

Project Dissertation Report on
Customer Insight towards Unified Payment Interface
(UPI)

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Declaration

I, Anju Mishra, student of EMBA 2021-23 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi – 42, hereby declare that the Innovative project on “Customer Insight towards Unified Payment Interface (UPI)” submitted in partial fulfilment of Degree of Executive Master of Business Administration is the original work conducted by me. The information and data given in the report is authentic to the best of our knowledge. This report is not being submitted to any other University, for award of any other Degree, Diploma or Fellowship.

Place:

Anju Mishra,
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Date:

Acknowledgement

It is impossible to create a project report without the help and support of others, this is by no means an exception. At the opening of this report, I would like to express my sincerest gratitude to everyone who has assisted me in this endeavor. I would not have made any progress on the project without their active direction, assistance, cooperation, and encouragement.

I am eternally grateful to Dr. P.K. Suri for his diligent advice and encouragement in completing this task.

Last but not least, I also express my sincere respect and thanks to all who have always been supportive to me, whether directly or indirectly. Any absence in this brief acknowledgement does not imply a lack of appreciation.

Anju Mishra
(2K21/EMBA/04)

Certificate

This is to certify that Ms. Anju Mishra, have completed the project titled “Customer Insight towards Unified Payment Interface (UPI)” under the guidance of Professor P.K. Suri as a part of Master of Business Administration(MBA) curriculum of Delhi School of Management, New Delhi.

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Chapter-1

Executive Summary



Unified bills Interface (UPI)

Unified payments Interface (UPI) is a device that powers more than one bank accounts right into a cellular software (of any collaborating financial institution), merging numerous banking features, seamless fund routing & merchant payments into one hood. It also caters to the “Peer to peer” collect request which may be scheduled and paid as in keeping with requirement and convenience.

With the above context in mind, NPCI carried out a pilot release with 21 member banks. The pilot release was on eleventh April 2016 through Dr. Raghuram G Rajan, Governor, RBI at Mumbai. Banks have started to upload their UPI enabled Apps on Google Play shop from 25th August, 2016 onwards.

How is it specific?

immediately money transfer through cell device spherical the clock 24*7 and twelve months. Cellular utility for getting access to one of a kind bank debts.

click 2 issue Authentication – Aligned with the Regulatory suggestions, yet presents for a completely strong characteristic of seamless single click charge.

digital deal with of the consumer for Pull & Push gives for incremental protection with the patron no longer required to go into the info including Card no, Account wide variety; IFSC and so forth.

invoice Sharing with friends.

high-quality solution to coins on delivery problem, strolling to an ATM or rendering specific amount.

merchant payment with single application or In-App bills.

software bill payments, over the counter bills, Barcode (scan and Pay) primarily based payments.

Donations, Collections, Disbursements Scalable.

raising grievance from cell App directly.

Participants in UPI

Payer PSP

Payee PSP

Remitter bank

Beneficiary financial institution

NPCI

bank Account holders

Traders

UPI - advantages to the ecosystem individuals
advantages for banks:

- standard utility for transaction
- Leveraging existing infrastructure
- safer, Secured and innovative
- price foundation single/ precise Identifier
- enable seamless service provider transactions

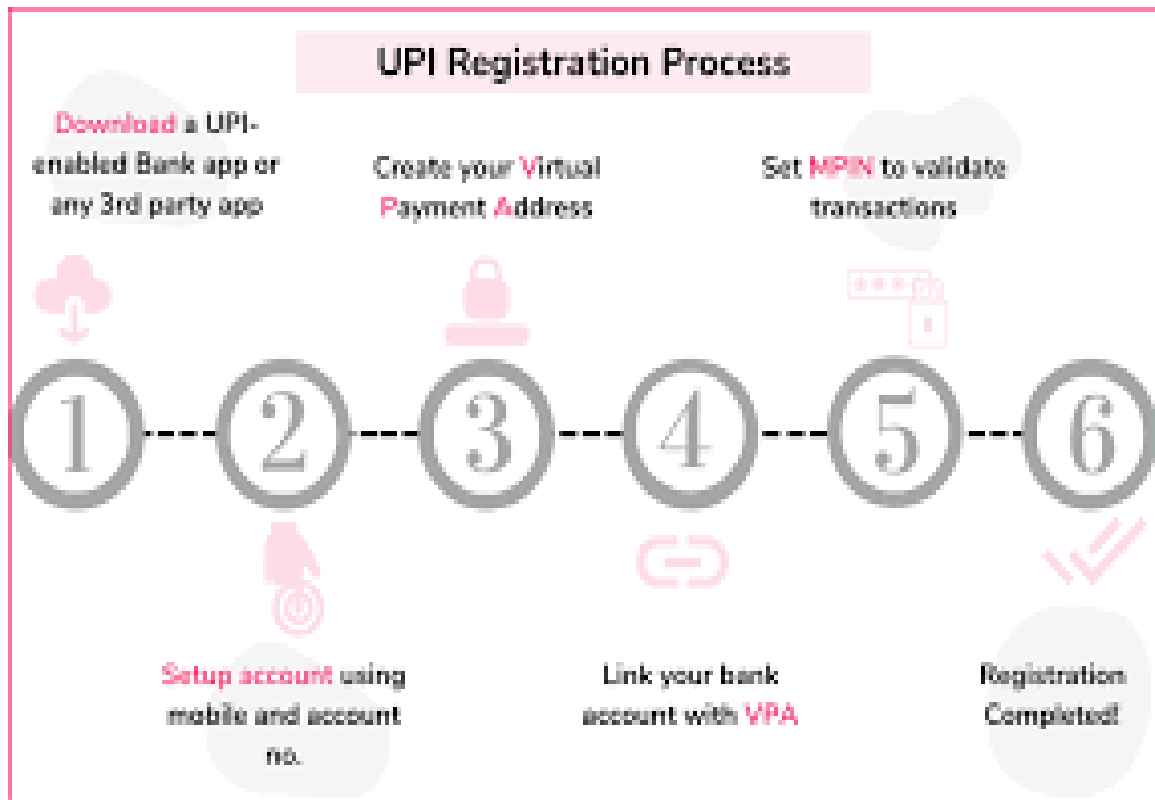
Advantages for customers:

- round the clock availability
- software for accessing different bank bills
- Use of digital identity is extra comfortable, no credential sharing
- single click on authentication
- improve criticism from cell App at once

Blessings for traders:

- Seamless fund series from clients - single identifiers
- No hazard of storing client's virtual deal with like in playing cards
- faucet customers now not having credit score/debit playing cards
- appropriate for e-Com & m-Com transaction
- Resolves the COD series trouble
- unmarried click on 2FA facility to the purchaser - seamless Pull
- In-App payments (IAP)

Registration in UPI enabled software



Steps for Registration:

- user downloads the UPI software from the App store/Banks website
- person creates his/her profile by way of coming into information like call, virtual identification (payment address), password and many others.
- consumer is going to “upload/hyperlink/manipulate financial institution Account” alternative and hyperlinks the bank and account quantity with the virtual identity producing UPI – PIN:
- user selects the financial institution account from which he/she desires to initiate the transaction.
- consumer receives OTP from the company financial institution on his/her registered mobile quantity
- user now enters final 6 digits of Debit card wide variety and expiry date
- person enters OTP and enters his preferred numeric UPI PIN(UPI PIN that he would like to set) and clickson post
- After clicking publish, consumer receives notification (successful or decline)
- person enters his old UPI PIN and desired new UPI PIN (UPI PIN that he would love to set) and clicks on put up
- After clicking post, patron receives notification (a hit or failure) performing a UPI Transaction.

PUSH – sending money the usage of virtual cope with

consumer logs in to UPI utility

- After a hit login, person selects the choice of ship cash/fee
- consumer enters beneficiary's/Payee virtual identity, quantity and selects account to be debited
- user receives affirmation screen to study the payment details and clicks on confirm
- user now enters UPI PIN
- consumer gets successful or failure message

PULL – requesting money:

- consumer logs in to his bank's UPI utility
- After a hit login, user selects the choice of collect money (request for charge)
- user enters remitters/payers virtual id, quantity and account to be credited
- consumer gets affirmation screen to study the charge information and clicks on confirm
- The payer will get the notification on his cell for request cash
- Payer now clicks at the notification and opens his banks UPI app wherein he reviews charge request
- Payer then comes to a decision to click on on receive or decline
- In case of take delivery of fee, payer will input UPI PIN to authorize the transaction
- Transaction complete, payer receives successful or decline transaction notification.

- Payee/requester receives notification and SMS from financial institution for credit score of his financial institution account

Product

A. Monetary Transactions: UPI supports the subsequent financial transactions viz.

Pay Request: A Pay Request is a transaction in which the starting up client is pushing finances to the supposed

beneficiary. fee Addresses encompass mobile range & MMID, Account wide variety & IFSC and digital identity

Gather Request: A acquire Request is a transaction where the purchaser is pulling budget from the intended remitter via the usage of digital identification.

B. Non-financial Transactions: UPI will support following sorts of non-financial transactions on any PSP

App viz

Banking Registration*

Generate One Time Password (OTP)

Set/exchange PIN

test Transaction fame

boost Dispute/improve question

Purpose

- To know the customer preference and level of satisfaction towards the UPI scheme.
- To study about awareness of UPI payment services.
- To study the problems faced by customers in using UPI scheme.

Methodology

This research paper uses descriptive research. Primary data will be collected through google forms from respondents. Data which is collected will be analysed and interpreted in systematic analytical presentation through graphs.

Sampling - Integrative Sampling

Sources of data – Primary Data (Based on respondents),

Secondary Data (Based on several articles, research papers of different universities and international journals).

Time limit is main constraints.

- Limitation of the study is the selection of existing studies which may not be appropriate.
- Due to time limitation, I only searched a few journals. This may ignore some other prominent empirical studies.
- The study has been conducted within NCR Delhi and considered all the factors analysed for one particular region only.

Findings

The introduction of UPI (Unified Payments Interface) has brought about significant changes in the digital payments landscape in India. Here are some notable changes that have occurred after the introduction of UPI:

- 1 **Simplified Payments:** UPI has simplified the process of making payments. It provides a single platform that allows users to link multiple bank accounts and make seamless transactions using their smartphones. This has reduced the reliance on traditional payment methods, such as cash or cards.
- 2 **Peer-to-Peer Payments:** UPI has made peer-to-peer payments convenient and instant. Users can transfer funds directly from their bank accounts to another person's account using UPI-enabled apps. This has facilitated quick money transfers between friends, family, or anyone else, eliminating the need for cash transactions.
- 3 **Merchant Payments:** UPI has transformed merchant payments by enabling users to make quick and secure transactions at various retail outlets, online stores, and service providers. This has facilitated a shift towards digital payments in the retail sector and reduced dependence on cash-based transactions.
- 4 **Financial Inclusion:** UPI has played a crucial role in promoting financial inclusion. It has made banking services accessible to individuals who were previously unbanked or underserved. UPI-enabled apps can be downloaded on basic smartphones, allowing individuals to connect their bank accounts and participate in the digital economy.
- 5 **Increased Digital Transactions:** The introduction of UPI has led to a significant increase in digital transactions in India. UPI has become one of the preferred methods for making payments, including bill payments, utility payments, online shopping, and more. The ease of use and availability of UPI across various platforms have contributed to its widespread adoption.
- 6 **Fintech Innovation:** UPI has provided a platform for fintech companies and startups to innovate and develop new products and services. The open API architecture of UPI allows third-party developers to build applications that leverage UPI for payments, leading to the emergence of innovative payment solutions and value-added services.
- 7 **Cashless Economy:** UPI has played a vital role in driving the government's vision of a cashless economy. The convenience and ease of UPI transactions have encouraged individuals and businesses to adopt digital payments, reducing the reliance on physical cash.
- 8 **Enhanced Security Measures:** UPI has implemented robust security measures to protect user data and transactions. Two-factor authentication, secure PINs, and encryption techniques ensure the security and privacy of user information. This has increased confidence among users to make digital payments through UPI.
- 9 **Policy Reforms:** The introduction of UPI has prompted policy reforms and regulatory changes to support the growth of digital payments. The government and regulatory authorities have implemented measures to promote interoperability, encourage innovation, and address security concerns in the digital payments ecosystem.

The introduction of UPI has revolutionized the way payments are made in India. It has accelerated the adoption of digital payments, expanded financial inclusion, and fostered a digital-first economy. UPI continues to evolve and contribute to the ongoing transformation of the Indian payment landscape.

This study will help to determine the following:

- It is found that people are finding it more convenient to use digital payment.
- The awareness about the UPI payment among the people can be known via this study.
- The different problems faced by the users using UPI.
- The digital development of the population of the country.

Chapter-2

Introduction



India is one of the fastest moving country towards digitalization. It triggered with the announcement of Demonetization in India by Prime Minister Shri Narendra Modi as on November 8 2016. The digital payment companies found it a great opportunity to expand its business in India. The government of India promoted cashless transactions as a part of their after demonetization policies. The implication of demonetization has resulted in remarkable development in the field of digitalization of financial technologies. Unified Payment Interface (UPI) is a payment system developed by NPCI (National Payment Corporation of India). It is a real-time payment system. It is a mobile app used to transfer money between P2P and P2M respectively. It was introduced in India trough a pilot project by the then RBI Governor, Mr. Raghuram Rajan as on 11 April 2016, with 21 participating banks uploading their apps on Google play store.

Though introduced in 2016 it was a success in 2019 after the demonetization period.



UPI 2.0: On 16th August 2018 UPI version 2.0 was launched which enabled users to link their account with a UPI handler or App. Users got features such as mandate to pre-authorise transactions for specific merchants. Invoice of any transaction could be saved and seen later. For recurring payment an auto pay system was also developed. As on march 15th 2022 government of India removed the need of debit card for UPI registration. Reserve Bank of India allowed linking of RuPay debit cards to UPI from 8 June 2022. The only problem faced by UPI users is the time duration of 24 hours for settlement of failed transaction. NPCI is working on it to reduce the time from 24 hours to 30 seconds.

The UPI 2.0 version introduced several new features and enhancements to further improve the functionality and user experience of the UPI system. Some of the key features of UPI 2.0 are:

- 1 **Overdraft Facility:** UPI 2.0 allows users to link their overdraft accounts to UPI, enabling them to make transactions even if they have insufficient funds in their bank accounts. This feature provides users with greater flexibility and convenience.
- 2 **One-time Mandate:** UPI 2.0 introduced the concept of one-time mandates, which allows users to pre-authorize a specific amount to be deducted from their bank

account at a later date. This feature is particularly useful for recurring payments such as utility bills, subscription fees, and loan repayments.

- 3 Invoice in the Inbox: With UPI 2.0, users can receive invoices directly in the UPI app, making it easier to view and verify transaction details before approving payments. This feature enhances transparency and reduces the chances of errors or fraudulent transactions.
- 4 Signed Intent and QR: UPI 2.0 introduced signed intents and QR codes, which provide additional security and verification for transactions. Signed intents ensure that the transaction details cannot be tampered with, while QR codes help in securely sharing transaction information between users.
- 5 Foreign Inward Remittance: UPI 2.0 enables the receipt of foreign inward remittances directly into a user's bank account linked with UPI. This feature simplifies the process of receiving international payments and eliminates the need for additional intermediaries.

UPI 123PAY :

As a part of financial inclusion programme of the government of India, NPCI is working with its tech partner Nafta Innovations with their product Tonetag in 2021 to develop a voice based payment service for feature phone users in low connectivity area. The system with Dual Tone Multi frequency(DTMF) signalling technology with two factor authentication(2FA) flow for peer to peer(P2P) transaction.

UPI 123PAY:has four options for payment.

- App based functionality where a mobile phone manufacturer can install UPI app through Over the air program, that can be used for payment.
- Missed called based in which customer can use dedicated merchant payment number by giving a missed call. The incoming authentication call will ask for PIN verification to complete the transaction.
- Interactive Voice Response (IVR) based where the payment transaction will complete using pre-defined phone numbers.
- Payment in offline mode through sound based proximity data communication.



1.1 Internationalization:

The number of cross border transaction is increasing day by day in India, thus to make the payment easy for cross border poor international payments the NPCI signed a Memorandum of Understanding with UK based PPRO financial, to expand the UPI based transaction over the border, especially with United States and China. UK based start-up Transact365 as on 26th January 2022, has developed a UPI for global merchant with real time currency conversion facility that can help business in India. PhonePe has announced its UPI facilities for international payments in countries such as UAE, Singapore, Mauritius, Nepal and Bhutan. RBI also announced extending UPI payment facility to all the G20 delegates to our country by developing a UPI One World by Transcorp International

Chapter-3

Problem Statement

In this 21st century, the world has dramatically changed from paper to digital money. Government has imposed de-monetisation and many other factors which compelled people towards using of digital mode of payment. The major population of India is not digitally advanced. They don't even use smart phone. Data was costlier, and many other problems made it difficult to implement UPI. Are the people of India ready for digital Mode? Is it convenient to use? What are the factors that compel people to use digital mode?

Some of the common problems faced with UPI include:

1. Technical glitches: UPI transactions heavily rely on stable internet connectivity and proper functioning of the UPI infrastructure. However, technical issues, server downtimes, or network problems can lead to transaction failures, delays, or other disruptions.

1. Security concerns: While UPI has implemented robust security measures, including two-factor authentication and encryption, there have been instances of fraud and unauthorized transactions. Users must be cautious about protecting their UPI credentials and regularly update their UPI apps to mitigate security risks.

2. Transaction limits: UPI transactions are subject to certain limits imposed by banks and payment service providers. These limits can vary based on factors such as transaction type, user profile, and time duration. Transaction limits may sometimes pose challenges for high-value transactions or frequent transfers.

3. Interoperability issues: While UPI aims to provide seamless interoperability across different banks and payment platforms, there have been occasional issues with compatibility between different UPI apps or banks. Some transactions may fail if the sender and receiver are on different UPI platforms or if there are technical incompatibilities.

4. Customer support and dispute resolution: UPI transactions involve multiple stakeholders, including banks, payment service providers, and the National Payments Corporation of India (NPCI). Resolving disputes or getting timely customer support can sometimes be challenging, with delays or lack of proper communication channels.

6. Awareness and adoption: Although UPI has gained widespread adoption, there are still segments of the population, particularly in rural areas, who may face challenges in understanding and using UPI. Lack of awareness, limited access to smartphones or stable internet connectivity, and inadequate digital literacy can hinder the broader adoption of UPI.

Chapter-4 Objective of Study

The specific objectives of this study are to:

- To study the usage and awareness of UPI among customers
- To analyse the factors that influence customers to use UPI
- To identify the challenges faced by customers while using UPI
- To assess the impact of UPI on the digital payment industry in India.
- To provide recommendations for enhancing the customer experience with UPI.



Chapter-5 Scope of Study



India is country with one of the largest population, and to grow the economy uniformly is a very important task for the government of India. The Government's step to join the whole country through use of digital payment i.e, UPI and Internet is a positive sign for the overall growth. The effect of UPI on the population, their views on UPI and the ease of doing business can be known through this study. The various problems faced by people by using UPI and the problem redressal and development can also be studied.

1. **Adoption and Usage Patterns:** This study can focus on understanding the adoption and usage patterns of UPI among individuals and businesses. This may include analyzing factors that influence the adoption of UPI, exploring the frequency and types of transactions conducted through UPI, and identifying the user demographics.
2. **User Experience and Satisfaction:** Research can investigate the user experience and satisfaction levels with UPI. This may involve evaluating ease of use, transaction speed, security perceptions, and overall satisfaction among UPI users. Comparative studies with other payment systems can also be conducted to understand user preferences.
3. **Impact on Financial Inclusion:** UPI has the potential to promote financial inclusion by providing convenient and accessible payment solutions. A study can examine the impact of UPI on financial inclusion, particularly in underserved or rural areas. This may involve analyzing the usage patterns among different segments of the population and evaluating the benefits and challenges faced by marginalized groups.
4. **Security and Fraud Prevention:** UPI transactions require robust security measures to protect user data and prevent fraudulent activities. Research can focus on evaluating the security mechanisms implemented in UPI and identifying potential vulnerabilities. It may also involve studying user awareness and practices related to security measures and exploring strategies for enhancing security and fraud prevention in UPI.
5. **Policy and Regulatory Framework:** UPI operates within a policy and regulatory framework established by the National Payments Corporation of India (NPCI) and other governing bodies. A study can analyze the effectiveness of the existing policy framework, identify any regulatory gaps or challenges, and propose recommendations for policy enhancements to support the growth and stability of UPI.
6. **Business Opportunities and Impact:** UPI has opened up new business opportunities, particularly for fintech companies and startups. A study can explore the impact of UPI on businesses, including the emergence of new business models, changes in customer behavior, and the potential for innovation in payment services.

Chapter-6 Literature Review



According to Indoria, D. and Devi, K. (2021), the Internet developed much earlier but became popular among the masses in 1994, with security protocols established four years later ensuring continuous connectivity and high-speed Internet access. But in 2000, it was the age of e-commerce. E-commerce, which people believe is the process of purchasing goods and services over the Internet using a secure connection, is beginning to translate into electricity as the most important payment method. According to Philip's research, B. (2019), National Payments Corporation of India (NPCI) has implemented an efficient, modern and cost-effective system called Unified Payments Interface (UPI), which has had a significant impact on the Indian economy. . Gradual Increasing Effect (NCPI). India's wage legislation has changed rapidly over the past few years. The adoption of mobile phones and payment cards are two key aspects of the campaign. The purpose of this study is to identify consumers' preferences for general payment systems and to find out how these effects affect consumer satisfaction. This survey shows

that customers are satisfied with the unified payment interface. Kuriakose.A and Sajoy, P.B. According to George, E., COVID-19 and Associated Nationwide Lockdowns (2022), the Unified Payments Interface (UPI) is a leader in enabling or delivering digital payments. In the 2020-21 fiscal year, UPI logged over 22 billion transactions, far more than any other digital payment instrument with a total of over 1 trillion transactions. Although the UPI is the most popular digital payment method in India, there is currently no effective research model to measure the usage of UPI users. This article therefore conducts a comprehensive analysis of recent data on consumer demand for digital and mobile payments and develops a new model specifically designed to examine the drivers of the Unified Payments Interface (UPI) adopted. This study improves the model by adding “relative advantage”, “additional services” and “supporting benefits” as new models in addition to the currently existing UTAUT2 models. The proposed model can be further scrutinized to find important conclusions and recommendations that can help payment service providers make the right choice for the growth of their users.

Khuram Shafiq and Khalil Ahmad (2015) : Is plastic money count for customer shopping for conduct? This examination offers the maintaining records in view that shoppers feel precise in spending via plastic coins as smooth get right of entry to of money, no cash sporting dangers and reward shopping are the main elements that plays critical position in the back of it.

Rouibah (2015): confirmed that terrible protection, loss of accept as true with, worry of failure, high prices and poor familiarity have been the important constraints that affected bills. besides, protection features of net, banking facilities, privateness and first-class of services had been also affecting adoption of epayments.

Rathore (2016) : stated that digital payment using wallet become exceedingly handy for consumers in purchasing merchandise through on line with out physical actions across places.

Dr. sew ShewtaRathore (2016) : "Appropriation of Cashless transactions through clients" her investigations disclose to us automatic wallets are hastily getting to be widespread method of online installment. customers are embracing superior wallets at end unfathomably brief pace, to a excellent extent because of comfort and convenience.

RoopaliBatra , NehaKalra (2016) : "Are digital wallets The Newcurrency?" her investigations let us know in aduration of digitalization, the examination intends to ponder the customer popularity, utilization design tendencies and achievement level with recognize to advanced wallets in view of an investigation of 52 respondents. It additionally recognizes the hindrances and problems to the selection of the equal. Theeffects display that there exists a brilliant undiscovered market for automated wallets both concerning expanding mindfulness and additionally its use.K. C. balaji and ok. balaji (2016)"A study On Demonetization And Its impact On Cashless Transactions" taken into consideration that the development of the cashless exchange framework is accomplishing new statures. People have a tendency to transport to cashless exchanges. it's miles on the proper tune to nation that the cashless framework is a prerequisite as well as a requirement for the general public.

KunalTaheam, Rahul Sharma and saurabhGoswami (2016) "Drivers Of virtual wallet utilization: Implications For Leveraging digital advertising and marketing" The effects from this investigation highlighted on various factors that inspired individuals to utilize computerized wallets for making installments. people in Punjab had been found had been observed utilizing superior wallets because of the intentions of controllability and safety, societal impact and helpfulness and requirement for execution improvement.

Singh (2017) :concluded that there has been full-size difference between education of consumers and adoption of virtual charge. The belief of customers for virtual price had fantastic and good sized effect on adoption of virtual payment among purchasers.

HISTORY:

The history of UPI (Unified Payments Interface) dates back to 2015 when it was introduced in India. Here's a brief timeline of the key milestones in the development and evolution of UPI:

1. August 2014: The Reserve Bank of India (RBI) constituted a committee under the leadership of Dr. Raghuram Rajan to examine the scope and structure of electronic payments in the country.
2. December 2015: The National Payments Corporation of India (NPCI), an umbrella organization for retail payments in India, launched UPI as a pilot project. UPI aimed to provide a single platform for interoperable mobile payments.
3. April 2016: UPI was officially launched for the public with 21 participating banks. Users were able to download UPI-enabled apps from their respective banks and link their bank accounts to make peer-to-peer payments.
4. August 2016: The NPCI launched the UPI 2.0 version, introducing additional features such as the ability to link overdraft accounts, set payment reminders, and pre-authorize transactions.
5. November 2016: UPI recorded a significant milestone of 1 million transactions in a single day.
6. September 2017: UPI crossed the milestone of 10 million transactions in a single month, reflecting its growing popularity among users.
7. January 2018: UPI reached a record-high of 151 million transactions, with a total value of over INR 15,000 crore (approximately USD 2.2 billion).
8. August 2018: UPI crossed the milestone of 200 million transactions in a single month, cementing its position as a preferred digital payment method in India.
9. July 2020: The NPCI launched UPI AutoPay, a feature that allows users to set up recurring payments for subscriptions, bills, and other regular expenses.
10. September 2020: UPI witnessed a significant milestone, surpassing 2 billion transactions in a single month, showcasing its exponential growth and widespread adoption.
11. October 2020: UPI extended its services beyond India's borders with the launch of UPI-Bharat Interface for Money (BHIM) in Bhutan, enabling users in Bhutan to make seamless cross-border transactions.

12. September 2021: UPI reached another milestone, exceeding 3 billion transactions in a single month, demonstrating its continued growth and popularity.

Since its launch, UPI has revolutionized digital payments in India, enabling individuals and businesses to make instant, secure, and convenient transactions. It has expanded its user base, facilitated financial inclusion, and spurred the growth of the digital payments ecosystem in the country.

Chapter-7

Research Methodology

Data Collection- Primary Data Collected through structured Questionnaire. Secondary Data collected from Government Reports, Website etc. This study has been conducted using a mixed-method approach that involves both qualitative and quantitative research. The sample size has been determined using a convenience sampling technique. The data has been collected through primary research, which includes surveys and interviews of customers who use UPI for digital transactions.

A survey questionnaire has been designed to collect information on the awareness and usage of UPI, the factors that influence customers to use UPI, and the challenges faced by customers while using UPI. An interview was conducted with a select group of customers to gather more in-depth insights into their experiences with UPI.

Questionnaire:

Whether UPI provides a convenient way of payment

UPI Facilitates transfers and payments from any point.

Cashless payments options gives you more Discounts/cash back rewards

Provides flexibility and easy tracking of spending.

SWOT Analysis of UPI was done to know its STRENGTH WEAKNESS OPPORTUNITY and THREAT:

6.1 Strength

The strength of UPI can be studied as below:

Serves to the ground root people: Even the petty business person such as road side stall selling Golgappas, chole bhature or even a Gutka shop people can easily UPI for their every day payment without installing any kind of machine. The absence of any kind of complex credentials has made it convenient for the lower level of population to use it. Even the uneducated business person can now accept UPI payment as it comes with a sound box which tells the amount which has been received. On the safety part the biometric part has made it more safe and reliable. UPI uses a safe platform which cannot be accessed without help of credentials and/or biometric of the concerned person.

Reduction in corruption: UPI lead to reduction in corruption as most of the people started using digital mode as it is less unsafe than physical cash.

Simplified payment method/mechanism:UPI can be used through Mobile phones which makes it most convenient a sin today's world mobile phones are very much common and even the most illiterate person knows how to use the phone.

Virtual Payment address: People using UPI can opt for doing payment through a virtual payment address without revealing their identity and account details.

Utility payment: Not only transferring of money from one account to other but all kinds of utility payments can be done with the help of UPI such as water bill, electricity bill, phone bill etc.

Weakness: although there are many strength to this system of digital payment still we cannot ignore the weakness in the NPCI's made UPI payment system. These are:

Delayed transaction: The transaction may be delayed due to technical problem or interrupted transaction due to any factor, which may lead to confusion about the payment done or not.

Several level of security: Dual or two stage pin verification though adds safety to the process it also creates discomfort to the user to recall the different pin and passcodes.

Transaction limit: The payment done each day cannot exceed Rs. 200000 a day as a result higher amount still needs to use the traditional method of NEFT and RTGS.

Cybercrime: with the increase in digital payment the has been seen a rapid increase in cybercrime.

Opportunity: NPCI's developed UPI has the following opportunities too:

Cashless economy: India has developed as country with strong digital footprint. The introduction of DIGITAL INDIA by the government of India has propelled the country towards cashless country.

Internet Penetration: Use of Internet in the most deep interior will result in an overall growth of the country.

PMJDY: With the introduction of Pradhan Mantri Jan Dhan Yojana (a financial inclusion programme by the government of India) even the most poor population of India can have a bank account and use the digital mode of payment adding to the growth of economy of the country.



6.2 Threat

There are few threats attached to the implementation of UPI:

Digital Awareness: Awaring the rural and illiterate population of the country, the importance of using digital payment is most challenging.

Cash dominates: Even though the digital payment mode is very much easy but the convenience of cash cannot be ignored.

Grievance redressal: A number of failed or incomplete transaction and a very weak redressal process results into dissatisfied customer.

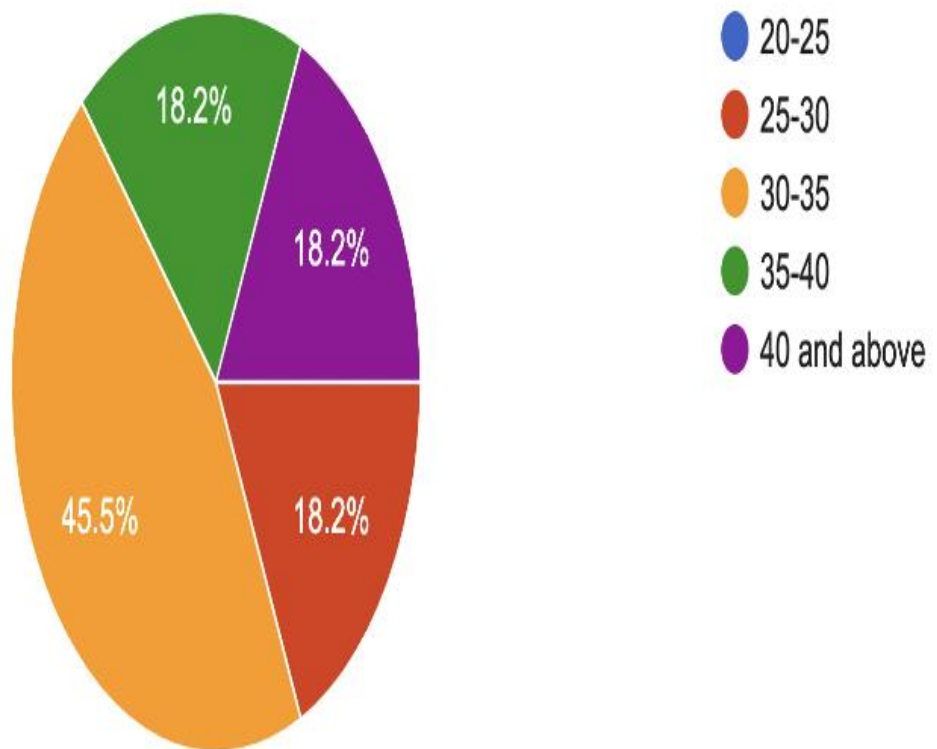
Tax or GST: Government has recently levied tax or charges on the payment of amount exceeding Rs. 2000.

Chapter-8 Results and Interpretation

7.1 Analysis of Awareness of UPI systems

7.1.1 Question No 1

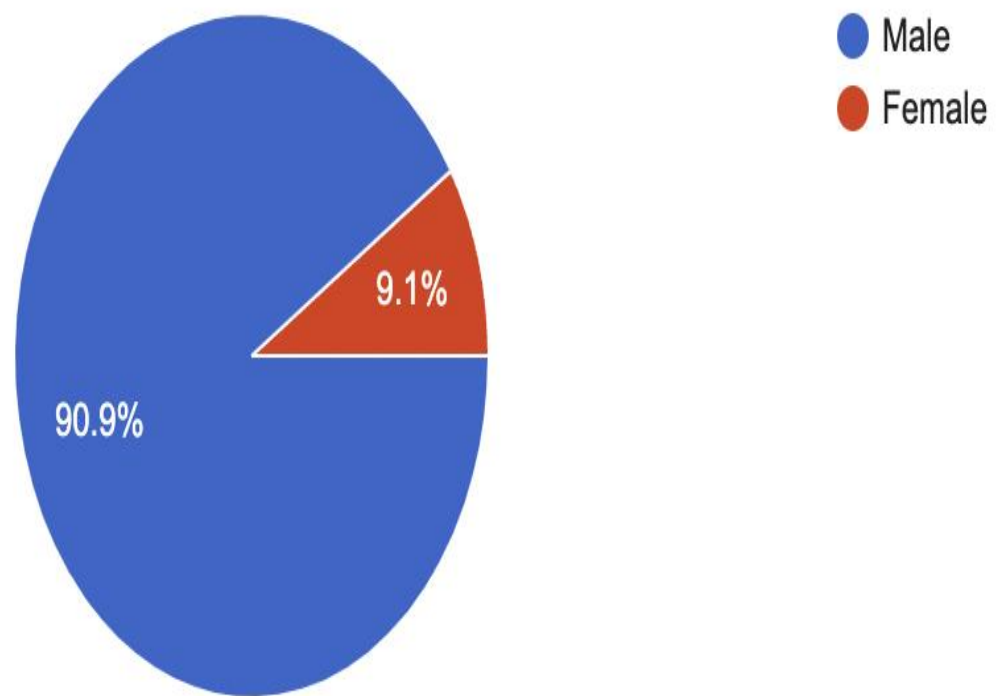
Age Group of participants involved in the survey



Most of the participants were between age group 30-35 years with almost 46%

7.1.2 Question No 2

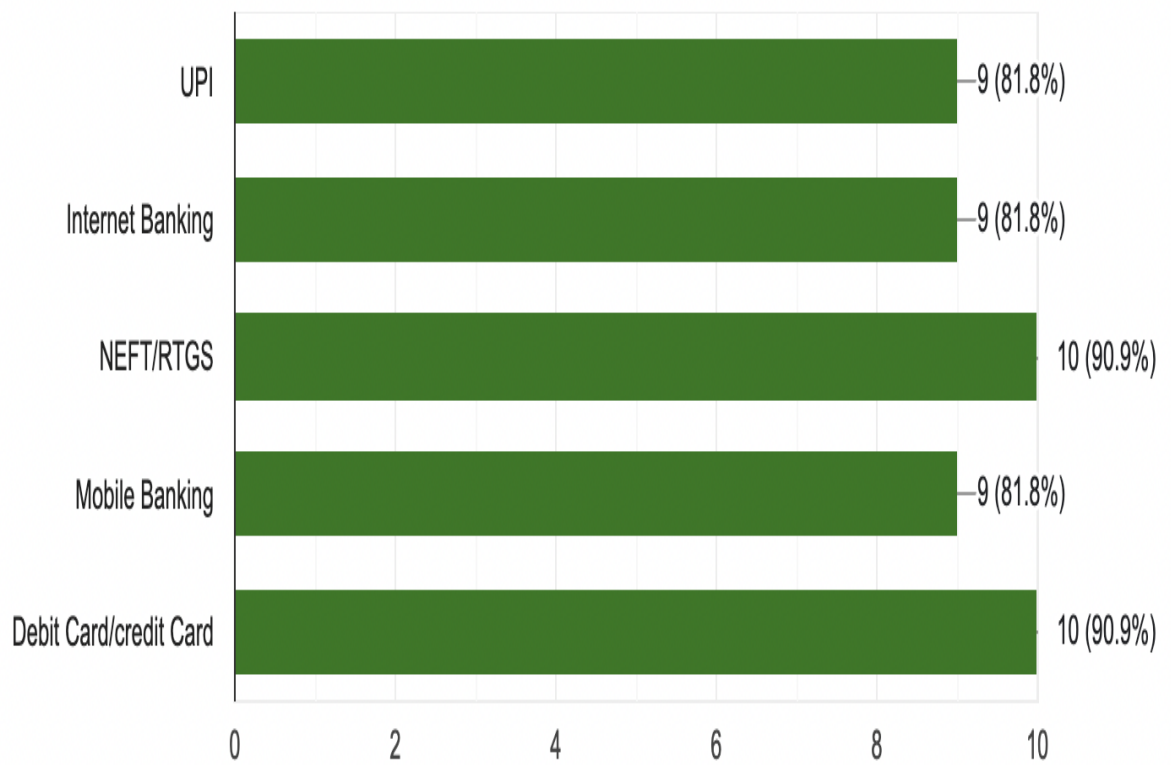
Gender



The majority of participants were male.

7.1.3 Question No 3

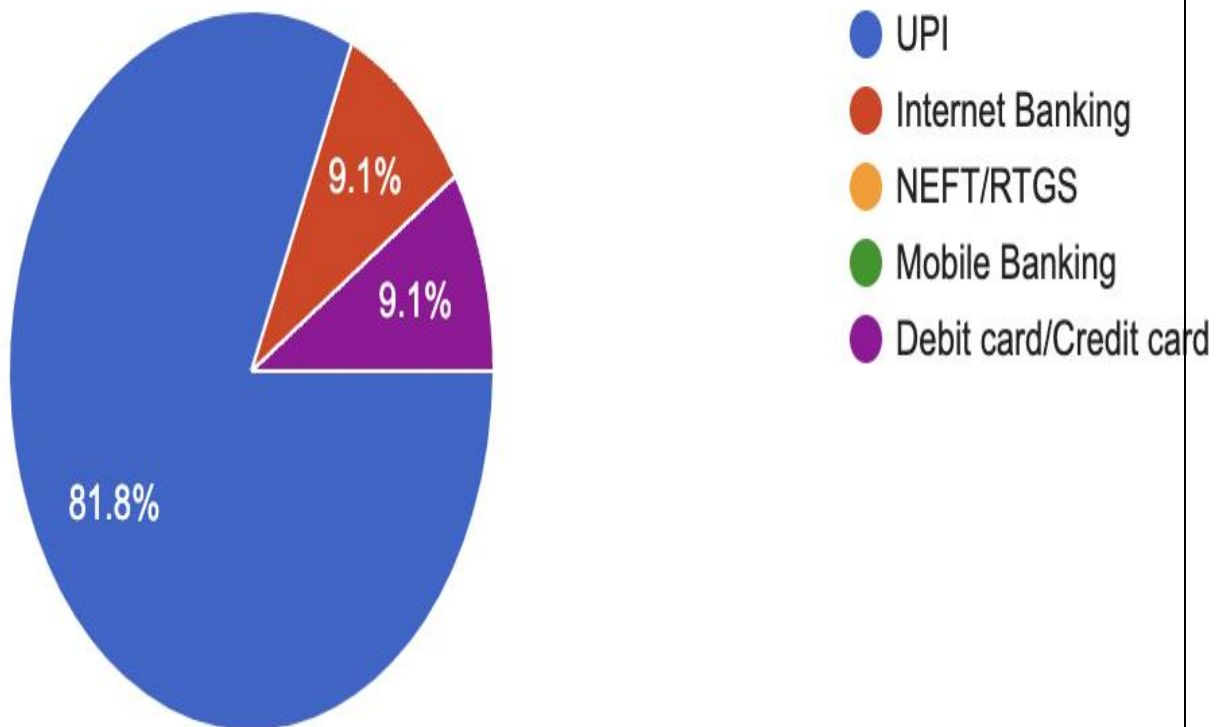
Knowledge about different modes of payment



Most of the people knew the different modes of payments.

7.1.4 Question No 4

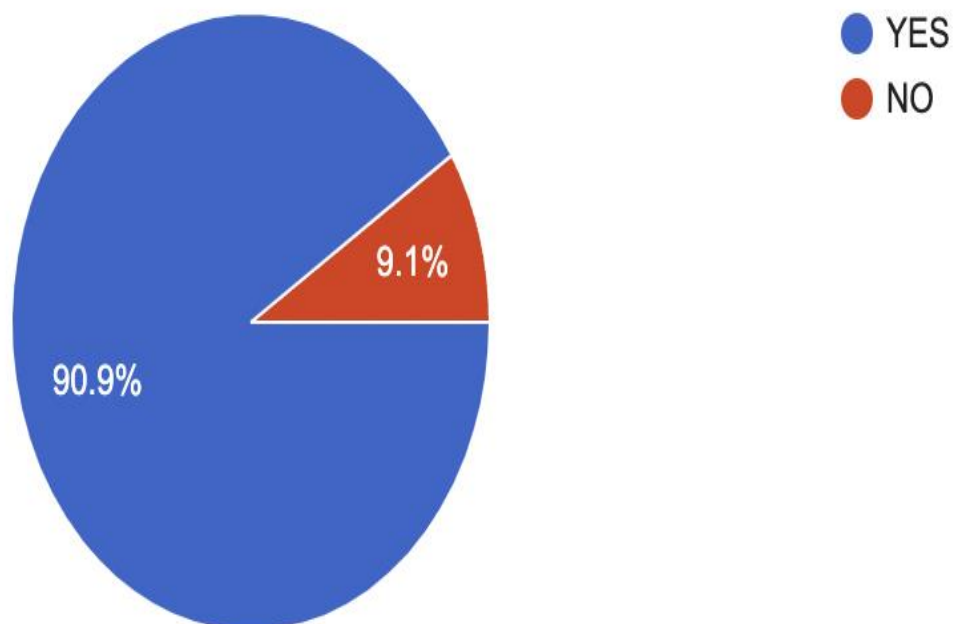
Most commonly Used method of payment



Here the most commonly used platform is UPI with 81.8% votes and thus it can be interpreted that UPI is very common name in India.

7.1.5 Question No. 5

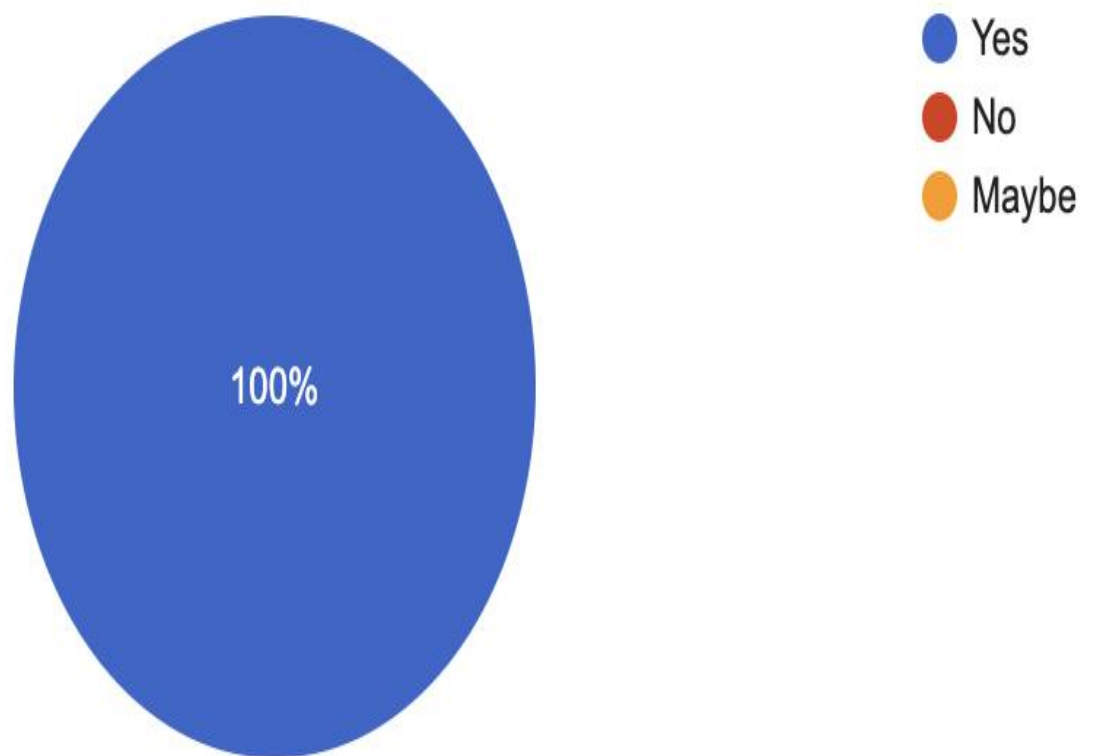
Is UPI convenient to use?



With almost 91% people considering UPI as convenient to use we can definitely say that UPI is easy to use any way more convenient to use than all other traditional methods of payment.

7.1.6 Question No 6

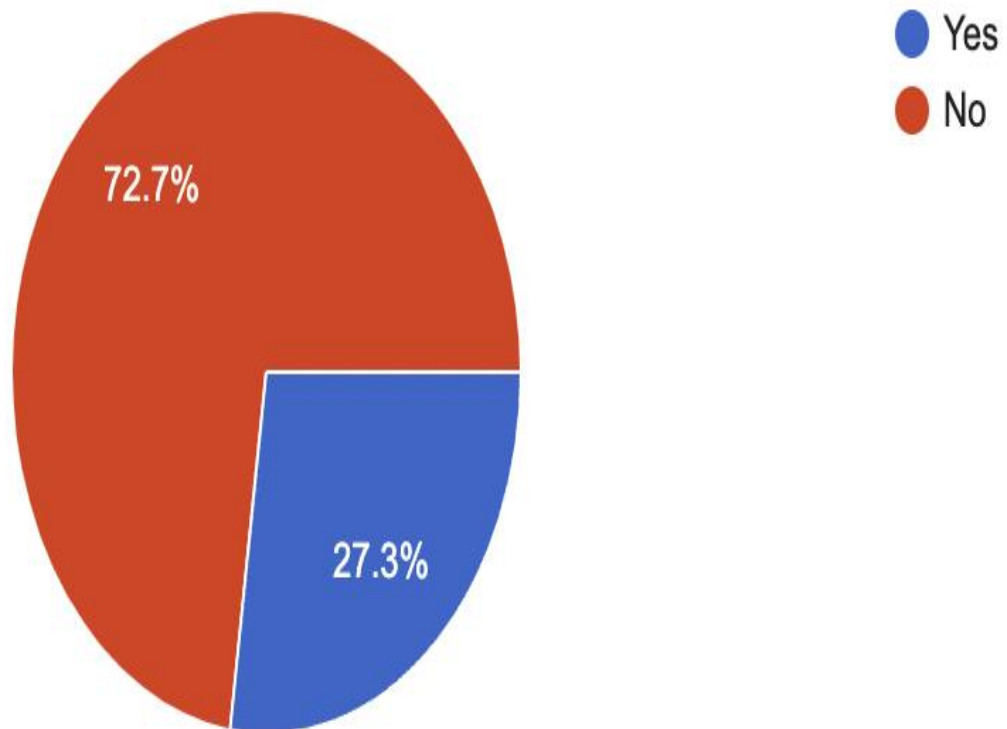
Does it provide flexible and easy tracking of spending?



With no doubts 100% people voted that it is easy to track spending through UPI. Thus UPI is not only easy to spend but also easy to track the spendings.

7.1.7 Question No. 7

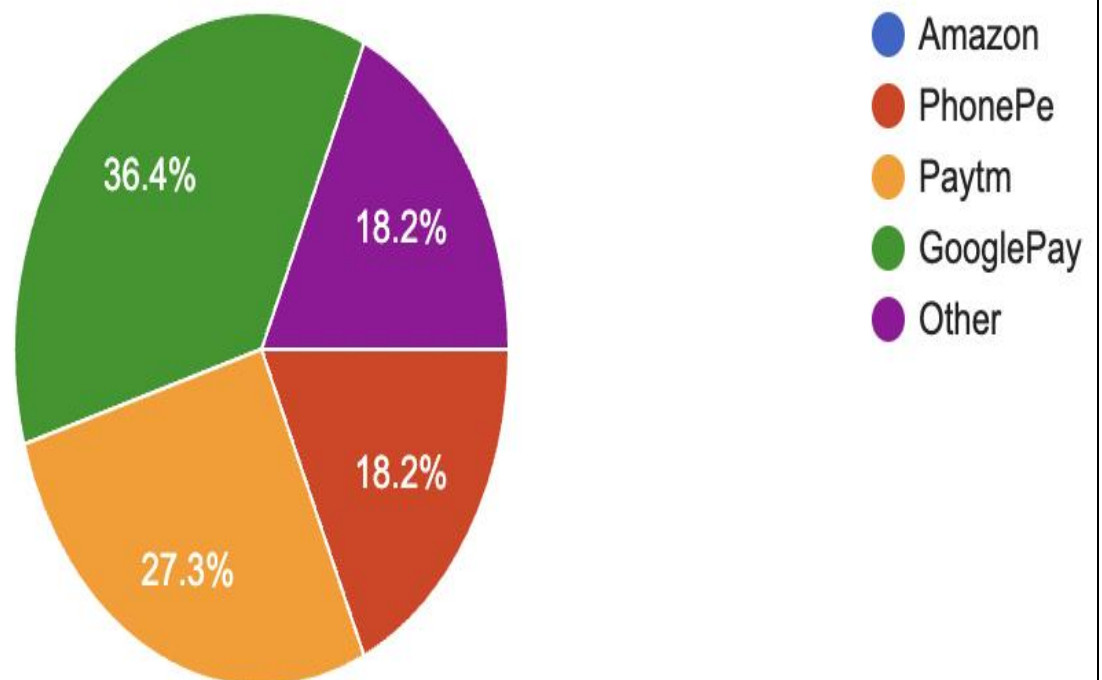
Whether Payment Failure is a common problem?



Though there are instances of payment failure which is a major drawback but still as per the survey it is not common and is improving day by day.

7.1.8 Question No 8

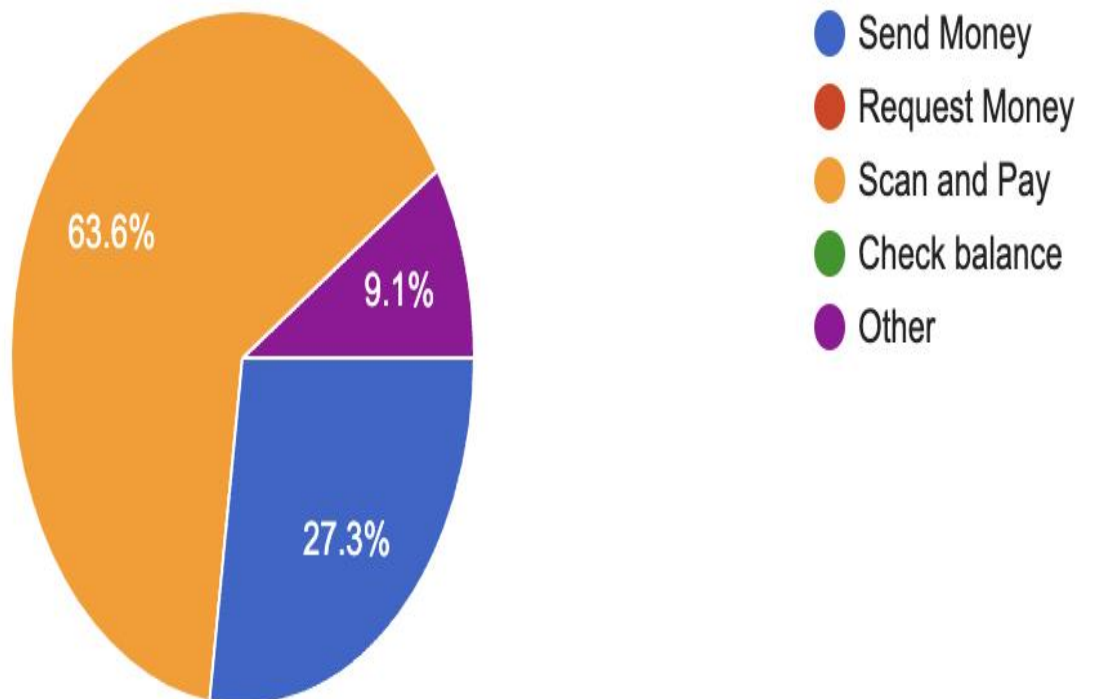
There are several Third party apps in the market the one used the most may be because of its features or other trade-offs. Which is the app mostly used by people?



Googlepay is the most used App. The second most commonly used app is Paytm.

7.1.9 Question No 9

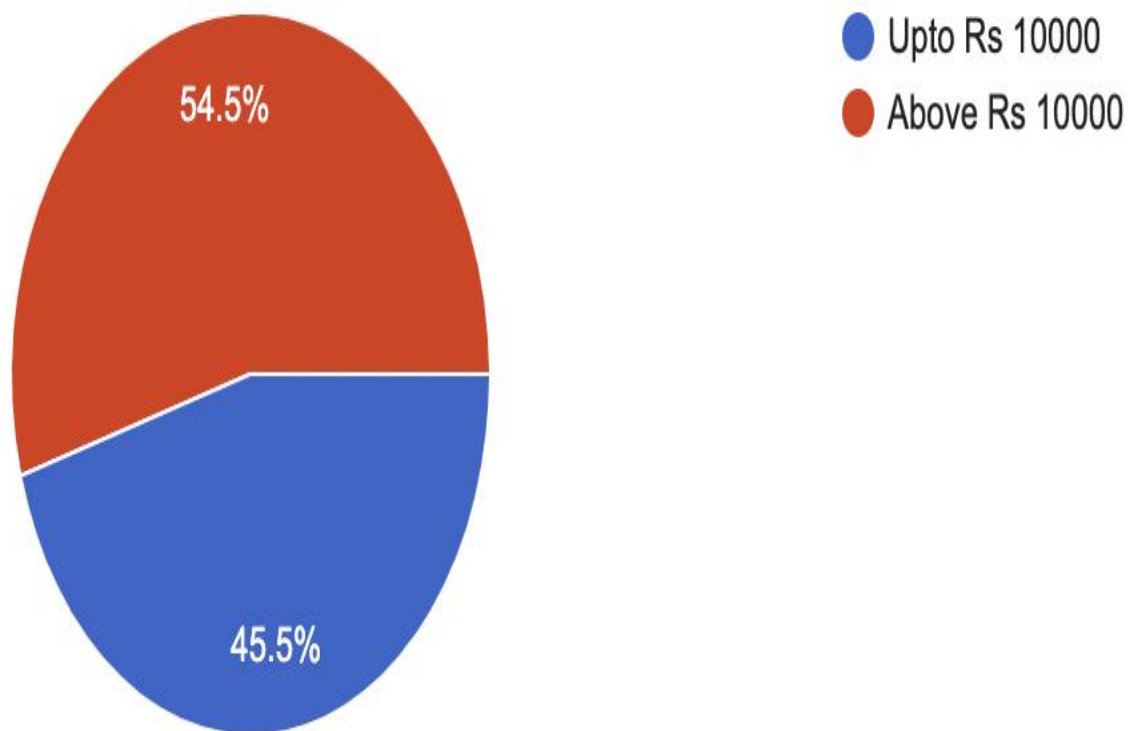
Most used feature of UPI



This survey makes it clear that people use UPI mostly to scan and Pay which is a easy way of payment where bank account is added to a UPI account and payment are done just by scanning a UPI QR of the receiver.

7.1.10 Question No 10

Average spending of any person in a month



The average amount a person spends on an average every month through UPI is above Rs. 10000/-. This shows that people find it not only convenient and trustworthy but has also involved it as a permanent mode of payment.

TABLE 1 t-Test: Two-Sample (male and Female) Male Female

	Male	Female
Mean	4.146031746	3.92
Variance	0.09058883	0.128820513
Observations	63	40
Hypothesized Mean Difference	0	
Df	73	
t Critical one-tail	1.665996224	
P(T<=t) one-tail	0.000722005	

From above table, it can be seen that the result of t test is significant and indicates that adoption of UPI system differs significantly in male and female. The result of analysis also shows, the absolute obtained T (cal) (3.311) value is more than absolute critical value of t (tab) (1.66), which implies that male and female differs significantly in the use UPI SYSTEMS and the hypothesis is accepted.

TABLE 2:

t-Test: Two-Sample (Young and Adult)		
	<i>Young</i>	<i>Adult</i>
Mean	4.033333333	4.102702703
Variance	0.11025641	0.128048048
Observations	66	37
Hypothesized Mean Difference	0	
Df	70	
t Stat	-0.968397438	
P(T<=t) two-tail	0.33618003	
t Critical two-tail	1.994437112	

From the above it can be see that the result of T test is significant and indicates age group significantly affects the use of UPI SYSTEMS. The result of analysis shows, the absolute calculated value of t(cal)(0.968) calculated is less than Critical value of t(tab) (1.99), which implies that respondents of young age group and old age group differs significantly in the adoption of UPI system hence the hypothesis is accepted.

Chapter-9

Implication Of Study

In this study we found out that though India has gone digital still there are various factors where the UPI needs to focus and develop such as:

If someone wants to send money without knowing the receiver's account details such as Account Number, IFSC code etc., the receiver should be registered with the UPI app through their mobile number only then is it possible to send money through UPI. Payment failure due to various reason such as server issue, network issue etc., is common in UPI payments thus it needs to develop so that there is permanent solution to such problem.

If any issue arises with UPI then there is no customer service number or helpline number to satisfy or resolve the problem instantly is not available till date.

UPI till date supports android users so there is a problem for non-android users

As UPI is still in its initial developing stage and most of the banks in India are utilising this it suffers from problem such as frequent server issue.

Digital literacy is an important factor to reduce the frauds which is very less among Indian users thus UPI.

Data Internet connection is required for using UPI but in India there are still places where people don't get 3G or 4G connection.

The various benefits found in this study are as below;

- A single application can be used to operate different bank accounts.
- Single click authentication is also available
- Using Virtual ID is more secure
- Customers need not carry Debit/Credit card.
- Easy complaint could be raised through app.
- Suitable for any type of E-com or M-Com transaction
- Customer's virtual address such as card details need not be stored.

Chapter-10

Suggestion of Study

Unified payments Interface (UPI) is one of the most large disruptions in the payments industry in India. as with all new era, problems persist until UPI will become strong. It is expected that playing cards might be history within upcoming five years. until then, playing cards are possibly to co-exist with cellular bills till the latter turns into mature, reliable and scalable. cards may additionally nevertheless stay as legacy worldwide standard till international requirements on mobile bills evolve. in the meantime, in response to UPI's upward push, we've got VISA and Masterpass. in the first segment, UPI is constrained to banks and its companions. The current controversy involving PhonePe and ICICI bank has tested that not all banks are in reality eager on partnerships as this implies dropping territory to startups and private players. inside the contemporary layout, PSPs (i.e., banks) can supply a separate API to everyone to build UI and for restrained capability (collect alone) apps. there's also a passing mention approximately beginning up UPI for unbiased developers.

UPI as a platform ought to additionally mature technically before opening up layers for developers. This is crucial so that clients don't get uncovered to the beta-platform. A majority of virtual transactions in India is fulfilled through UPI.

in line with a latest KPMG record, the worldwide virtual payments market is predicted to touch \$10.07 trillion via 2026. From close to 1.5 million locations accepting digital payments in 2016-17, the quantity of traders accepting virtual payments modes has increased to over 10 million. The path to achieving these numbers lie within the hinterlands, where the loads still pay in cash and use

function phones that limit on line transactions. converting offline payments to online mode might be important in achieving this increase. the name of the game sauce in the back of digitisation is the rapid adoption of technology that turns into a answer simplest after it solves a specific mission. UPI has been hailed because the destiny of virtual payments in India, a solution that's adding newness, stirring an uprising of new global order in payments

CONCLUSION

UPI evolved the m-price era by using facilitating mobile cell phone for use as a primary payment tool for giving and accepting payments. In contrast to all of fee structures it is able to be say that UPI is the maximum advanced fee device within the world. UPI charge gadget permits money transfer between any bank money owed by using the use of a clever cell phone. It lets in a patron to pay without delay from a financial institution account to one of a kind merchants, each on-line and offline, without the hassle of typing credit card information, IFSC code, or net banking/wallet passwords. It aims to simplify and provide a single interface to money transfers smooth, quick and hassle free. those capabilities of UPI motivates the respondents of service sectors to undertake the device and the above have a look at discovered that there additionally a huge difference determined among the gender closer to the adoption of UPI. the use of smart phones, the supply of an online verifiable identity, standard get right of entry to banking and the advent of biometric sensors in telephones will proactively encourage UPI Transactions and findings found out that the respondent have advantageous attitude in the direction of the UPI transaction for ushering in a much less-cash society in India.

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