



IMPACT OF UPI TECHNOLOGY TO MAINTAIN SUSTAINABILITY DURING COVID-19 IN MUMBAI REGION.

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ABSTRACT

Unified Payments Interface (UPI) is a payment system that control multiple bank accounts into a single mobile application, combine several banking features, flawless fund transfer & merchant payments into one roof which is accessible all day, every day. It is a system where no physical interaction of human is required to pay or receive money within a few seconds. The world health organization declared a Public Health Emergency of International Concern on 30th January, 2020 and a pandemic on 11th March, 2020. On the evening of 24th March, 2020, the Government of India ordered a nationwide lockdown, with a compulsion to maintain social distancing, usage of face masks, work from home, sanitization and contactless payment are becoming the new normal. The main purpose of the research is to study the concept of UPI payment and how it helps to meet the needs of the present and the future during COVID-19. Social distancing and fears of spreading Coronavirus with physical cash transactions are hindering the government's dream of cashless India and digital India in Mumbai. The study's major aim is to look the shift in use of payment mode using UPI payment during COVID-19. Primary data was collected using structured questionnaire which

was designed to collect the required information from respondents. Secondary data is collected from various sources like articles, journals and publications.

Keywords: UPI payment, COVID-19, Digital payment, contactless payment

INTRODUCTION

UPI is an instant payment system developed by the National Payments Corporation of India (NPCI) facilitates peer-to-peer and person-to-merchant transactions between banks. NPCI is an umbrella organization for all digital payments. RBI regulates the platform which lets users transfer funds instantly between two bank accounts on a mobile platform. A user-created Virtual Payment Address (VPA) or UPI ID can be used to request or send cash from a bank account using a KYC-linked mobile number. In addition, UPI generates a QR code specific to each user account for contactless payment purposes. The COVID-19 pandemic, is an ongoing international pandemic disease. Covid-2019 brought about by extreme intense respiratory disorder Covid. On the evening of 24 March 2020, the Government of India ordered a nationwide lockdown for 21 days, which got extended later in many phases. There are a range of preventative measures to forestall contamination consist of getting vaccinated, staying at home, habit of a mask in public, warding off crowded places, preserving distance from others, washing fingers with cleaning soap and water regularly and for at least twenty seconds, training correct respiratory hygiene, and fending off touching the eyes, nose, or mouth with unwashed hands. After first day of the lockdown, nearly all services and factories were to bring to a formal close for a period of time. In some places, people were rushing to stock up on essentials. State-wide, arrests were made for violating the lockdown norms, including venturing out without a valid emergency, opening businesses, and violating quarantine at homes. The government held meetings with e-commerce websites and vendors to ensure an easy supply of essential goods across the nation during the lockdown period. Government is constantly keeping lockdowns and suitable measures to beat the impact of the virus but damage that has happened to businesses is on higher side. Among the numerous precautionary measures, the outbreak is also encouraging the use of digital payments. Looking at the current situation, to ensure the safety of citizens, the importance of digital payments cannot be stressed enough. NPCI has been encouraging Indians to utilize more

advanced strategies, so that individuals don't step out even to go to the ATM and can satisfy their need of cash.

Apart from the numerous third-party apps like Google Pay, PhonePe, Paytm, MobiKwik, Amazon Pay, Samsung Pay, WhatsApp Pay, NPCI has its own app called BHIM. As of April 2020, there are 216 banks linked to UPI platform, up from 21 banks in April 2016.

According to a press release from RBI Chief General Manager Mr. Yogesh Dayal, the National Electronic Funds Transfer (NEFT) and Unified Payments Interface systems handled 252 crore and 874 crore transactions, respectively, from October 2018 to September 2019, with year-on-year growth of 20% and 263%.

UPI-based payment products for feature phone

Governor of the RBI, Shaktikanta Das, proposed launching UPI-based payment products for feature phone users. Das said that UPI is the single largest retail payment system in the country in terms of volume of transactions, indicating its wide acceptance, particularly for small value payments, when announcing the RBI's Monetary Policy. To increase digital payments, it is proposed to

- (i) launch UPI-based fee merchandise for feature phone users, leveraging on modern merchandise for Retail Payments;
- (ii) make the method drift for small price transactions easier through a mechanism of 'on-device' pockets in UPI applications; and
- iii) remove payments restriction through UPI for the Retail Direct Scheme for funding in Government-sectors and Initial Public Offering functions from Rs 2 lakh to Rs 5 lakh.

Chalo app for BEST

Aditya Thackeray, Minister of Tourism and Environment of Maharashtra, announced the launching of a mobile application and smart cards for digital and advance purchase of Brihanmumbai Electric Supply and Transport bus tickets. Chalo app will permit commuters to buy bus tickets and passes through e-wallet. This will promote cashless transactions across

the bus network will also keep away from bodily interplay and store the passengers from standing in lengthy queues to procure tickets.

OBJECTIVE OF STUDY

- The purpose of this study is to see how UPI payments affect covid-19.
- To compare the respondents UPI payment usage behavior before lockdown and during lockdown.
- To study whether UPI payment has brought drastic change in payment method during covid-19.
- To study whether UPI payment has added advantage for cashless India.
- To determine which method of payment is the more convenient.

REVIEW OF LITERATURE

- **Ms. Rashi Singhal (2021):** quoted in her study of “Impact of Covid-19 on digital payment services at town and villages” that in a quickest moving digital world there is one greatest mode of making payments that is Digital Payments. The research has conducted a secondary survey and as per her study there is high increase in use of digital payments services through various applications in Indian towns and villages which was not much high before the happening of Covid-19 but this research does not cover that there is a possibility that most of the people from town and villages are uneducated, might not use smart phones, may not be aware of digital payment and have issue of internet connectivity. Also, research was conducted on the basis of secondary data which might be forge to derive final conclusion.
- **Manawati Panwar, Apurva Vashistha, Dr. Roshan Choudhary (2020):** mentioned in their study on “Impact of Covid 19 Pandemic on Digital Payments” how different industrial sectors acquired publicity during Covid-19 and their relative impact on digital payment. In this study, it is concluded that the downward impact of COVID-19 on the payment landscape has been extreme and notable, yet not irreparable.

- **Dr. Anil Jain, Dr. Apurva Sarupria, and Ankita Kothari (2020):** analyses the concept of "The Impact of COVID-19 on E-wallets in Indian Economy" and mentioned the significance impact on major sectors of the Indian economy in terms of airfare, airline, and hospitality due to price drop, but there is a great boost for E-commerce including popular food, travel aggregators, movies and resorts, and the entertainment industry. It also discussed how the RBI is supporting the bank's digital defenses against the Covid-19. They also stated that it assures that sensitive information, such as credit card data, hosted on an interface or on an ecommerce website, is securely transported across numerous channels, making the digital payment option safer.
- In their study "Small and medium-sized enterprises' contribution in digital technology," **Girish Santosh Bagale, Venkata Ramana Vandadi, Deepmala Singh, Dilip Kumar Sharma, Durga Venkata Kusuma Garlapati, Ravi Kumar Bommiseti, Ravi Kumar Gupta, Roy Setsiawan, V. Subramaniaswamy, Sudhakar Sengan & Sudhakar Sengan (2021):** They also looked into the digitalization of traditional small and medium businesses. They show how the new digital era aids in customer relationship management, payment digitization, and client attraction via social media and websites.
- **Sudha.G, Sornaganesh.V, Thangajesu Sathish. M, Chellama A.V. (2020):** in their work "Impact of Covid-19 Outbreak in Digital Payments," they explain that India has a huge cash economy, second only to China in terms of money production and consumption. The Digital India programme is the Indian government's flagship initiative, with the goal of transforming India into a digital society and knowledge economy. They also highlight how Covid-19 promotes cashless transactions, transitioning India into a cash-less society with a variety of digital payment options. The government and the RBI are both working to move India away from a cash economy by pushing individuals to switch from cash to electronic payments.
- **Bloomberg (2020):** in their article issued in financial express "Coronavirus or Demonetization? that one helped India's digital payment more?" mentioned that the covid-19 contingency could finally achieve what India's shock demonetization four years ago failed to do. Use of digital payments are on the rise for everything from

groceries to electricity bills to cab fares. As many avoided handling cash during the pandemic, the value of transactions on the UPI payment, a platform launched by India's major banks in 2016, reached an all-time high. The current pandemic, which has made people wary of close human interactions, is giving online payments a boost.

- **Roshna Thomas, Dr. Abhijeet Chatterjee (2017):** in their study “Unified Payment Interface (UPI): A Catalyst Tool Supporting medical care – Utility, Prospects & Issues” justify the UPI permits shoppers to interact directly through their checking account with a singular UPI identity that syncs to Aadhar’s verification and connects to the businessman for the settlement and lets the provision bank to shut the group action. In an exceedingly single swipe, the group action is complete with none middlemen to facilitate the group action.

RESEARCH METHODOLOGY

In the present study, both the primary data and secondary data have been used. The study is largely based on primary data. The core data for this study was gathered from 115 respondents from Mumbai region through structured questionnaire. Also, secondary data is used and collected from variety of articles, journals and publications. The collected data are used to study the relationship between Covid-19 and UPI payment. The analyses and interpretation are done on the basis of primary data. However, for conclusion and recommendation both primary and secondary data is used along with information obtained from respondents.

LIMITATIONS OF THE STUDY:

The data given by the respondents can be biased as a result of a number of them may not have an interest in providing correct information. Respondent tried to escape some statement. This was one among the foremost necessary limitations featured, because it was tough to analysis and are available at a right conclusion.

DATA ANALYSIS AND INTERPRETATION:

Data analysis was done with the help of frequency distribution method and following are the results:

Profile of the Respondents:

Table 1 shows, majority of the respondent are Male, majority belongs to the age bracket 20-30 years, majority are Private Employees, Education standing are as follow- 42 are Undergraduate, 33 are Post graduate & graduate are 32 and majority of 49 respondents monthly salary falls between Up to 10,000 and 32 respondents falls between 10,001 to 25,000 salary structure.

Table 1: Profile of respondents

Factors	Options	Frequency	Percentage
Gender	Male	68	59%
	Female	47	41%
	Total	115	100%
Age	20-30	59	51%
	16-20	40	35%
	30-50	13	11%
	50 & above	3	3%
	Total	115	100%
Marital status	Unmarried	97	84%
	Married	18	16%
	Total	115	100%
Occupation	Private employee	62	54%
	Student	47	41%
	Business person	2	2%
	Government Employee	2	2%
	Home Maker	2	2%
	Total	115	100%
Education	Under Graduate	42	37%
	Post Graduate	33	29%
	Graduate	32	28%
	SSC	7	6%
	PHD	1	1%
	Total	115	100%
Monthly salary	Up to 10,000	49	43%

	10,001 to 25,000	32	28%
	25,001 to 50,000	22	19%
	Above 50,000	12	10%
	Total	115	100%

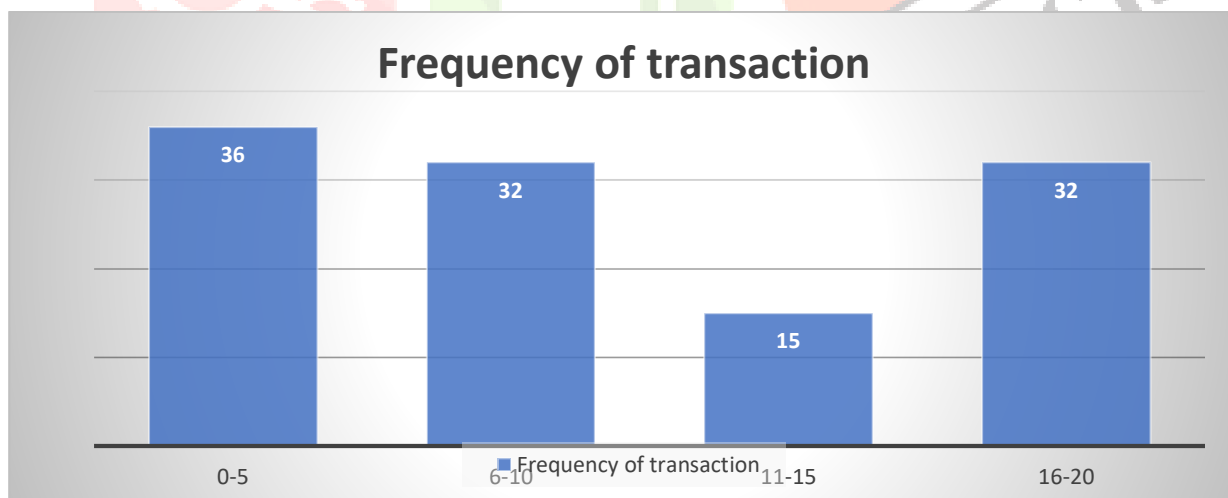
As shown in Table 2, 109 of the respondents (95%) are aware of the term UPI payment out of those 79 respondents know about UPI payment before Covid-19 and rest 36 respondents after Covid-19.

Table 2: Awareness of UPI Payment:

Are you aware of the term UPI payment?	Before Covid-19	After Covid-19	Total	%
Yes	77	32	109	95%
No	2	4	6	5%
Total	79	36	115	100%

Table 3 Shows, 36 of the respondent's transactions frequency is up to 5 per month whereas there is tie between frequency of transactions done between 6-10 and 16-20 transactions a month.

Table 3. Number of transactions done during a month.

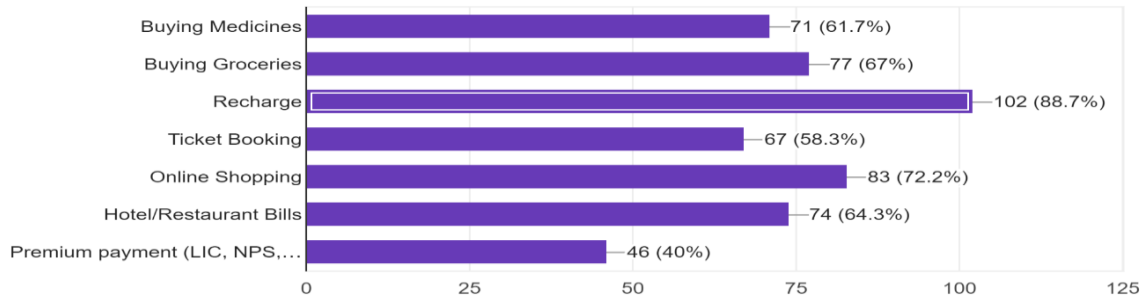


As we can use UPI payment for many purposes however, as per our study shown in table 4. people use UPI payment more frequently for doing recharge followed by online shopping, buying groceries, paying restaurants bills, and medicines.

Table 4- Purpose for which UPI payment

For which purpose you use UPI payment?

115 responses

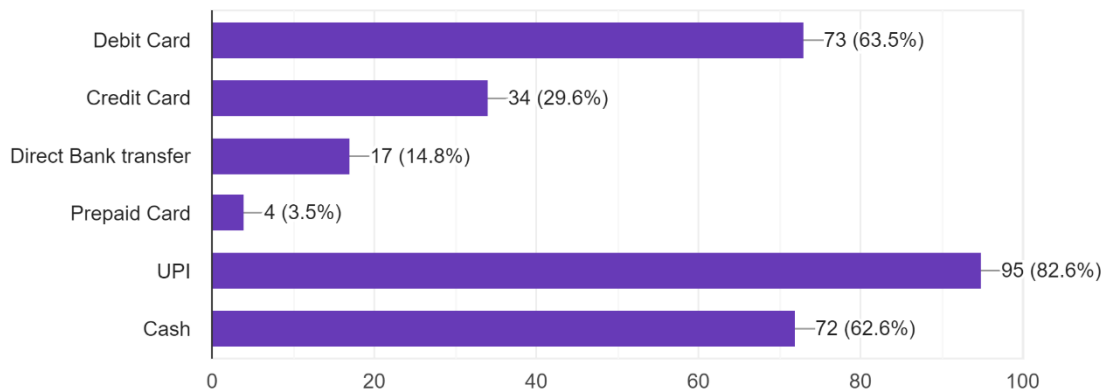


Now a days, most of the people use UPI payment more frequently as mode of payment. As shown in Table 5, 95 respondents use UPI payment as mode of payment followed by Debit card and cash.

Table 5-Modes of payment use for shopping

Modes of payment use for shopping

115 responses



As shown in table 6, Most frequent mode choose and use for Money transfer is UPI as compared to NEFT payment, Cheques and IMPS.

Table 6- Most frequently used mode to transfer of money

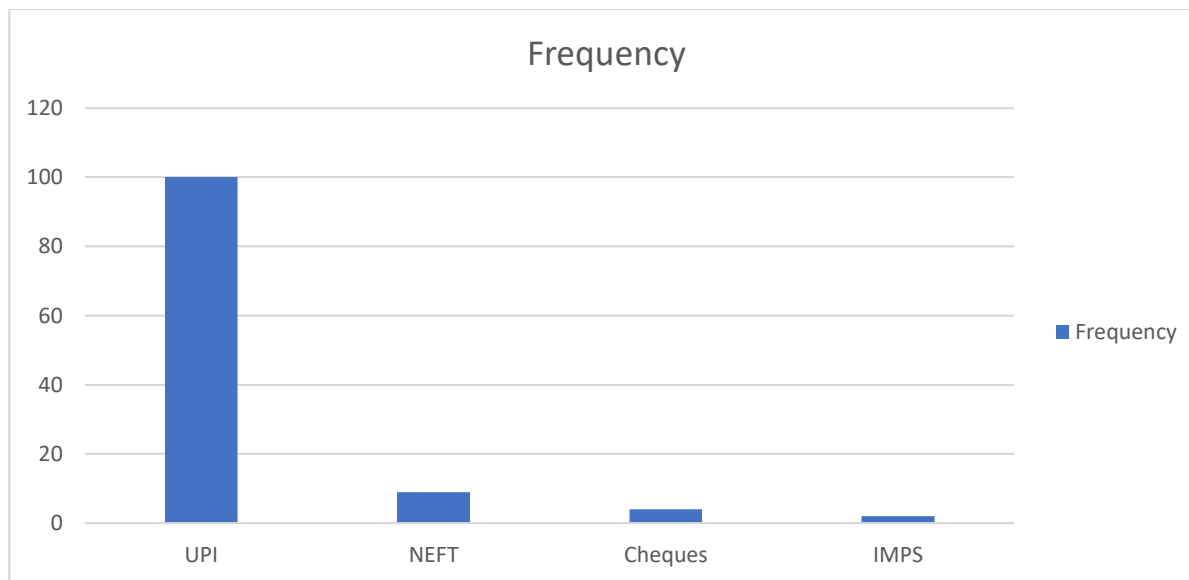


Table 7.a shows, Majority of respondents i.e., 81 are agreed that their frequency of using UPI payment is increased during covid-19 and **Table 7.b**, Majority of respondents i.e., 94 are agreed that UPI payment provide wide range of services under a single roof.

In table 7.c, 88% of respondents i.e., 101 feels that UPI has brought drastic change in the payment method, as per **Table 7.d**, there is slight confusion in the mind of respondent whether UPI payment is user friendly for uneducated people or not. And 94 response feels that UPI payment has an added advantages for cashless India as shown in table 7.e.

Table 7. show different kind of questions asked to respondent and their respective respondent

Sr No.	Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
a	Is your frequency of using UPI payment increase during Covid-19?	35	46	20	6	8	115
b	Do you think UPI payment provide wide range of services under a single roof?	24	70	16	3	2	115
c	Do you think UPI has brought drastic change in the payment method	39	62	9	3	2	115
d	Do you think UPI payment is user friendly for uneducated people?	37	20	37	11	10	115
e	During Covid 19, UPI payment was an added advantage for cashless India?	40	54	10	3	8	115

Conclusion

In UPI there are no third party involved like in card networks, which allows for transaction free of costs and completion of transaction in few minutes. While all different digital modes of payments like cards etc. take days to complete the transaction and settlement process. UPI works on a safe, secured modes as compared to any other payment systems. Introduction of biometric authentication in UPI will no longer solely make payments more secure but will additionally take large soar towards integrating next generation technology with current payments system. From the study it is clear that People have favorable approach towards UPI payment and there is relationship between education of people and usage of UPI payment. People who have never used digital payment are using this technology to pay online bill, buying groceries, medicines etc. Educated person are more ready to use the UPI payment

services. With increase in use of smartphones and availability of internet smoothed the acceptance of UPI payment. However, Awareness among people of digital medium has to increase. Those who existing user of UPI payment prefer contactless payment as compare to cash and they believe UPI payment has brought drastic change in the payment method. But there has to be proper education or initiative should be taken by the government to make awareness regarding digital payment specifically UPI payment. The current situation where contactless technology is the necessity of the era it helps people as well as business to transition to the digital payments space without physical interaction.

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