**Cashless Transactions – A Dream Come True or a Nightmare?**

Digital payments and cashless transactions have been making rounds recently in news in India. However, as much as it seems convenient to move towards a cashless economy, it has raised concerns towards how these transactions can actually be made secure, as a secure infrastructure cannot merely be attained by passwords and PINs.

Ashok Chandak, a Senior Director for NXP Semiconductors said as he spoke to Mobile India 2017, “Now people have started asking questions for better experience and convenience as well as managing those security aspects. Technology alone is not enough — a secure ecosystem is very important.” He also said that only time will best decide if the claims made by Mobile wallets like Paytm, Mobikwik and FreeCharge to provide complete Android app security will be fulfilled or not, and could only be decided after seeing how these respond to a malware attack.

As of now, mobile wallets seem to follow android app security and are considered secure because of the relatively smaller transactions that take place through them. For transactions with larger value in the future, the wallet that successfully prioritizes android app security and foresees how to build security within the app system will be ahead of the game. In a similar context, Paytm introduced its “App Password Feature” on its android app which can allow a user to set up a password, pattern, PIN, or biometric data to open the application. This ensures that money stored in the wallet is safe even in case of an owner’s phone being misplaced or lost.

Mr. Ashok also explained the Near-Field Communication (NFC) technology, which allows data to be exchanged within a distance of 4 centimeters. According to a report by MarketsandMarkets, by 2020 the NFC market will reach $21.84 billion. Ashok said that NFC holds critical importance for mobile payments and the question is yet to be answered whether it will suit the requirements of cashless transactions in India as well or not.