

## UPI- A Systematic way of transfer of money in the modern world:

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### Abstract:

The UPI or Unified Payment System was launched in India in the year 2016 by National Payments Corporation of India (NPCI). UPI is a payment server which allows its users to transfer the money on real-time basis from peer-to-peer (P2P) or from person to merchant (P2M). The added advantage of UPI is that it allows the users to use multiple bank accounts in a single application using smart phones. UPI has become one of the popular methods of payment not only in India, but also all over the world. This is due to its ease of use, security, real-time settlement and alerts, rewards, promotions etc.,

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Date of Submission: 22-06-2023

Date of Acceptance: 05-07-2023

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### I. Introduction:

India is a second largest populated country in the world. According to TRAI, India has an estimated number of 117 crores of telephone subscribers at the end of June-2022. Overall tele density is nearly 134 crores in urban population (TRAI-New Delhi, 17<sup>th</sup> August, 2022-www.traigov.in). With this data, we can imagine that how fast the digitalisation process turns into reality in the hands of people to transfer money. (Journal of Management Research & Analysis-Print ISSN;2394-2762 online ISSN; 2394-2770, CODEN: JMRABX). The RBI is the regulatory body for digital payments.

**Research Methodology:** This study has collected sources of information from secondary data i.e., from journals, magazines, newspapers, articles from print media and online.

**Objectives of the Study:** This study focuses on the robust growth of digital payment system through UPI and focuses on the pros and cons of UPI in the modern era in the light of real-time gross settlement and payment methods. Also states the process of UPI.

**Review of Literature:** 1. Zlatko Bezovski (2016) "The future of mobile payments as Electronic Payment System" the study indicates the increasing number of customers day by day using digital payment on account of various benefits. 2. James Joseph, KV Shriram, Lawley LR Rodrigues etc., have found in their paper "An Empirical Study on Consumer Adoption of Mobile Application in India" that ease of use, efficient services, cash backs are added advantages to the customers to make payments happily.

### 5 Popular UPI Apps:

1. Phone Pe
2. Google pay
3. Paytm
4. BHIM UPI
5. Amazon Pay

**1.Phonepe:** Introduced in the year 2015. Phonepe is a leading online payment app & an UPI enabled initiative that allows users to make payments seamlessly in India and all over the world. We can use the app for instant money transfers with UPI, mobile & DTH recharge, & utility bill payments like gas, water & electricity. We can also get Insurance (car, health, bike, travel, life, accident) & make broadband payments, invest in tax-saving mutual funds, or Gold. Make instant payments on food, travel, grocery, & shopping apps without downloading them. The following are the varieties of payments available on phone pe app:

### Easy Online Payments:

- Pay online across different online shopping sites like Flipkart, Amazon, Myntra etc
- Order food online from Zomato, Swiggy, etc.,
- Shop daily essentials online like grocery from Big basket, etc

- Make travel bookings to your favourite destinations (domestic & international) via popular sites like MakeMyTrip, Go ibibo etc

**Buy or Renew Insurance:**

- Car Insurance: Get full protection for 3rd Party damages via car insurance app
- Bike Insurance: Protect your two-wheeler via bike insurance app
- Health Insurance: Get assured cash daily on hospitalisation. Choose from plans offering up to ₹5000 per day with insurance plans
- Dengue & Malaria Insurance: Get covered against 6 mosquito-borne diseases for as low as ₹49/year

**Term Life Insurance:**

- Personal Accident Insurance: Insure yourself against accidents & disablement
- International & Domestic Trip Insurance: Secure your next trip at both domestic & international destinations. Get 24X7 support in 200+ countries on insurance app

**Investment & Mutual Funds App:**

- Online Investment Plans & Mutual Funds
- Grow your wealth with the right balance of Equity & Debt. Plan for a brighter future with the preferred investment app in India
- Save your taxes easily by making investment in tax saving mutual funds. Products Covered: Liquid Funds, Super Funds, Equity Funds, Debt Funds, Hybrid Funds for your investment

**DTH & Mobile Recharge App:**

- Recharge Prepaid Mobile Numbers from brands like Jio, Vodafone, Idea, Airtel etc.

**Buy & Sell 24K certified Gold:**

- Buy 24K Gold with assured purity & best value
- Store your Gold in safe bank-grade lockers
- Get safe doorstep delivery of gold coins & bar

**Value-Added Features:**

- Phone Pe Switch: Use your food, travel, shopping & grocery Apps on Phone Pe Switch, without downloading them
- Phone Pe Gift Cards: Buy a Gift Card for easy payments across 1 L+ leading offline & online outlets & across the app.

**2. Google Pay:** The Google Pay (earlier known as Tez Pay) was developed by one of the biggest companies i.e., Google Inc in 2017. 42 countries already adopted Google Pay and its global reach is increasing day-by-day. 9 languages are available in this app. Google Pay with 36 % market share is the leader following Phone Pe. 220 million people have registered and 10 million merchants prefer to use Google Pay (data for the year 2022-23)

**3. Paytm:** Paytm was founded by Mr. Vijay Sharma in 2010. It was launched in the year 2015 after getting licence from RBI. 350 million users make use of the various facilities offered by Paytm such as mobile payment, digital wallet, online shopping, Paytm Sound Box etc.

**4. BHIM UPI:** This application was developed by NPCI in the year 2016. Initially, it had 12.5 million users. The app allows 20 different languages for the people of India. His app is losing its appearance due to the popularity of other apps.

**5. Amazon Pay:** This app was developed by an E-Commerce Company, i.e., Amazon. It has customers of 18 countries with 50 million customers in India. This app is also losing market share due to popularity of other apps.

**Reward and Cash backs from Apps:**

All the UPI apps are competing to capture maximum number of customers. To lure the customers, many UPI apps are giving rewards and cashbacks. The Google Pay, Phone pe, Amazon Pay and Paytm are big names that give lot of rewards to the customers to enhance their transactions.

**Limitations of UPI System:**

The UPI system, though it provides seamless benefits, yet it is no free from limitations. The following are some of the prominent demerits of this system:

- **Misleading UPI handles:**

Many fraudsters create deceptive handles that have names like NPCI, UPI, BHIM etc., to make individuals to reveal their account details through a fake UPI app leading to frauds.

- **‘Request money’ frauds:**

Many fraudsters trap individuals who do not know that for receiving money on an UPI platform, need not have to scan a QR code or enter their UPI pin. The hackers request to scan some QR code and enter their UPI pin to receive a prize, resulting in frauds on the UPI platform.

- **Remote screen monitoring frauds:**

Many unverified apps downloaded from the Google Play Store can extract the personal information available on the phone, leading to UPI frauds.

- **Phishing:**

Fraudsters send unauthorized and malicious links through emails or SMS to users and once they click on such links, frauds may creep in.

## **II. Conclusions:**

The present customers’ world is fast moving. The wise people always make use of the apps cautiously and they act more prudent to escape from the clutches of the fraudsters. But still ahead, some people become themselves the victim for the trap of cunning people. One must be extra careful to play safe in the modern commercial world.

B. Shivakumar. “UPI- A Systematic way of transfer of money in the modern world:.” *International Journal of Business and Management Invention (IJBMI)*, vol. 12(7), 2023, pp. 09-11. Journal DOI- 10.35629/8028