

Impact of U.P.I on Indian Economy

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Abstract: *The emergence of digital payment systems has transformed how individuals conduct financial transactions, offering convenience, security, and efficiency. One groundbreaking innovation making waves in the Indian financial landscape is the Unified Payments Interface (UPI), developed by the National Payments Corporation of India (NPCI). Existing work has explored how digital payments benefit a country's economy and GDP. However, our study explores how the introduction of UPI has influenced spending behavior among Indian users on an "individual" level. We gathered 235 valid survey responses encompassing diverse demographics and conducted semi-structured interviews with 20 survey respondents. Approximately 75% of the survey respondents reported increased spending due to UPI, with only 7% indicating reduced spending. Significantly, 91.5% of the respondents reported satisfaction with their UPI usage. Also 95.2% of the survey respondents found making payments via UPI convenient. Our research also provides suggestions for UPI applications and various stakeholders to enhance digital payment systems, enabling users to make informed decisions and fostering responsible financial management.*

Keywords: Unified Payments Interface.