What is claimed is:

1. A method of conducting a transaction using an electronic chip, the method comprising:

receiving, by the electronic chip from a terminal device, an authentication request including a first authentication parameter of a user acquired at the terminal device when the transaction is initiated at the terminal device, wherein one or more details of a plurality of payment modes of the user are stored in the electronic chip, and

wherein the electronic chip is associated with a payment device that is separate from the terminal device;

comparing, by the electronic chip, the first authentication parameter with a second authentication parameter stored in the electronic chip;

authenticating, by the electronic chip, the user based on the comparing; and

communicating, by the electronic chip to the terminal device, based on the authenticating, an authentication response indicating that the terminal device is to proceed with the transaction, the authentication response including one or more payment details of a first payment mode of the plurality of payment modes with which to proceed with the transaction, wherein the transaction is processed by the terminal device based on the authentication response.

2. The method of claim 1, further comprising selecting, by the electronic chip, the first payment mode from the plurality of payment modes based on one or more selection parameters, wherein the one or more selection parameters include at least one of a frequency of use of the first payment mode, a merchant category associated with the transaction, or a spending limit assigned to the first payment mode.

3. The method of claim 1, further comprising:

receiving, by the electronic chip from the terminal device, a first request to communicate the one or more details of the plurality of payment modes to the terminal device, when the first payment mode is rejected by the user or when a transaction amount of the transaction is to be split across at least two payment modes of the plurality of payment modes; and

communicating, by the electronic chip to the terminal device, the one or more details of the plurality of payment modes for processing the transaction.

4. The method of claim 1, further comprising:

receiving, by the electronic chip from a user device, the one or more details of the plurality of payment modes and the second authentication parameter; and

storing, by the electronic chip, the one or more details of the plurality of payment modes and the second authentication parameter therein.

5. The method of claim 4, further comprising updating, by the electronic chip, the one or more details of the plurality of payment modes based on an update request received from at least one of the user device or the terminal device.

6. The method of claim 1, wherein the electronic chip is placed on a wearable device of the user.

7. The method of claim 1, wherein the electronic chip is attached to skin of the user.

8. An electronic chip of a payment device for conducting a transaction, the electronic chip comprising:

circuitry configured to:

store a first authentication parameter and one or more details of a plurality of payment modes of a user,

receive, from a terminal device that is separate from the electronic chip of the payment device, an authentication request including a second authentication parameter of the user acquired at the terminal device when the transaction is initiated at the terminal device,

compare the second authentication parameter with the first authentication parameter, and

authenticate the user based on the comparison; and

communicate, to the terminal device, based on the authentication, an authentication response indicating that the terminal device is to proceed with the transaction, the authentication response including one or more details of a first payment mode of the plurality of payment modes with which to proceed with the transaction, wherein the transaction is processed by the terminal device based on the authentication response.

9. The electronic chip of claim 8, wherein the circuitry is further configured to select the first payment mode from the plurality of payment modes based on one or more selection parameters, and wherein the one or more selection parameters include at least one of a frequency of use of the first payment mode, a merchant category associated with the transaction, or a spending limit assigned to the first payment mode.

10. The electronic chip of claim 8, wherein the circuitry is further configured to:

receive, from the terminal device, a first request to communicate the one or more details of the plurality of payment modes to the terminal device, when the first payment mode is rejected by the user or when a transaction amount of the transaction is to be split across at least two payment modes of the plurality of payment modes, and

communicate, to the terminal device, the one or more details of the plurality of payment modes for processing the transaction.

11. The electronic chip of claim 8, wherein the circuitry is further configured to:

receive, from a user device, the one or more details of the plurality of payment modes and the first authentication parameter, and

store the one or more details of the plurality of payment modes and the first authentication parameter therein.

12. The electronic chip of claim 11, wherein the circuitry is further configured to update the one or more details of the plurality of payment modes, based on an update request received from at least one of the user device or the terminal device.

13. The electronic chip of claim 8, wherein the electronic chip is placed on a wearable device of the user.

14. The electronic chip of claim 8, wherein the electronic chip is attached to skin of the user.

15. A system for conducting a transaction, the system comprising:

a terminal device configured to receive a first authentication parameter of a user when a transaction is initiated by the user at the terminal device; and

an electronic chip of a payment device that is separate from and is communicatively coupled to the terminal device, the electronic chip configured to:

store a second authentication parameter and one or more details of a plurality of payment modes of the user,

receive, from the terminal device, an authentication request including the first authentication parameter when the transaction is initiated at the terminal device,

compare the first authentication parameter with the second authentication parameter,

authenticate the user based on the comparison, and

communicate, to the terminal device, based on the authentication, an authentication response indicating that the terminal device is to proceed with the transaction, the

authentication response including one or more details of a first payment mode of the plurality of payment modes with which to proceed with the transaction, wherein the transaction is processed based on the authentication response.

16. The system of claim 15, wherein the terminal device is further configured to:

render a graphical interface for presenting the one or more details of the first payment mode received from the electronic chip,

receive a selection of the first payment mode, and

generate an authorization request for processing the transaction based on the selection of the first payment mode.

17. The system of claim 15, wherein the terminal device is further configured to:

communicate, to the electronic chip, a first request for obtaining the one or more details of the plurality of payment modes when the first payment mode is rejected by the user or when a transaction amount of the transaction is to be split across at least two payment modes of the plurality of payment modes,

receive, from the electronic chip, the one or more details of the plurality of payment modes based on the first request,

present the received one or more details of the plurality of payment modes on a graphical interface,

receive a selection of one or more payment modes of the plurality of payment modes, and

generate an authorization request for processing the transaction based on the selection of the one or more payment modes.

18. The system of claim 15, wherein each of the plurality of payment modes is one of a transaction card or a digital wallet.

19. The system of claim 15, wherein the terminal device is further configured to:

detect a presence of the electronic chip within a pre-determined distance from the terminal device when the transaction is initiated at the terminal device, and

establish a bi-directional communication link between the terminal device and the electronic chip based on the detection of the presence of the electronic chip within the pre-determined distance, wherein the bi-directional communication link communicatively couples the electronic chip to the terminal device, and wherein the authentication request is communicated to the electronic chip using the bi-directional communication link.

20. The system of claim 15, wherein the electronic chip is attached to one of skin of the user or a wearable device of the user.