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A Study On Digital Payments System And Perception In Indian Context

Sujith.C : Assistant Professor of Economics, Government Brennen College, Thalasserry

Abstract

The paper is an attempt to provide an overview of the digital payment transactions in India and to examine consumer perception of digital payment system. It also analysed the socio economic background of the online payment users, influence of technology on the usage of digital payment methods and the behavioral aspects of spending of the people in the online payment system.

Digital payments in India have been experiencing an exponential growth. Digital payment methods rapidly gained popularity in recent years due to its convenience, time saving, speed in the service delivery and ease of use. Consumers tend to prefer digital payments due to variety of reasons, including security, speed, and accessibility. However digital illiteracy, digital payment frauds, lack of privacy protection, non-acceptance of digital payment methods are major hindrances in the growth of digital payments. Access to and usage of technology and banking facilities influence the preference of digital payment methods. Majority of the people prefer both cash and digital payment methods for spending. Due to various digital payment frauds people argues that it is less safe and not protecting the privacy, these leads the people not to completely depending on the digital payment methods for making transactions. Despite the many benefits of digital payments, there are also real security concerns that must be addressed. From data breaches to phishing scams to fraudulent activities and malware attacks, these security issues of digital payments pose a significant risk to individuals and businesses alike. As we increasingly rely on digital payments to handle our financial transactions, we must take steps to ensure that these transactions are secure.

Key words: Digital Payments, Financial Inclusion

1.0. Introduction

The economic development of any country depends upon the existence of a well organized and efficient financial system. Now, the digital sectors of financial system are making financial services more efficient because it has the potential to lower costs by maximizing economies of scale, to increase the speed, security and transparency of transactions and allow for more tailored financial services that serve the poor. Digital payments are transactions that take place via digital or online modes, with no physical exchange of money involved. This means that both parties, the payer and payee, use electronic mediums to exchange money. A digital payment sometimes called an electronic payment, is the transfer of value from one payment

account to another using a digital device such as mobile phone, POS (Point of Sale) or computer. The digital finance promote the nation's economy by providing convenient access to a wide range of financial products and services to individuals, small, medium and large businesses. Digital technologies have advanced more rapidly than any innovation in our history. By enhancing connectivity, financial inclusion, access to trade and public services, technology can be great equalizer

The Digital India programme of government of India lead to growth of digital payments in the country. Digital India is a flagship programme of government of India with a vision to transform India into a digitally empowered society and knowledge economy. The program was launched on July 7, 2015 by Hon' Prime Minister Shri Narendra Modi. Digital payment transactions have been consistently increasing over the past few years, as a part of the government of India's strategy to digitalize the financial sector and economy. Further, concerted efforts have been made to promote financial inclusion as one of the important national objectives of the country. The key enabler at the center of India's transformed digital payment landscape is the JAM Trinity – Jan Dhan, Aadhaar and Mobile. Pradhan Mantri Jan Dhan Yojana (PMJPY) is one of the biggest financial inclusion initiatives in the world, launched in august 2014, to provide universal banking services for every unbanked household. One of the major objective of digital India is to achieve "faceless, paperless, cashless" status. The vision is to provide the facility of seamless digital payment to all citizens of India in a convenient, easy, affordable, quick and secured manner.

1.1. Digital Financial Services (DFS)

All financial transactions done using a digital device are called digital financial services. There is a range of such services offered by banks and other institutions. Digital Financial Services (DFS) is the set of financial services accessed and delivered through digital pathways (Kumar, Mishra, & Saha 2019). The digital financial services concept includes mobile financial services. In this context, the term "digital channels" refers to the internet, mobile phones (both smartphones and digital feature phones), ATMs (Automated Teller Machines), chips, electronically enabled cards and any other digital system (Begum, 2018). Digital finance allows individuals and business to make seamless transaction across all parties.

In developing economies the share of adults making or receiving digital payments grew from 35 percent in 2014 to 57 percent in 2021- an increase that outpaces growth in account ownership over the same period. 84 percent of account owners or 64 percent of adults around the world- made or received at least one digital payment. In high- income economies, 98 percent of account owners (95 percent of adults) did so, compared with 80 percent of account owners (57 percent of adults) in developing economies. As defined, digital payments include the use of a mobile money account, a debit or credit card, or a mobile phone or the internet to make a payment from an account, or the use of a mobile phone or the internet to send money to relatives or friends or to pay bills. Digital payments also include in-store or online merchant payment; paying utility bills; sending or receiving domestic remittances; receiving payments for agricultural products; or receiving wages, government transfers, or a public pension directly from or into an account. In developing economies, the share of adults making or receiving digital payments has grown rapidly in recent years and rose by 13 percentage points between 2017 and 2021, from 44 percent to 57 percent. In 2014, the share was 35 percent. Indeed, growth in the use of digital payments outpaced growth in account ownership in developing economies:

the share of account owners making or receiving a digital payment increased to 80 percent in 2021, up from 69 percent in 2017 and 63 percent in 2014 (Klapper & et.al, 2021).

1.2. Demonetisation and Digital Transactions

In an affidavit submitted to the Supreme Court in November 2022, Government of India (GOI) said the policy initiated in November 8, 2016-sudden cancelling of all Rs.500 and Rs.1000- banknotes resulted in an increase in digital payments, enabled income- tax authorities to detect unaccounted income. After the withdrawal of two currency notes, the affidavit stated, the volume of digital payment increased many fold. From 1.09 lakh digital transactions of value Rs 6,952 crore in 2016, the volume shot up to more than 730 crore. Transactions worth Rs12 Lakh crore were done in a single month during October 2022. Demonetisation led to an acute shortage of cash in the economy which in turn led to an increased acceptance of dealing in digital money. According to the reports released by RBI, total credit card outstanding surged by 39 percent from September 2016 to September 2017. Prior to demonetization, digital payments accounted for about 10 percent of all transactions in India. Demonetization adversely affected the performance of various industries in January- March 2017 but for some industries, it had positive implications. All payment systems such as RTGS (Real Time Gross Settlement), NEFT (National Electronic Funds Transfer), NACH (National Automated Clearing House), IMPS (Immediate Payment service), PPIs (Prepaid Instruments), and Mobile banking have seen showing an upward growth from November 2016 to December 2016 when prevailing currency was taken back by the government in November 2016. The growth rates for the same period are 12.18%, 35.16%, 30.30%, 45.92%, 54.46% and 29.48% respectively. PPIs is the only payment instruments among all other components which has shown consistent increase in its volume of transactions during the entire period of pre and post demonetization. It rose from 70.95 million in May to 97.07 million in September and then reached to 169.03 million in November 2016 when demonetization took place. By the end of April 2017, it reached as its peak of 352.23 million (Kumar, Singh, & preeti, 2021).

1.3. Covid-19 pandemic and Digital Transactions

Covid-19 pandemic has also led to an increased use of digital payments. In the pandemic situation, individuals are forced to maintain a physical distance, digital payments are actually being adopted. Many business shattered completely after the arrival of the coronavirus. Small merchants further closed their shops. Many people across the globe have lost their sources of income. Digital payments in India have risen during the pandemic period. The outbreak of the COVID-19 pandemic has disrupted various economies around the world in many ways. It has affected the Medical, Education, Manufacturing, Tourism, IT communication and Banking sectors. The digital financial services can be harnessed to respond to the COVID-19 shock, and the crisis has the potential to accelerate their development and use. The existing modalities for digital payments (debit/credit cards, internet banking, mobile-wallets, digital payment apps, etc.) have been increasingly used by households around the world. Hence, there has been a huge increase in the use of digital financial services after COVID-19.

1.4. Government Initiatives to Promote Digital Payments

The digital India programme is a flagship programme 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 extend digital payment services to every segment in the country. The vision is to provide digital payments facilities to all citizens in a convenient, easy, affordable, quick and secured manner. Ministry of Electronics & Information Technology, Digital Economy & Digital Payment Division has been entrusted with the responsibility of leading this initiative on 'Promotion of Digital Transactions including Digital Payments' Some of the initiatives taken by the government to promote digital payments are,

- **DIGIDHAN Mission:** It was set up in June 2017 for promotion of digital payments with the objective of Promotion of digital payments through all digital payment modes including UPI, USSD, IMPS, BHIM Aadhar Pay and Debit Cards, Ensuring security of digital payments ecosystem.
- **Digi VAARTA**: Digi Vaarta is launched to spread the awareness of a DIGIDHAN and also on the usage of BHIM app. As part of governments drive towards promotion of digital payments, Ministry of Electronics & Information Technology to promote digital payments the interaction with the citizens through SMS, the mobile app etc. promoted.
- **DIGI shala**: It is launched on DD channel to promote digital payments. It is a educational TV Channel for digital payments on DD free dish with aim to impart education related to the digital payment ecosystem.
- **Vittiya saksharta Abhiyan:** It is an initiative by MHRD to engage youth to use a digitally enabled cashless economy. All heads of higher educational institutions should plan for a cash less campus.
- **Digi Dhan Abhiyan campaign:** It is organized to promote cashless transactions and evolving and facilitating appropriate standards for efficient, affordable and secure digital payment services. The campaign will enable every citizen, small trader and merchant to promote digital payment in their everyday financial transactions.
- **Lucky Grahak Yojana and Digi Dhan Vyapar Yojana:** It offer cash awards to consumers and merchants who utilize payment instruments for personal consumption expenditures.
- **TDS Deduction at Source:** In order to discourage the practice of making business payment in cash, 2% tax deducted at source (TDS) will be levied on cash withdrawals exceeding Rs.1crore in a year from a bank account.
- **Use of Low-Cost Digital Modes:** Any business entity with annual turnover more than 50crore shall offer low cost digital modes of payments to their customers and no charges shall be imposed on customers as well as merchants. BHIM UPI, Aadhaar Pay, NEFT and RTGS can be used to promote less cash economy.
- **Digital Smart Cards**: Government officials made social security pension payments through digital smart cards which led to reduction in bribe.
- **Go Digital and get discounts on Insurance, petrol and Diesel:** 0.75 percent discount is give on petrol and diesel purchase if digital payment is made by e-wallets or debit cards or credit cards.

- **Discount on Rail Tickets**: People travelling by train by purchasing monthly tickets will enjoy a discount of 0.5% if tickets are purchased digitally.
- **INR 10 lakhs of Insurance**: People travelling long distances using Indian Railways will get travel insurance of Rs10 lakhs on unforeseen happening if tickets are purchased digitally.
- **Rupay Card from NABARD**: Those people who have kisan credit card can get rupay cards from NABARD.
- **10% discounts for highway tolls**: It can be availed when payments are made using digital payment mode.

1.5 Online Payment Apps

For making digital payments there exist many digital or online payment apps. Online payment apps are mobile based applications that allow users to make or receive payments digitally without using paper currency. These digital apps facilitate UPI (Unified Payments Interface) based super quick payments, which involves sending or receiving money or scanning a Quick Response (QR) code to pay an individual or a merchant. 10 best online payment apps in India are,

- **BHIM (Bharat Interface for Money):** Launched by and managed under the NPCI (National Payments Corporation of India). BHIM is a UPI (Unified Payments Interface) app just like Google pay, phone Pe etc. BHIM is managed by the same entity which launched the UPI Technology. We can create transactions between two banks and pay the money using a mobile number or VPA (Virtual Payment Address). It is one of the best online transaction apps in India.
- **Paytm (Pay through mobile):** One of the most successful Indian multinational financial technology company or online payment applications in the Indian fine tech industry. Paytm offers perhaps the widest range of options one could pay to; from mobile recharge to municipal tax, from electricity bills to school fees and much more. After demonetisation, paytm became an everyday thing for almost every Indian, especially among fast food stalls and vendors. . It is an e-commerce shopping website based in Noida, Uttar Pradesh, India. It started with mobile recharge and utility bill payments and today it has become a full marketplace and has around 100 million registered users. In a short span of time, it has managed to reach 60 Million orders per month. Paytm is a consumer brand of One 97 Communication (mobile internet company). As of January 2017, it has more than 13,000 employees and 3 million offline merchants across India
- **Amazon Pay**: Amazon Pay is a payment service offered by Amazon that allows users to pay for purchases on websites and mobile applications using the payment and shipping information stored in their Amazon account. This service provides a convenient and secure way for users to make purchases without the need to re-enter their payment information for every transaction. With Amazon Pay, users can make payments on third-party websites that offer the Amazon Pay option at checkout.
- **BharatPe:** It offers ‘Offline’ payment solutions for businesses like your local juice shop, pharmacy store etc. Its offerings include UPI QR Code, and PoS machines(the card swipe machine). BharatPe charges 0% commission on payments routed through their products, allowing small businesses to have all the revenue they make. This in turn encourages businesses to accept cashless payments, as they’re

usually hesitant about card payments due to charges linked to them. BharatPe was the first company to launch interoperable zero MDR UPI QR, intending to universalize digital payments in 2018. In just two years, BharatPe has become the Number 1 offline acquirer for UPI QR transactions in the country. At present, it has an extensive network of over 5 million merchants across the country across 35 cities in the country.

- **CRED**: One of the latest, yet disruptive financial products in the Indian fin tech industry. Cred is a credit card bill payment platform, where one could pay the bills for one or more credit cards at one single point. One of the biggest features of this application is that apart from providing credit card bill payment service, Cred also informs the users about hidden charges associated with credit cards and their bills. This enables the user to be better informed about the charges associated with the card they are using. Furthermore, Cred allows individuals to avail rewards through cashbacks on every Cred credit card bill payment. Cred calls itself a club, hence everyone is not allowed in their fraternity. To sign up on this platform, one compulsorily needs to have a credit score of 750 or above.
- **Samsung Pay**: Samsung Pay allows user to add your debit or credit card to it, after which user can use Samsung Pay to pay from your credit/debit card at online or offline channels, erasing the need to physically carry your cards with you. This application becomes quite handy for those people who have a lot of cards.
- **AirtelThanks**: This is one of the most fascinating and lesser-known products of the Indian fine tech space. It is not an application, but a feature. *99# could also be called BHIM USSD. This means that by calling this number from their phone, anyone could make UPI payments without any need for the internet. This UPI feature was specially introduced for feature phone users. But it could prove to be helpful for smartphone users as well, in places with bad network coverage.
- **Google Pay:** Google Pay is one of the best payment apps in India considering that it has the highest installation count. Initial release date is 19 September 2011 and developer is GOOGLE. It is eminent considering the number of facilities and the user-friendly interface provided by the app. The app allows user to directly execute transactions from your primary bank account without having to maintain a separate wallet. Furthermore, you can pay your utility bills, recharge your mobile phone, and easily transfer money to anyone including service providers, merchants or third parties. In addition, Google Pay also rewards you with coupons and cashback with almost every transaction**.**
- **Phone Pe**: Phone Pe efficiently allows user to send and receive money, pay bills, and recharge phones. However, it does not end here, it also allows user to invest in gold and mutual funds. Phone Pe was introduced with the motive of providing a one-stop solution to all transactions and application facilities. Therefore, you can avail your favorite applications to book flights, order food, and buy groceries without having to download a separate application. PhonePe is an Indian digital payments and financial services company headquartered in Bengaluru, Karnataka, India. PhonePe was founded in December 2015, by Sameer Nigam, Rahul Chari and Burzin Engineer. The PhonePe app, based on the Unified Payments Interface (UPI), went live in August 2016.

- **Free charge:** Free charge powered by Axis Bank is one of the most widely used online transaction apps. It allows users to execute transactions including DTH bill payments, metro card recharge and investment in digital gold. Apart from the factors mentioned above, you can also invest in mutual funds, and avail Free charge credit cards to earn rewards and vouchers.

1.6. Digital India Initiatives

The digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society. Promotion of digital payments has been accorded the highest priority by the government of India to extend digital payment services to every segment in the country. India is moving from cash to cashless. The covid-19 also intensified its growth. In a country like India, where disparities are sometimes poles apart, ensuring financial equality becomes an issue of prime importance. One of the reasons why our government started localizing cashless economy and Digital India was to improve access to financial resources. Digital payments is important because it has given a boost to small businesses and street vendors as it enables fast and secure bank to bank transactions even for considerably small amounts. In order to promote digital payments, banks and financial institutions regularly offer different types of offers and discounts of their customers. It is beneficial for the people and can even receive regular cash backs, rewards and discount vouchers for their digital payments.

Going cashless is one of the best ways to understand the spending habits. This will helps to understand their expenses and will also allow to plan their budget in a much better way. The key benefit of digital payments or mobile payments is the ease and the speed of completing the transactions. The users of digital payments enjoy more flexibility in making payments. As all the payments are processed through secured servers, users need not worry about any risk involved. Digital payments are used not only by the urban people but also by the rural people. Demonetisation and UPI platforms have played significant role in enabling the rural economy to move towards digital payment. It is estimated that India's digital payments industry will grow to more than 300 percent of its current size by 2025.

Digital payments also have several disadvantages. The people are sometimes refuse to pay online due to the technical problems, password threats, cost of frauds, security concerns etc. One of the main disadvantages of online payments is the technological illiteracy among many people, especially the older generations. Since they don't have enough knowledge on how to go about using technology or smart phones, they refrain from using online payment methods. However many of the digital payment methods are not popular among the common people and people are not comfortable to use them for their day to day transactions. There is less awareness among the people. There is also a myth that overspending is possible when we use the digital payment modes and banks deduct high transaction cost for digital payment operations. The socio-economic background of the users of digital payments system are different and their access to technology and usage of technology also different. Moreover, the access and usage of banking facilities, awareness about different modes of digital payments facilities, their behavioral aspects of spending, and their

preference and perception about cash and digital payment system all these are very significant in determining the growth of digital transactions. There are various apps for making digital payments. It is significant to study that what are the digital payment apps preferred by the people for making payment and what are the factors which influence them to use such an app. The extent or the frequency of using the digital mode for financial transactions is also significant.

Over the last five years, the adoption of digital payments in India has increased at an impressive rate. The Reserve Bank of India's Digital Payment Index (DPI) increased to 349 in March 2022, 15% up from 304 in September 2021, indicating countries growing use of digital payments. DPI Index assess country's level of payment digitalisation.

1.7.Types of Digital Payments

1.7.1 Payment cards

Most commonly, a payment card is electronically linked to an account or accounts belonging to the card holder. These accounts may be deposit accounts or loan or credit accounts, and the card is a means of authenticating the cardholder. The most common type of payment cards is credit cards and debit cards.

1.7.2 Internet banking

Internet banking is also known as online banking, e-banking or virtual banking, is an electronic payment system that enables customers of a bank or other financial institution to conduct a range of transactions through the financial institutions website. ICICI bank was the first Indian bank to provide internet banking facility. The services provided by internet banking is NEFT. RTGS.IMPS and ECS

1.7.3 Mobile banking

Mobile banking is the act of making financial transactions on a mobile device (cell phone, tablet, etc.). The service is provided by some financial institutions, especially banks. It uses software, usually called an app, provided by the banks or financial institution for the purpose. Each bank provides its own mobile banking app for Android, Windows and Ios mobile platforms. Mobile banking enables clients and users to carry out various transactions, which may vary depending on the institution. Currently, mobile banking become easier with the development of cellular mobile applications. Clients are now able to check their balances, view their bank statements online, make transfers, and even carry out prepaid service purchases.

1.7.4 Digital wallets

A digital wallet is a way to carry cash in digital format. Credit card or debit card information should be linked to digital wallet application or money can be transferred online to mobile wallet. Instead of using physical plastic card to make purchases, it can be paid through smartphone, tablet or smart watch. The services offered by digital wallets are balance enquiry, passbook/transaction history, add money, accept money, pay money etc. A digital wallet is an online payment tool or software application that serves as an electronic version of a physical wallet. Also known as electronic wallet, e-wallet or mobile wallet.

1.7.5Aadhar Enabled Payment Service (AEPS)

AEPS is a type of payment system that is based on the Unique Identification Number and allows Aadhaar card holders to seamlessly make financial transactions through Aadhar-based authentication. AEPS system aims to empower all sections of the society by making financial and banking services available to All through Aadhaar. AEPS is nothing but an Aadhaar enabled payment system through which you can transfer funds, make payments, deposit cash, make withdrawals, make enquiry about bank balance etc. AEPS allows customers to make payments using their Aadhaar number and by providing Aadhaar verification at point of Sale (PoS) or micro ATMs.

1.7.6 UPI

Unified Payments Interface also known as UPI, has gained immense popularity, especially in urban areas. It powers multiple bank accounts (of any participating banks) into a single mobile application that allows several banking features, seamless fund routing, and merchant payments under a single roof. Currently 24 banks are live on the UPI. UPI allows scheduled payments that can be made as per requirement and convenience. A customer has to provide the banking details, such as account number, card number, IFSC, etc. only at the time of registration. The banks do not charge the customer for the UPI transactions. The maximum amount that can be transferred per transactions is Rs 1lakh.

1.7.7 USSD (Unstructured Supplementary Service Data)

USSD is an innovative payment service that allows customers to make mobile banking transactions using a basic mobile phone without internet facility. Banking customers can avail of this service by dialling *99#, a common number across all the Telecom Service Provider's (TSPs). The service is envisioned to provide financial inclusion and deepening of rural areas with poor internet connectivity. It offers all the basic services like balance enquiry, interbank funds transfer, mini statement, etc. The service is currently offered by 51 leading banks and all GSM service providers. A customer can access the service in 12 different languages. Customers simply have to register for the USSD with the mobile number they have registered with the bank account.

1.7.8 Bank Pre-paid cards

Bank pre-paid cards are the plastic cards issued by the bank that are pre-loaded with money and can be used like a debit card. However, the main difference is that these cards are not linked to the account and requires to be loaded with money from your bank account either online or by visiting the bank branch. These cards can either be single-use cards or multiple –use cards. These cards are commonly used as corporate gift cards, reward cards, travel cards, etc. Generally bank pre-paid cards are used for specific purchases only. For example, an Amazon Gift card can only be used to make purchases through Amazon.

1.8 Digital Payment Transactions in India

The government of India continues to take a range of steps to facilitate and encourage digital payments in the country. Even though the growing pattern of digital transactions is a good sign for the economy, some structural problems impede the development of the country's digital payment system. Although a growing number of vendors, shopkeepers, e-commerce sites are accepting payments through digital payments,

consumers still prefer the cash payment alternative. It is noted that digital payments in India face the challenges of trust, perceived security risk, and lack of technology awareness among many consumers.

Government of India is committed to expand digital transactions in the Indian economy, thereby enhance the quality and strength of the financial sector, as well as ease of living for citizens. Digital payment transactions have significantly increased as a result of coordinated efforts of the Government as a whole, along with all stake holders concerned, from 2071 crore transactions in the financial year 2017-18 to 8840 crore transactions in the financial year 2021-22.

Table 1 Total number of digital transactions in India (in crore)

Financial Year (FY)	Total number of digital transactions (in crore)
2017-18	2071
2018-19	3134
2019-20	4572
2020-21	5554
2021-22	8840
2022-23	9192*

- Data till December 2022 Source: RBI Annual Report

Total number of digital transactions in India has increased from Rs.2071 in 2017-18 to Rs.9192 in 2022-23(till December 2022).In other words, Total number of digital transactions has increased by more than 343 percent.

Table.2 Value of digital transactions in India (in lakh crore)

Financial Year (FY)	Total value of digital transactions(in lakh crores)
2017-18	1962
2018-19	2482
2019-20	2953
2020-21	3000
2021-22	3021
2022-23	2050*

- Data till December 2022 Source: RBI Annual Report

Table reveals that total value of digital transactions has increased from Rs.1962 lakh crores in 2017-18 to Rs.2050 lakh crores till December 2022.That is, an increase of 4.5 percent.

Table.3 Volume of NEFT in India

Year	Volume(in Lakhs)
2017-18	19464
2018-19	23189
2019-20	27445
2020-21	30928
2021-22	40407
2022-23	52847

Source: RBI Annual report

Table 3 shows the volume of NEFT From 2017-23. In 2017- 18 the volume of NEFT is 19464 lakhs and that is increased to 23189 lakhs in 2018-19 and to 277445 lakhs in 2019-20. From 2020-21 to 2022-23 there is a sharp increase in NEFT volume from 30928 lakhs to 52847 lakhs. During the period 2017-18 to 2022-23 volume of NEFT in India increase by 171.51 percent..

Table.4 Volume of RTGS in India

Year	Volume(in Lakhs)
2017-18	1244
2018-19	1366
2019-20	1507
2020-21	1592
2021-22	2078
2022-23	2426

Source of data: RBI Annual report

Table.4 shows the volume of RTGS from 2017-23. In 2017-18 the total volume of RTGS is 1244 lakhs which is increased to 1366 lakhs in 2018-19 and to 1507 in 2019-20. From 2019-20 there was only a little increase in RTGS volume but from 2020-23 RTGS volume has increased to 2426 lakhs from 1592 lakhs. During the period 2017-18 to 2022-23 volume of RTGS in India increase by 95.01 percent..

Table 5 Volume of debit cards in India

Year	Volume (in Lakhs)
2017-18	33434
2018-19	44143
2019-20	51239
2020-21	40146
2021-22	39384
2022-23	34199

Source of data: RBI Annual report

Table 5 shows the volume of debit cards in the year 2017-23. In 2017-18 the volume of debit cards is 33434 lakhs the n increased to 44143 lakhs in 2018-19 and to 51239 lakhs in 2019-20. But after that there is fall in the debit cards volume from 51239 lakhs to 40146 lakhs from 2019-20 to 2020-21. From 2020-21 to 222-23 there is also a fall in debit cards volume.

Table.6 Volume of credit cards in India

Year	Volume (in Lakhs)
2017-18	14052
2018-19	17626
2019-20	21773
2020-21	17641
2021-22	22399
2022-23	29145

Source of data: RBI Annual report

Table 6 shows the volume of credit cards from 2017-23. In 2017-18 volume of credit cards is 14052 lakhs that raised to 17626 lakhs in 2018-19 and to 21773 lakhs in 2019-20. But after that the credit cards volume has decreased from 21773 lakhs to 17641 lakhs from 2019-20 to 2020-21. Then it was raised to 22399 in 2021-22 and to 29145 in 2022-23.

Table .7 Volume of IMPS in India

Year	Volume (in lakhs)
2017-18	10098
2018-19	17529
2019-20	25792
2020-21	32783
2021-22	46625
2022-23	56533

Source of data: RBI annual Reports

Table 7 shows volume of IMPS from 2017-23.In 2017-18 the volume of IMPS is 10098 lakhs which was increased to 17529 lakhs in 2018-19 and to 25792 lakhs in 2019-20. From 25792 lakhs in 2019 -20 the IMPS volume has raised to 32783 in 2020-21 and to 46625 in 2021-22 and then the rate of growth was less compared to the period 2020-21 to 2021-22.

Table 8 Volume of UPI in India

Year	Volume (in Lakhs)
2017-18	9152
2018-19	53915
2019-20	125186
2020-21	223307
2021-22	459561
2022-23	837144

Source of data: RBI Annual report

Table 8 shows the volume of UPI from 2017-23. In 2017 -18 UPI volume is 9152 lakhs. From 2017-18 to 2018-19 the UPI volume shows a fast growth to 53915 Lakhs and then the growth was less compared to the previous year, that is to 125186 lakhs in 2019-20 from 53915 in 2018-19. From 2020-21 the UPI volume has increased to 223307 lakhs to 459561 lakhs in 2021-22 and to 837144 lakhs in 2022-23. The growth of UPI volume is higher compared to other modes of payments.

1.9. Summary

The objectives of the paper is to provide an overview of digital payment transactions in India. In addition, the study also intended to examine the access and usage of technology and banking facilities and its influence on digital payment transactions. In today's world the use of digital payments by the people are increasing. Digital payments are way to future because it makes all financial transaction more transparent and accountable. It is the simplest and easier way for transferring money all over the world without more time consumption. However lack of awareness on different modes of digital payments, digital illiteracy, lack of acceptance of digital payment systems and also the digital payment frauds etc are major hindrance on the adoption and usage of the digital payment systems.

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