

A Study on Digital Payment System with Reference to NPCI in Tirunelveli City

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Abstract: *This study focuses on the use of digital payment systems in Tirunelveli city, with special reference to the National Payments Corporation of India (NPCI). NPCI is an umbrella organization that develops and operates retail payment systems in India, including UPI, RuPay, and BHIM. In Tirunelveli, digital payments have seen rapid growth due to increased smartphone usage and internet access. Small businesses, street vendors, and consumers are adopting UPI-based payments for everyday transactions. This shift is reducing dependency on cash and improving financial transparency. NPCI's platforms offer secure, fast, and low-cost payment solutions that benefit both urban and rural populations. The local economy is witnessing increased digital financial inclusion. Government initiatives and awareness campaigns are also encouraging digital transactions. The growth of smartphone usage, improved internet connectivity, and awareness campaigns by banks and the government have contributed to the increasing use of digital payments in the city. Many local businesses now accept UPI payments through QR codes, enabling faster and safer transactions. Digital payments have also improved transparency and reduced the need to handle cash, especially during the COVID-19 pandemic. NPCI's systems offer low transaction costs, real-time transfers, and user-friendly interfaces, which are ideal for both urban and semi-urban populations in Tirunelveli.*

Keywords: Digital Payment System, National Payment Corporation of India, Financial Inclusion, Cashless Transaction, E-Wallets, Tirunelveli

