



STUDY OF UTILITY OF UPI PAYMENT SYSTEM TOWARDS PAYMENTS FOR DAILY NEEDS, UTILITY BILLS AND FUND TRANSFER BY THE PEOPLE OF KARNAL DISTRICT OF HARYANA.

Dr.Rajeev Kumar Gupta,
Associate Professor Commerce,
S.U.S.Govt.College Matak Majri, Indri (Karnal) Haryana

ABSTRACT

Unified Payment interface (UPI) is an instant real time payment system developed by National Payment Corporation of India (NPCI). Unified Payment interface (UPI) is a system that powered multiple Bank accounts into a single mobile application, merging several banking features, seamless fund transfer and merchant payment into hood. It also caters to “Peer to Peer” collect request which can be scheduled and paid as per requirement and convenience. For the study of UPI payment system towards payments for daily need, utility bills and fund transfer by the people a 5 point consumer satisfaction level scale prepared for getting information from randomly selected respondents of Karnal district of Haryana and found that UPI Payment System is very popular among the people due to its unique features and results indicates that 78 to 88 percent of the respondents were highly satisfied regarding its utility ,speediness and 24x7 anytime/anywhere fund transfer facility.

Keywords: Unified Payment Interface, Single mobile app, unique payment system.

INTRODUCTION:

The Digital India Program is a flagship program of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. Promotion of digital payments has been accorded the highest priority by the Government of India to extent digital payment services to every segment in the country. The vision is to provide digital payments facilities to all citizens in convenient, easy , affordable, quick and secured manner. Now a days UPI is most popular digital payment system in India because its simplicity, safe and secure manner of payment along with transparency without no extra cost.

Unified Payments interface(UPI) is an instant real time payment system developed by National Payments Corporation of India. Unified Payment interface (UPI)is a system that powered multiple bank accounts into a single mobile application, merging several banking features, seamless fund routing and merchant payments into the hood. It also caters to “Peer to Peer” Collect request which can be scheduled and paid as per requirement and convenience.

With the above context in mind NPCI(National Payment Corporation of India) conducted a pilot launch with 21 members banks. The pilot project launch was on 11th April,2016 by RBI Governor at Mumbai. Banks have started to upload their UPI enabled apps on Google play store from 25th August,2016 onwards.

How it is unique?

- Immediate money transfer through mobile device round the clock 24x7 and 365 days.
- Single mobile application for accessing different bank accounts.
- Seamless single check payment.
- Virtual address of the customers for Pull and Push provides for incremental security with the customers not required to enter the bank account details.
- QR Code Scan and pay facility
- Best answer to Cash on Delivery hassle, running to an ATM or rendering exact amount.
- Merchant payment with single application
- Utility bill, payments over the counter payment, QR Code(Scan and Pay) based payments.

*Associate Professor Commerce, S.U.S. Govt. College, Matak Majri, Indri (Karnal) Haryana

Participation in UPI :

- Payer PSP
- Payee PSP
- Remitter Bank
- Beneficiary Bank
- NPCI
- Bank account holders
- Merchants

What makes UPI a secure platform ?

UPI is based on 2 factors Authentication with a seamless single check payment. This features of UPI is aligned with the regulatory guidelines that make it safest. 2 Factor Authentication is quite similar to OTP. Here MPI will be used instead of OTP.

Nadan Nilekani NPCI advisor assures that the security is fool proof with UPI as the transaction will happen in highly encrypted format.

The following tables indicates the popularity of UPI in India.

TABLE 1: USE OF UPI AS DIGITAL PAYMENT SYSTEM (FROM 2017-18 to 2021-2022)

Financial year	Digital Tran sanction(UPI)	Increase percentage
	Volume in Crores	(2017-2018 as base)
2017-2018	2071	
2018-2019	3134	51.32
2019-2020	4572	45.88
2020-2021	5554	21.47
2021-2022	8840	59.16

Source: NPCI website.

The table clearly indicates popularity of UPI from 2017-2018 , 2071 crores to 8840 crores in 2021-2022

It indicates in 5 years duration the number of UPI is almost 4 times.

METHODOLOGY:

To study the utility of UPI payment system (digital payment) towards daily needs of the people of Karnal District of Haryana. For this purpose 100 males and 100 females were randomly selected and to analyze the popularity of UPI digital payment system. For this users satisfaction scale was designed to collect the information for finding out the result towards its popularity and utility and other features utility towards daily needs of the people.

RESULTS AND DISCUSSION:

The main objective of this study to examine the utility of UPI payment system for people regarding fulfillment of their daily needs without using cash. For examine the usefulness and other factors 200 respondents were randomly selected from Karnal District of Haryana and out of these respondents 40+45 = 85 percent of the respondents were satisfied and highly satisfied for using of UPI payment because it is very sample in use. 5 percent of the respondents were not satisfied and 2 percent were highly dissatisfied due to network connectivity and belongs to remote areas and 8 percent were neutral opinion.

On the statement of secure and safe way regarding UPI payment, 38 percent respondent were highly satisfied and 40 percent were satisfied and 9 percent were not satisfied regarding security and safety measure of UPI and 5 percent were highly dissatisfied and 8 percent were neutral in this regard.

Regarding speed of UPI transaction 42 percent of the respondents were highly satisfied followed by 45 percent of satisfied respondents. 3 and 2 percent respondents were not satisfied and highly dissatisfied regarding this issue and 8 percent of the respondents had no opinion or neutral opinion in this regard because they were not opt UPI .

Regarding use of UPI anytime/anywhere feature 45 percent respondent were highly satisfied while 40 percent were satisfied and 5,3,7 percent respectively were not satisfied, highly dissatisfied and neutral opinion on this issue.

Regarding No extra cost, transparency, just scan and pay, not to carry cash all the time, fulfillment of all daily needs 40 to 43 percent respondents were highly satisfied and 43 to 48 percent were satisfied and 4 to 5 percent were not dissatisfied and 2 to 4 percent were highly dissatisfied and 5 to 8 percent were neutral opinion.

Regarding use of UPI for transfer of funds without bank accounts details is more popular feature of this digital payment tool and in this regard results shows that 42 percent respondents were highly satisfied followed by 45 percent of satisfied and out of the remaining 4 percent were not satisfied,3 percent were highly dissatisfied and remaining 6 percent were neutral in this regard.

UPI using for funds transfer in many ways like investment in mutual funds, stock market, IPO, bonds, debentures and many more ways to use this tool.

TABLE 2: Table Showing UPI Satisfaction Level among selected respondents in frequency and percentage.

Statement	Satisfaction Level					
	High Degree	Satisfactory	Total	Not Satisfied	Highly Dissatisfied	Neutral
	(i)	(ii)	iii - (i+ii)	(iv)	(v)	(vi)
1. UPI Payment System is popular						
Because it is easy to use	80 (40)	90 (45)	170 (85)	10 (5)	4 (2)	16 (8)
2. Because it is Secure & safe	76 (38)	80 (40)	156 (78)	18 (9)	10 (5)	16 (8)
3. Because it is Speedy Transaction	84 (42)	90 (45)	154 (87)	6 (3)	4 (2)	16 (8)
4. Because it is Use anytime/ Anywhere	90 (45)	80 (40)	170 (85)	10 (5)	6 (3)	14 (7)
5. Because it is No extra cost	80 (40)	96 (48)	176 (88)	10 (5)	4 (2)	10 (5)
6. Because it is More transparent	86 (43)	84 (42)	170 (85)	8 (4)	8 (4)	14 (7)
7. Because it is Just scan & pay	86 (43)	86 (43)	172 (86)	8 (4)	8 (4)	12 (6)
8. Because it is Not to carry cash Everytime	84 (42)	86 (43)	170 (85)	8 (4)	6 (3)	16 (8)
9. Because it is Useful for payment of daily needs	80 (40)	92 (46)	172 (86)	8 (4)	6 (3)	14 (7)
10. Because it is Useful for transfer of Funds without Account details	84 (42)	90 (45)	174 (87)	8 (4)	6 (3)	12 (6)

CONCLUSION:

It is found from the above study that UPI payment system is very popular among the people due to its unique features and results indicate that 78 to 88 percent of the respondents were satisfied and highly satisfied regarding its utility, speediness, security, and anywhere/anytime and fund transfer features and only 7 to 10 percent were highly dissatisfied or dissatisfied and remaining 5 to 8 percent were neutral in this regard because they do not opt this technology due their personal reasons.

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