currency Printing
Cash flow mechanism - Chutta
Cash flow mechanism - Traditional

Ideation

Target Segment
Target segment is Grocery shops, general store, paan shop vendors
Grocery/General stores : 10 per 1000 customers
Paan shops : 35 per 1000 customers
ATM users in Mumbai : 13,851,344
Amount of ATM transaction : 19,283,813,000
Number of people using ATM : 36,000,000
Modern payment systems

Need Analysis
1. Around 2000 ATMs have been closed down as cost-cutting measures by banks in past one year.
2. With recent RBI regulations, currency logistic and management cost for banks has increased by around Rs. 9,000,000 per ATM per month.
3. Cash intensive businesses need to visit a bank every month to deposit the cash generated.
4. There is no option available to the customer other than ATM, to have quick and easy access to physical cash.
5. Digital payment acceptance is still not imbibed in small vendors.

Why invest in our idea?
1. With an estimated 13,851,344 number of people in Mumbai, we expect to capture at least 1% of the total market i.e 13,851 which will generate a profit of rupees 2,35,000 in the first year.
2. We aim to grow 25% Quarter to Quarter which will bring the break-even in 2 years.
3. Will be supported by the payments ecosystem since we aim to help people enter into digital technology also reducing the cost of cash to the bank.
4. Other Tier - 1 cities can be targeted which can be followed by Tier - 2 and Tier - 3 cities since there is enormous scope for growth in the payments systems.

Group Members
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Retail Banking: Lean management of cash supply

The above 5 easy steps are for people who want to avail the CHUTTA facility which is just single touch operation which would take merely seconds for a person to locate a depositor for gaining cash.

The above are the 3 easy steps for the depositor to deposit his sum of money just at his fingertips.

Money available at any time
Less maintenance of ATMs
Boost to cashless economy
No time wastage on depositors
Solution Benefits
Able to get any denomination of notes
Reduction in robbery
Benefits

No time wastage on deposit

Market captured:
First year 13,851 (1%)
Second year 27,703 (2%)
Third year 41,554 (3%)

Able to get any denomination of notes

Solution Benefits

Money available at any time

Cash requirement can be posted without bank visit
Shopkeeper deposits money into the nearest ATM
Avail money at nearest ATM

Withdraw Cash
Acquiring Bank
Switch 1
Switch 2
Multilateral Switch
Security Module
Cash requirements
Issuing Bank
Currency Chest
ATM
RBI Regional Office
Infrastructure cost
Coupon partners
Payment
Shopkeepers
Bank

Word of mouth
Customer relationship
Channels
Partners
Structure

Co-Creation
Automated service

Switch 1
Paan
Commission

Need Urgent Cash
Withdraw Cash
Set location
Set payment
Receive Cash
Locate Depositor

Solution

Snack

Privacy
Terms of Service
Cookies

Set location
Enter amount
Locate Depositor
Set payment
Value deposited

Switch 2