

Unified Payment Interface a Digital Revolution in India

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Abstract- Recently, it has been observed that more and more people are shifting towards modern ways of furnishing payment during this era of digital revolution and the Unified Payment Interface, i.e., U.P.I has paved way for digital economy very efficiently with the evolution of it the speed of economic transactions have increased a lot which is evident these transactions are being made very frequently for day to day courses and many companies have also come into existence after this revolution in India. In this paper, 120 respondents were surveyed through the questionnaire, which also tells about their awareness regarding making digital payments and other things.

Index Terms- Digital Economy, Digital Payments, Smart Phone, Digital Currency, Purchasing Power.

INTRODUCTION

As per data provided by the Government of India, the number of transactions after the evolution of Unified Payment Interface, i.e., U.P.I has been increasing tremendously, and people belonging to the different sections of the society are making digital payments on high and are trying to accept the modern changes which was also evident during the covid-19 pandemic

The National Payments Corporation of India had developed The Unified Payment Interface and launched it on 11th April 2016 N.P.C.I had conducted its pilot launch with around 21 member banks by Raghuram G Rajan, the then Governor, Reserve Bank of India at Mumbai, Maharashtra, the Banks started to uploading their U.P.I. enabled Mobile Applications on Play Store and Apple Store starting from 25th August, 2016.

By supporting multiple bank accounts into a single mobile application of any participating bank merging different kinds of banking features such as seamless fund transfers on demand, merchant to merchant transactions, merchant to consumer transactions into one place Unified Payment Interface, i.e., U.P.I. also caters to collect peer to peer requests, which can be kept on schedule and can be paid as per convenience and requirements.

For using the Unified Payment Interface, i.e., U.P.I first of all the user needs to have a Smartphone on which the U.P.I application has to be downloaded from the Banks website and Play Stores in which after installing the user needs to create his Profiles U.P.I id and QR code and has to set a secure password after fulfilling certain formalities and at the end they get U.P.I pin and the user can also change it afterwards and after a certain period of time.

REVIEW OF LITERATURE

The Study has revealed that how the introduction of the Unified Payment Interface i.e U.P.I in the Nation has increased the general purchasing power of the people in the nation and has drastically increased the consumption and how after demonetization in december 2016 more and more people started shifting from using paper money to digital currency and during the covid-19 pandemic using it had also became need for almost everything.

OBJECTIVE OF THE STUDY

- To study the view of people towards the use Unified Payment Interface in Lucknow.
- To analyze how Unified Payment Interface i.e U.P.I has influenced the general purchasing power of the people in
- To analyze the problems faced by the people while using the Unified Payment Interface.

SCOPE OF THE STUDY

After the invention of smartphones various other innovations also took place which not only reduced manual load of work and maintenance but also reduce time loss and increased the working speed and mechanism and especially smartphones have become a integral part of life as earlier mentioned people had to keep lots of records manually and have to maintain them accordingly which was hectic but now due to smartphones this task has become easy for real which is evident most of the people have started using Unified Payment Interface i.e U.P.I in their daily day to day courses of transactions but they are also facing problems of delayed payments, stricking of payments, payment failures, frauds and lack of security and banks are trying their best to tackle these problems and are improving their management and digital infrastructure.

The Reserve Bank extended its efforts towards enhancing the efficiency of the payments ecosystem along with targeted initiatives focused on customer centricity, cyber security, and digital deepening. The Payments Vision 2025 document was released during the year with the aim of strengthening payment systems by leveraging on the initiatives undertaken during the last vision period (2019-21). The Reserve Bank also stayed focused on its endeavour to ensure round the clock availability of Information and Communication Technology (ICT) infrastructure for the smooth functioning of its IT systems and applications. Efficient payment and settlement systems increasing the pace of economic growth and development, promoting financial stability and supporting financial inclusion. Ensuring reliable, accessible, affordable, safe and secure, and efficient payment systems that has been one of the most important strategic goals of the Reserve Bank of India, which should be achieved anyhow by making efforts efficiently.

Towards the achieving these objectives, the role of the Reserve Bank of India has transformed from being a supervisor and regulator, operator and facilitator to that of a creator of friendly environment for the systematic and structural development of the payments eco-system in India. Payments Vision documents released by the Reserve Bank have provided strategic direction and implementation plans to drive this transformation since 2001. The Payments Vision 2025 a document that was released during the year carries the Payments Vision 2019-2021 and gives an outline to the thought process for the period up to December 2025. Moreover, the evolving situation may warrant the launch of new initiatives in addition to those specified in the Payments Vision 2025 document. The focus of the Department of Information Technology (DIT) during the year remained on cyber resilience through the implementation of a new advanced firewall solution across the Reserve Bank, initiative for upgradation to next generation Integrated Security Operation Centre (iSOC) for further strengthening cyber security infrastructure and also launch of the 'National Cyber Security Awareness' campaign in October 2022. An attempt has been made to study and analyze the view of people towards the Unified Payment Interface.

RESEARCH METHODOLOGY

There were 120 respondents who were surveyed by distributing questionnaire between them by applying sampling method and both the primary and secondary information have been used in this study and the study is mostly based on primary information and secondary information which have been collected from various other sources such as websites and magazines and these informations which have been collected are thoroughly analyzed.

RESEARCH RESULT

The study revealed that most of the respondents have been using Unified Payment Interface mostly in their day to day transactions and mostly had learnt its use during the covid-19 pandemic they have accepted that its evolution has increased their purchasing power as they have direct access to their bank account which provides them vast options for making payment and making digital payments enabled faster payment transfer and thus helps to access to a wide range of goods and services and since everybody knows that the money commands the general purchasing power of an individual and yes it has influenced it and people are spending limitlessly and it also depends upon several other factors such as consumer effect, demonstration effect, consumer credit policy and etc.

And the respondents have mostly have been using Unified Payment Interface through the application provided respectively by their banks ven if they face technical glitches as they believe more on it and have security concerns and only some of the respondents have been using the third party applications.

Most of the respondents have also accepted that the factors like cashback offers, cashback points, rewards, coupons, discounts vouchers have been influencing them which provokes them for making more and more expenses daily and have increased their purchasing power.

The respondents have also accepted that even though they have shifted more towards using the Unified Payment Interface but they still use paper money as there are several factors due to which the Unified Payment Interface does not works such as network failures, technical glitches, server problems and lacking of several other needy features.

The respondents have also told about the problems they have been facing while using the Unified Payment Interface which was mostly server problems, technical glitches, application crashes, delayed payments, striking of payments, failures of payments which needs to be tackled.

The respondents have also mentioned that more and more awareness regarding the Unified Payment Interface must be created among the general public of the country as mostly are still unaware and they commit mistakes while using the Unified Payment Interface and suffer several losses and security must be increased in order to prevent fraudulent activities and sometimes they have also faced these issues.

CONCLUSION

The Unified Payment Interface i.e U.P.I is getting acceptance as the most common mode of payment, and in the near future, it will be getting an important share as a mode of payment for both online as well as offline business. One of the main reasons as the study indicated for the low preference of using Unified Payment Interface i.e. U.P.I for some people is tendency of people to do not move out of comfort of using traditional mode of payments, privacy policy concerns and threat to security. Unified Payment Interface users give a very high level of importance to the factors such as security and privacy policy concerns. Some of the big problems which have been frequently encountered by the respondents while using Unified Payment Interface were the transactions taking long time for processing, breach of security, and delayed payments. Therefore, using of the smartphones for settling payments and other transactions, fund transfers, purchasing of goods or services and making bill payments, etc can be adopted by the public. The study has founded that the trust is the main factor affecting users' satisfaction directly, and it impacts many users' intention to adopt it. The Unified Payment Interface needs to reach even the marginalized areas, and for it, awareness must be created for it. And for security concerns Enabling of geotagging of digital payment infrastructure and transactions must be done. guidelines for Prepaid Payment Instruments (PPIs), including closed system PPIs, must be revisited. framework for regulation of all significant intermediaries in the payments ecosystem must be considered. Doing enhancements by bringing Cheque Truncation System (CTS), also including of the One Nation One Grid clearing and settlement perspective, must be ensured. Extend Internal Ombudsman Scheme to all PSOs must be done. Supporting an increase in market trading and settlement hours must be done. Upscaling customer outreach and awareness activities must be conducted. Revisit scope and usefulness of Payments Infrastructure Development Fund (PIDF) scheme must be brought. An attempt towards the regulation of FinTechs and the BigTechs in the payments space must be made for urgent basis. Continuing of the endeavor for collecting and publishing the granular, disaggregated payment systems data must be done. Making of the payment systems more inclusive must be ensured. Undertaking the evaluation of charges for all

payment systems must be ensured. Coordinating the migration of government receipts and expenditures to the digital mode must be increased at par. Facilitating the framework for Internet of Things (IoT) and the context based payments must be made. credit cards and credit components of banking products must be linked to the Unified Payment Interface i.e. U.P.I. So more and more people may adopt the Unified Payment Interface without having any problem.

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