ANTECEDENTS FOR THE ADOPTION OF UPI AND THE PROBLEMS FACED BY ITS USERS

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C E R T I F I C A T E

This is to certify that this Dissertation entitled "ANTECEDENTS FOR ADOPTION OF BOOKMYSHOW AND THE PROBLEMS FACED BY ITS USERS" has been prepared by NIKHIL JOSEPH, EZABERT, TOMSON ABRAHAM under my supervision and guidance in partial fulfilment of the requirements for the award of the Degree of Bachelor of Commerce of the Mahatma Gandhi University. It has not previously formed the basis for the award of any Degree, Fellowship, Associateship etc.

They are allowed to submit this Project Report.

DECLARATION

Chapter 1
INTRODUCTION

1.1 INTRODUCTION

The transformation of the Internet into a medium has greatly improved public access to modern Internet services such as UPI payments. UPI stands for Unified Payments Interface. It is a real-time payment system that allows you to instantly transfer money between bank accounts using a mobile phone. UPI was launched by the National Payments Corporation of India (NPCI) in 2016 and has since gained widespread popularity in India. UPI transactions can be initiated through various UPI-enabled mobile apps and used to send or receive money, pay bills and make online purchases. UPI has transformed the digital payments ecosystem in India by making payment transactions faster, easier and more convenient.

UPI (Unified Payments Interface) is a digital payment system developed by the National Payments Corporation of India (NPCI). It allows users to instantly transfer money between bank accounts via mobile phone or computer. Instead of bank accounts and IFSC codes, UPI uses a unique identification number called Virtual Payment Address (VPA) to enable seamless transaction. UPI allows users to make payments to merchants, utility bills and other services directly from their bank accounts. UPI payments are secure as they are authenticated by a combination of the user's mobile number and a unique UPI PIN.

To use UPI payments, users must have a bank account linked to their mobile number, a UPI-enabled mobile application and a UPI ID/VPA. They can then initiate transactions by entering the recipient's UPI ID/VPA or scanning the QR code. UPI has become popular in India due to its ease of use, speed and availability on mobile apps of almost all banks. As of March

2021, UPI had over 2 billion transactions with a total value of over 4 trillion.

The features of UPI include registration, transaction initiation, authorization and processing, verification, transaction history and additional features. The entire process is designed to be fast, secure and convenient for customers, making UPI one of the most popular payment systems in India.

Registration: To use UPI, customers need to register their bank account through a UPI-enabled mobile application. During registration, customers need to create UPI ID and set UPI PIN for secure authentication.

Transaction Initiation: To initiate a UPI transaction, customers need to enter the recipient's UPI ID or mobile number, enter the amount to be transferred and authenticate the transaction with their UPI PIN.

Authorization and Processing: Once a transaction is initiated, the UPI app sends a payment request to the recipient's UPI app. The recipient then accepts the payment request by entering their UPI PIN. Once the payment is authorized, the payment is processed and the money is transferred from the sender's bank account to the recipient's bank account in real time.

Confirmation: Once the transaction is complete, both the sender and the recipient will receive a confirmation message from their respective banks.

Transaction history: UPI-enabled mobile apps allow customers to view their transaction history, including details such as transaction date, time, amount and status.

Additional features: UPI also supports additional features such as bill payments, virtual payment addresses (VPA), QR code based and direct debit requests.

1.1 SIGNIFICANCE OF THE RESEARCH

UPI research is important because it can help individuals and businesses understand the economic impact of digital payments, identify business opportunities and meet regulatory requirements. During intensive research through books, magazines and internet, it became clear that although UPI is a widely used payment application, studies on its functioning, customer perception of services etc. are almost rare. So, to fill the gap in the literature, it was necessary to conduct a study on this topic. Therefore, we have chosen "UPI Payment App User Requirements and Issues" as our research topic.

1.2 PROBLEM REPORT

In this study, we propose to examine the prerequisites for adoption of UPI payments and the challenges faced by its users. The study focuses on the ability of UPI Payments to meet customer needs to maintain customer loyalty and better returns in today's dynamic and competitive market.

The researcher has the following questions.

1. What are the precedents influencing the use of UPI payments? 2. What are the problems faced by UPI Payments users?

1.4 PURPOSE OF THE RESEARCH

The study "UPI Payments Adoption Precedents and Challenges by its Users" is conducted with the following objectives:

☐ Explain the premise of using UPI payments.
☐ To investigate the problems of UPI Payments users.
☐ To understand the general perception of people about UPI payments.

1.5 EXPECTATIONS

This study is based on data collected from UPI Payment users in and around the Ernakulam region over a period of 3 months ie. January 2023 to March 2023. The sample size of the study is 60 .

1.6 RESEARCH METHODS

Research methodology is the science of how research is conducted. It is the specific procedures or techniques used to select, process and analyze information about a subject. In a research paper, the methodological part allows the reader to critically assess the overall validity and reliability of the study. The purpose of the study is to find out the conditions and problems of UPI Payments users. The different parts of this research methodology are presented below:

NOTE: The sample unit of the study consists of people who have downloaded apps like Google pay, Phone Pay, Pagu etc. from Play Store and used them for necessary transactions as per customer needs.

SAMPLING DESIGN: The sampling design used in this study is convenience sampling where the sampling units were conveniently selected by the researcher.

SAMPLING: The study is based on responses from sample units of users of UPI payment apps in Ernakulam region.

SOURCE OF DATA: This study uses both primary and secondary data. Primary data was collected using a google form that was sent to the respondents. Secondary data was collected through books, published journals and websites to confirm the findings of the primary data.

1.7 ANALYSIS

The   primary data collected were statistically processed, classified, tabulated and analyzed using mathematical tools and techniques such as percentages, frequencies, pie charts, bar charts, etc.

1.8 LIMITATION OF LEARNING

☐ The time allotted for the study was limited.
☐ The information may contain personal biases.
☐ Lack of previous research related to the subject.
☐ Study material was limited to specific area of Ernakulam city.

CHAPTERISATION

CHAPTER 1   Introduction

CHAPTER 2   Theoretical framework and Review of literature

CHAPTER 3   Data Analysis and Interpretation

CHAPTER 4   Findings, Suggestions and Conclusions

                         Bibliography, Appendix

Chapter 2

THEORETICAL FRAMEWORK AND REVIEW OF LITERATURE

A. Theoretical Framework

The Unified Payments Interface (UPI) is an instant real-time payment system that was developed by the National Payments Corporation of India (NPCI). P2P and P2M transactions between banks are made possible via the interface. Using mobile devices, it is possible to transfer money between two bank accounts quickly. The mobile number on the device must be used to register it with the bank. It is possible to transmit money using the recipient's UPI ID. It runs as an open source application programming interface (API) on top of the Immediate Payment Service (IMPS) and is controlled by the Reserve Bank of India (RBI). Governor of the RBI Dr. Raghuram G. Rajan unveiled the pilot scheme in Mumbai on April 11, 2016. Banks started uploading their UPI-compatible apps to the Google Play market on August 25, 2016.

It is earlier mentioned that UPI runs as an Open Source Application Programming interface (API), this is because it connects 2 computers or pieces of software. This is true in case of UPI as we see when there is a transaction the actual movement of fund or money takes place inside servers and software.

The platform has more than 100 million active monthly users in India as of May 2021. With a median transaction fee of Rs 1,849, the proportion of UPI transactions in the total volume of digital transactions increased from 23% in 2018–19 to 55% in 2020–21. Through the platform, digital transactions of $8.31 trillion were made in January 2022. In the financial year 2021-2022 the value of transaction broke over $1 Trillion.

UPI was introduced in India in 2016 with the intention of giving everyone in the nation access to a simple and efficient technology for the digitalization of payment services. UPI, however, was also associated with the Indian government as a ground-breaking programme for financial inclusion.

HISTORY

The National Payment Corporation of India (NPCI) was established in April 2009 with the goal of integrating all Indian payment systems and standardising them for all retail transactions. By March 2011, RBI had discovered that despite 10 million merchants accepted card-based payments, the average Indian person only engaged in six non-cash transactions annually. There are 145 million families without any access to banking services. Additionally, there is the issue of dealing with corruption that primarily occurs with cash and black money.

The RBI committed to developing a safe, efficient, open, inclusive, interoperable, and regulated payment and settlement system in India in a four-year vision statement announced in 2012. Reducing the usage of paper in domestic payment markets is part of the Green Initiative. In 2016, UPI made its official debut to the general public.

The main organisation tasked with creating a brand-new payment system that is easy to use, safe, and interoperable is now the NPCI, thanks to RBI instruction. There will be a remitter/beneficiary front end PSP (payment service provider) and a remitter/beneficiary back end bank that settles the financial transaction for the users under UPI's four pillar push-pull interoperable paradigm. UPI became one of the most successful deep-tech innovations to come out of India, according to the CEO of Netmagic Solutions.

In December 2019, Google urged that the Federal Reserve Board use UPI as an example while creating FedNow, a real-time payment system for the United States, highlighting the success of UPI.

India surpassed China and the United States to become the largest real-time payment market in the world in 2020 with 25,50 billion yearly transactions, according to data from ACI Worldwide and GlobalData.

India is now the market leader for real-time payments worldwide, followed by China and South Korea, according to the Economist Intelligence Unit Report 2021. The number of low value transactions

exploded, producing enormous gains on real-time transaction volume data, after the Ministry of Finance's decision to abolish the merchant discount rate (MDR) from UPI in 2019. Currently, countries including Brazil, Bahrain, Saudi Arabia, Singapore, the United States, and the European Union are attempting to imitate UPI's success in their own markets.

UPI gained popularity as a payment method for initial public offers (IPOs) as of January 1, 2019. In March 2020, the transaction cap increased from Rs 100,000 to Rs 200,000. The RBI once more raised the threshold for Retail Direct Scheme and IPO applications from December 2021 to Rs 500,000. RBI is taking merchant discount rate (MDR) on upcoming UPI transactions into consideration in order to make UPI commercially viable for payment companies. In its initial monetary policy for the fiscal year 2022–2023, the RBI recommended a cardless ATM cash withdrawal option using a QR code based on UPI. ToneTag introduced VoiceSE in collaboration with NSDL Payments Bank and NPCI, allowing 400 million feature phone users to make UPI payments via speech in Hindi, Tamil, Telugu, Malayalam, Kannada, and Bengali.

The advent of UPI 2.0 on August 16th gave users the ability to connect their overdraft accounts to a UPI handle. Users could require a specific merchant in order to pre-authorize transactions. The ability to view and save the transactional invoice was also provided in this version. Additionally, a recurring payment option called AutoPay was implemented. State Bank of India, Bank of Baroda, and Paytm Payment Bank are all active UPI AutoPay providers as of August 2021, with each bank recording 660,000, 204,000, and 186,000 mandates, respectively. The government eliminated the requirement for a debit card for UPI registration as of March 15, 2022. By September 2022, NPCI hopes to operationalize a real-time payment dispute resolution mechanism that will resolve 90% of the complaints and expand AutoPay to worldwide markets.

RBI has made it possible to integrate RuPay credit cards with UPI as of 8 June 2022. Without a physical card, customers can now use UPI to make credit card payments. With the real-time feature that NPCI is developing, banks will only need 30 seconds instead of 24 hours to unlock cash

blocked due to time-outs or transaction declines. The service debuted formally on September 20, 2022. The RBI declared on December 7, 2022, that UPI will transition from single-block-single to single-block-multiple debit for recurring transactions and securities investments. The function will enable the user to set aside money for a certain use and release it when needed.

MARKET SHARE

From 93,000 transactions worth Rs 30 million in August 2016, UPI generated 800 million transactions worth Rs 1330 billion in March 2019. 1.94 million IPO mandates were recorded by UPI in June 2021, while 7.66 million were recorded in July. Since the Securities and Exchange Board of India made UPI necessary for domestic retail investors participating in the IPO process, this was the highest level ever. By the end of August 2020, UPI had eclipsed American Express in India with 18 billion annual transactions. By 2023, according to NITI Aayog, UPI would also overtake Visa and MasterCard. While it took UPI three years to reach 1.14 billion in October 2019, the payment system has processed 2.07 billion transactions by the end of October 2020. The UPI platform transferred Rs 457 billion in value in 2020, which is 15% of India's GDP.

In October 2021, UPI reached a value of 7.71 trillion, up 56% from September. According to NPCI, daily UPI payments will range from Rs 250 billion to Rs 300 billion in October. In October, 54% of UPI transactions were made from person to person (P2P), while 46% were made from person to merchant (P2M). Up till November 2021, UPI had a worth of Rs 844 billion. With a 99% annual growth rate, the total transaction value on UPI surpassed 8.27 trillion in December. UPI accounts for the greatest portion of India's $2 trillion in annual digital payments. According to Worldline SA, there were 20.57 billion transactions in Q2 2022, totaling Rs 36.08 trillion. P2P made up 49% of the volume and 67% of the value, while P2M made up 34% of the volume and 17% of the value. P2M would account for more than 50% of UPI transaction volumes as of November 2022, according to NPCI CEO Dilip Asbe. UPI accounted for 17% of the Rs 3,100 billion in digital transactions in 2019 and 52% of the Rs 8,840 billion in digital transactions in 2022.

SERVICES

Any UPI client app may be used, and several bank accounts may be linked to a single app, for real-time payments from one bank account to another. Each bank account has a user-created Virtual Payment Address (VPA) or UPI ID that may be used to send or request money using a mobile number that has undergone KYC. For contactless payments, UPI also creates a unique QR code for each user account.

To transfer money from and to UPI capable banks, you can use any UPI app. NPCI oversees its own app, BHIM, in addition to a number of third-party ones including Google Pay (formerly Tez), PhonePe, Paytm, Amazon Pay, Airtel Payments Bank, MobiKwik, Samsung Pay, and WhatsApp Pay.

Between April 2016 and February 2022, the total number of banks connected to the UPI platform increased from 21 to 304.

The NPCI lifted the cap on WhatsApp's UPI customer onboarding, which had previously been set at 20 million users, in June 2021. Once WhatsApp had 530 million registered users in the Indian market, it could offer UPI to all of its users.

Market Share

UPI generated 800 million transactions in March 2019 with a value of Rs 1330 billion, up from 93,000 transactions in August 2016 valued at Rs 30 million. UPI noted 1.94 million IPO mandates in June 2021, and 7.66 million in July. This was the highest level ever since the Securities and Exchange Board of India mandated UPI for domestic retail investors participating in the IPO process. With 18 billion annual transactions by the end of August 2020, UPI surpassed American Express in India. By 2023, UPI is expected to overtake Visa and Mastercard, according to NITI Aayog. While it took UPI three years to reach 1.14 billion in October 2019,

the payment system has processed 2.07 billion transactions by the end of October 2020. The UPI platform transferred Rs457 billion in value in 2020, which is 15% of India's GDP.

UPI recorded 432.5 million transactions as of July 2021, totaling Rs 567,345 million, with the highest average daily transaction amount of over 100 million, which is double what it was in July 2020. UPI will make up 10% of all retail payments in India as of August 2021. In the UPI payment ecosystem, PhonePe and Google Pay both had 1 billion transactions in August, with market shares of 45.94% and 34.45%, respectively, while Paytm had 11.94% of the market with 387.85 million transactions.

Domestic retail UPI payments by value increased by 18% over the five-year period of 2015–21 at a compound annual growth rate (CAGR), while overall UPI payments increased by 400% CAGR between 2017 and 2021. The UPI platform saw transactions totaling Rs 41 trillion (short scale) in the fiscal year 2021, which is 2.8 times the value of POS debit and credit card transactions and 20 times the value of digital wallet and prepaid instruments in India.

In August 2021, UPI recorded 3.55 billion transactions, an increase of 9.56% from the previous month. In terms of value, only August saw transactions totaling 6.39 trillion. The growth in value terms doubled between September 2020 and July 2021, going from 3.2 trillion to 6 trillion. Since its start in the month of September, it had grown to an all-time high of 3.65 billion transactions with a total value of Rs 6.54 trillion. The total amount of transactions for 2021 have now surpassed Rs 50 trillion.

In October 2021, UPI reached a value of Rs 7.71 trillion, an increase of 56% over September. According to NPCI, daily UPI payments range between Rs 250 billion to Rs 300 billion during the month of October. In October, 54% of UPI transactions were made from person to person (P2P), while 46% were made from person to merchant (P2M). Up to November 2021, UPI had a worth of Rs 844 billion. With a 99% annual growth rate, the total transaction value on UPI surpassed Rs 8.27 trillion in December. UPI accounts for the greatest portion of India's $2 trillion in annual digital payments. According to Worldline SA, the second quarter of 2022 saw 20.57 billion transactions totaling Rs. 36.08 trillion. P2P made up 49% of the volume and 67% of the value, while P2M made up 34% of the volume

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Year	No. of Banks live on UPI	Transaction Volume (in Mn)	INR Value (in Cr.)	USD Value (in Billions)
2022	382	74,044.48	12,594,818.73	1,699.71
2021	282	38,744.55	7,159,285.80	966.17
2020	207	18,880.89	3,387,744.72	457.19
2019	144	10,787.54	1,836,638.18	247.86
2018	129	3,746.32	585,710.45	79.04
2017	67	418.8	57,020.87	7.7
2016	35	2.65	893.07	0.12

App Wise Market Share

App	Transaction Value (₹)	%	Rank	Transaction Number (In Million)	%	Rank
PhonePe	5,247,424,900,000	49.25%	1	2,993.83	47.33%	1
Google Pay	3,666,690,900,000	34.42%	2	2,130.63	33.68%	2
PayTM	1,111,496,600,000	10.43%	3	933.88	14.76%	3
Cred	197,164,300,000	1.85%	4	14.89	0.24%	9
Yes Bank Apps	152,360,400,000	1.43%	5	60.80	0.96%	5
ICICI Bank Apps	115,092,900,000	1.08%	6	37.34	0.59%	7
BHIM	78,239,500,000	0.73%	7	24.48	0.39%	8
Amazon Pay	67,518,000,000	0.63%	8	68.77	1.09%	4

Axis Bank Apps	12,139,500,000	0.11%	9	53.99	0.85%	6
Airtel Payments App	5,552,600,000	0.05%	10	7.41	0.12%	10

How UPI is Unique

- Immediate money transfer through mobile device round the clock 24*7 and 365 days.

- Single mobile application for accessing different bank accounts.

- Single Click 2 Factor Authentication – Aligned with the Regulatory guidelines, yet provides for a very strong feature of seamless single click payment.

- Virtual address of the customer for Pull & Push provides for incremental security with the customer not required to enter the details such as Card no, Account number; IFSC etc.

- QR Code

- Best answer to Cash on Delivery hassle, running to an ATM or rendering exact amount.

- Merchant Payment with Single Application or In-App Payments.

- Utility Bill Payments, Over the Counter Payments, QR Code (Scan and Pay) based payments.

- Donations, Collections, Disbursements Scalable.

- Raising Complaint from Mobile App directly.

International Acceptance

Liquid Group, a supplier of cross-border digital payment services, and NIPL announced an agreement in September 2021 to launch a UPI-based QR code payment system in Singapore, Malaysia, Thailand, the Philippines, Vietnam, Cambodia, Hong Kong, Taiwan, South Korea, and Japan beginning in 2022. On March 8, 2022, NIPL and the Arab Monetary Fund (AMF) signed a Memorandum of Understanding (MoU) to connect UPI with the Buna Payment Platform, which is linked to the central banks and financial institutions in the Arab area. This will facilitate cross-border cash exchange. India has already started discussions for UPI integration with 30 nations as of July 4, 2022.

Sending Money vs Receiving Money

On the UPI, sending money is referred to as "pushing." The user logs into the interface and chooses the Send Money/Payment option to send money. He selects the account from which the funds will be debited after inputting the necessary amount and the recipient's virtual ID. After entering a unique personal identification number (PIN), the user is given a confirmation.

Getting money through the system is called "staking". The user selects the fundraising option by logging into the system. At this stage, you must enter the amount collected, the virtual ID of the payer and the account to which he will transfer the money. After that, a payment request is sent to the payer. If he decides to proceed with the payment, he enters his UPI PIN to accept the transaction.

B. Literature Review

SHAILESH RASTOGI , CHETAN PANSE, ARPITA SHARMA, VENKATA MRUDULA BHIMAVARAPU conducted a study on UPI and Impact on Financial Inclusion and Economical Development. The study adds to the body of knowledge about financial inclusion and economic growth. The article demonstrates how financial stability and trust mediators operate as predictors of financial inclusion and economic development, respectively, taking into account an innovative variable of UPI in the area of digital finance and financial inclusion. The advent of digitalization itself is a path-breaking innovation, and UPI is one such innovation which supports the digital ecosystem and contributes to the inclusion of the bottom of the pyramid into the financial system.

Chapter 3
DATA ANALYSIS AND INTERPRETATION

INTRODUCTION

This chapter includes the data analysis and interpretation. Here the data is analysed using tables and figures. The figures are represented using Pie Diagram

OBJECTIVES

1. To unearth the antecedence of usage of UPI Payments.
2. To examine the problems faced by the users of UPI Payments.
3. To understand the overall perception people have towards UPI Payments.

RESEARCH METHODOLOGY

- Type of study: - Analytical
- Sources of data: - Primary Data is used for analysis and secondary data has been used for further study
- Method of data Collection: - Questionnaire has been used for data collection
- Respondents: - Customers using UPI system In Ernakulam District.
- Sampling Size: -60 respondents Have been considered for the sample
- Period of Study: - 2022-2023
- Sampling Procedure: - Convenience sampling
- Sampling Tools: - Pie Chart, Table etc.

Gender	No. of Respondents	Percentage
Male	42	70
Female	18	30
Other	0	0
Total	60	100

Gender

60 responses
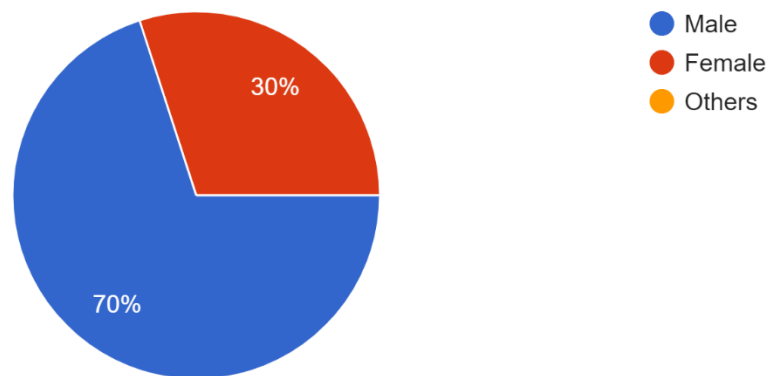
INTERPRETATION

Out of 60 respondents, 42 are male and 18 are female users. That is 70% of the users are male and 30% of the users are female. Majority of the respondents are male.

Age	No. of Respondents	Percentage
Below 18	1	1.7
18 to 25	32	53.3
25 to 40	7	11.7
Above 40	20	33.3
Total	60	100

Age

60 responses
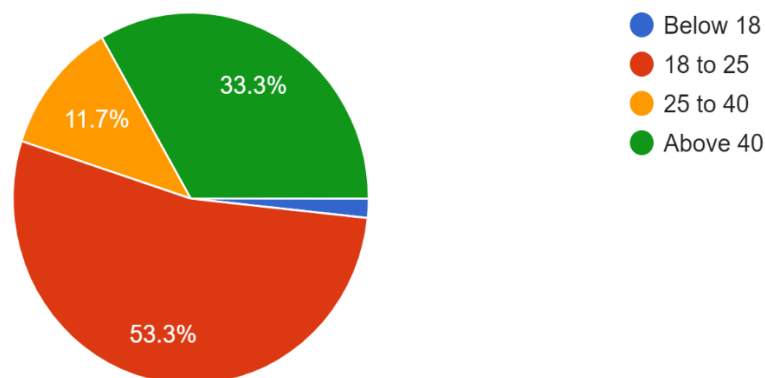
INTERPRETATION

About 53% of the respondents were of the age group 18 to 25. And another 1/3 rd of the respondents were of the age group above 40. Out of the 60 responses 32 were from the age group 18 to 25 and only 1 reponse was from the age group below 18. This shows majority of UPI users are adults.

Education	No. of Respondents	Percentage
Plus Two	3	5
Under Graduate	42	70
Post Graduate	15	25
Total	60	100

Education

60 responses
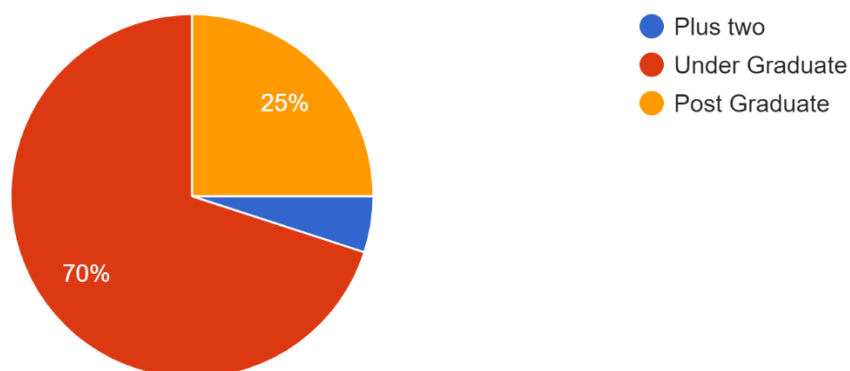
INTERPRETATION

About 95% of the respondents, that is 57 respondents have minimum qualification of an under graduate and in this about 15 respondents are post graduated.

Occupation	No. of Respondents	Percentage
Student	32	53.3
Self Employed	8	13.3
Salaried	15	25
Wage Worker	1	1.7
Unemployed	4	6.7
Total	60	100

Occupation

60 responses
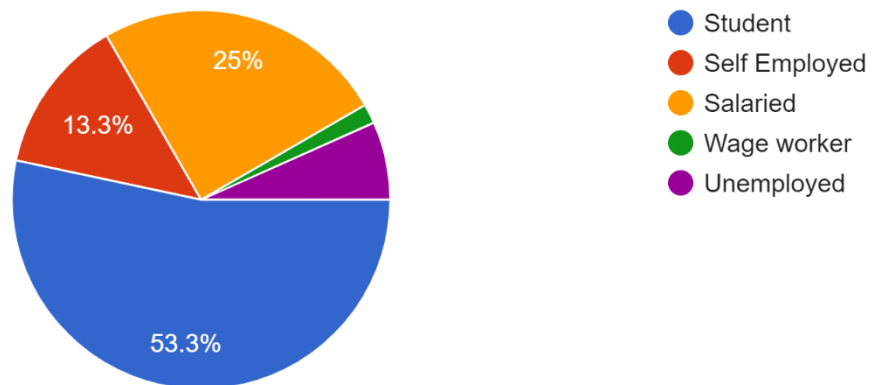
INTERPRETATION

Majority of the respondents are students, that is 53.3%. And about 25% are salaried. And only 8 respondents are self employed. Only 1 person was a wage worker.

Time Period of usage	No. of Respondents	Percentage
0 to 3 Months	5	8.3
3 to 6 Months	4	6.7
6 Months to 1 Year	3	5
More Than 1 Year	48	80
Total	60	100

I have been using UPI for Transactions for the Past

60 responses
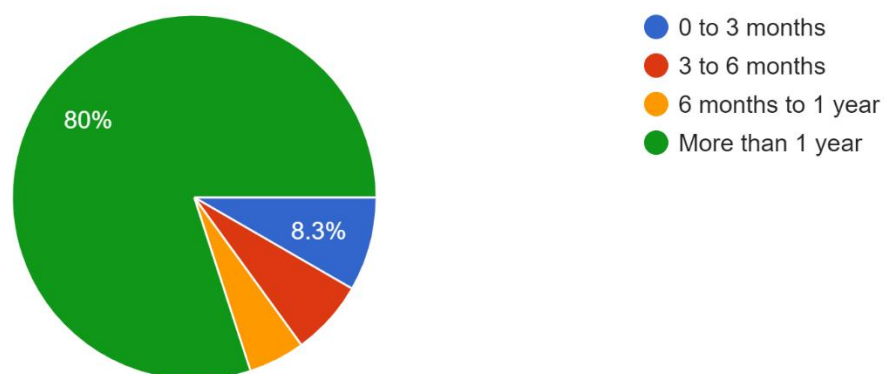
INTERPRETATION

A large majority of the respondents has been using UPI apps for More than 1 year. Only a small number of respondents equalling to about 20% have been using these apps for less than 1 year.

Transaction Frequency	No. of Respondents	Percentage
Every Transaction	6	10
Frequently	38	63.3
Sometimes	12	20
Occasionally	3	5
Never	1	1.7
Total	60	100

Frequency of usage of UPI for transactions

60 responses
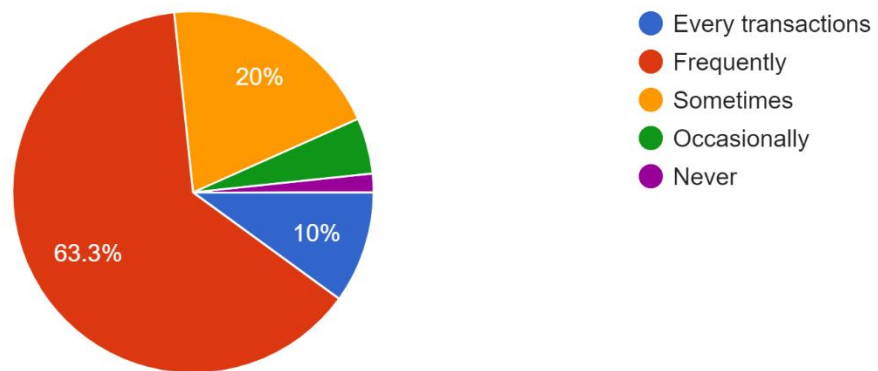
INTERPRETATION

Only 10% of the Respondents, that is 6 persons use UPI apps for every Transaction. A large majority of the respondents use the apps frequently. Only 1 respondent never use UPI.

App	No. of Respondents	Percentage
Google Pay	52	89.7
Phone Pay	2	3.4
Paytm	2	3.4
Yono	1	1.7
PayZapp	1	1.7
Total	58	100

I mostly use

58 responses
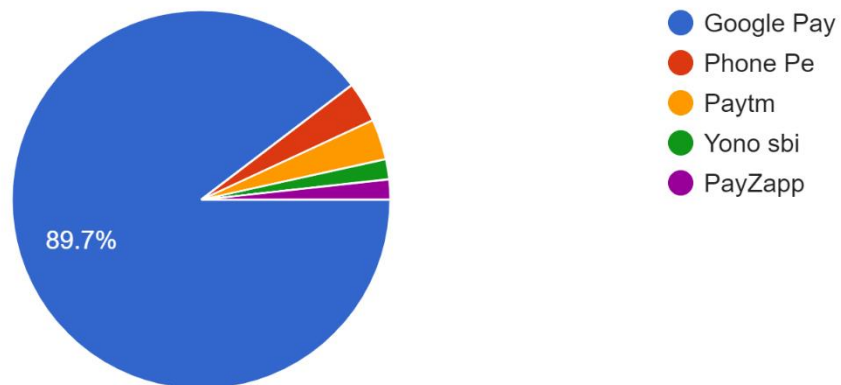
INTERPRETATION

Only 58 Respondents responded to this question and from these 52 were using Google Pay, that is about 90%. The then popular apps were Phone Pay, Paytm, Yono, Payzapp.

B. Descriptive Analysis

a) ANTECEDENTS FOR ADOPTING UPI TRANSACTION

In this section we identified 10 antecedents for adopting UPI apps for transactions

1. Instant Transactions

Particulars	No. of Respondents	Percentage
Strongly Agree	20	33.3
Agree	32	53.3
Neutral	8	13.3
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I have been able to make instant transactions using UPI system

60 responses
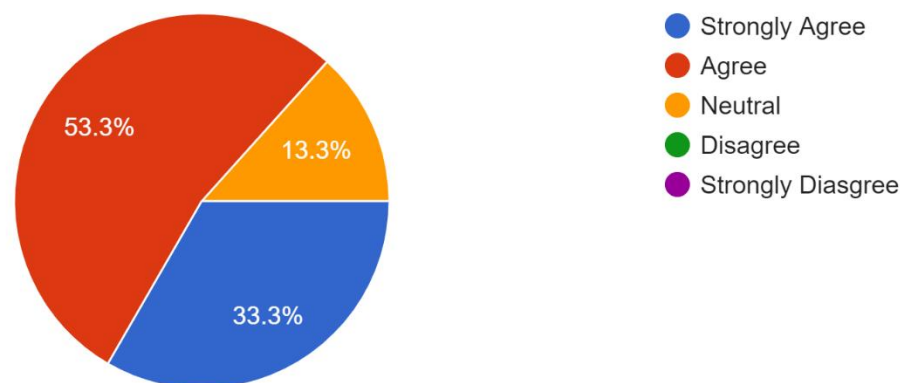
INTERPRETATION

A large percentage of respondents agree that UPI transactions Helps them make Instant Transaction.

2. Transfer Money From Anywhere

Particulars	No. of Respondents	Percentage
Strongly Agree	26	43.3
Agree	27	45
Neutral	7	11.7
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I find it helpful as I can use it to transfer money from anywhere
60 responses
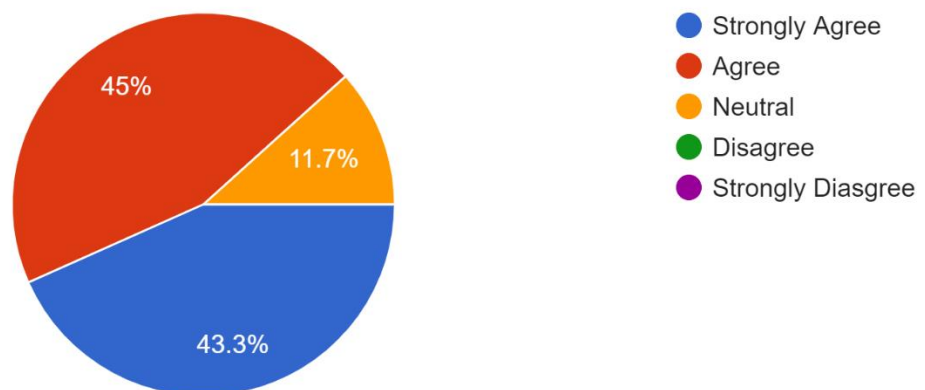
INTERPRETATION

A large number of respondents find it helpful to use UPI to transfer Money From anywhere. About 45% agree to this statement and 43% strongly agree to this statement. All respondent either responeded positively or took a neutral stand.

3. Maintain a better transaction History

Particulars	No.of Respondents	Percentage
Strongly Agree	26	43.3
Agree	24	40
Neutral	9	15
Disagree	1	1.7
Strongly Disagree	0	0
Total	60	100

I have been able to maintain a better Transaction history due to UPI system
60 responses
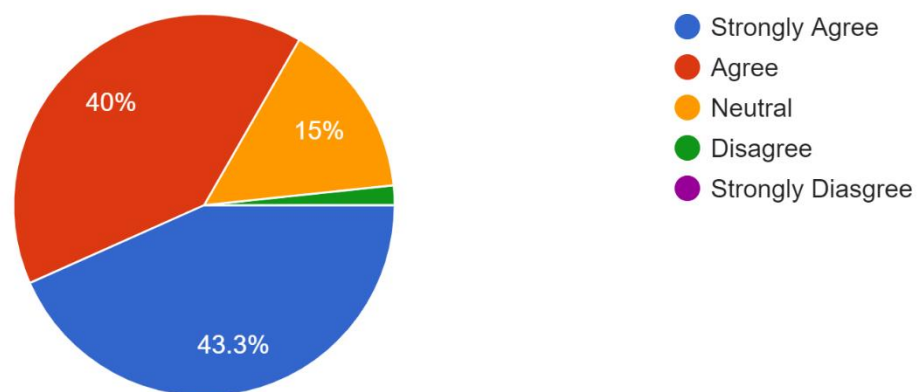
INTERPRETATION

Many respondents believe UPI system Help to maintain a Better Transaction History, about 83% believe this way out of which 24 persons agree and 26 persons strongly agreeing to this statement. 15% stay Neutral to this statement and 1 person disagree to this Statement.

4. Contribution to Cashless Economy

Particulars	No.of Respondents	Percentage
Strongly Agree	25	41.7
Agree	22	36.7
Neutral	13	21.7
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I have been able to contribute my part to cashless economy
60 responses
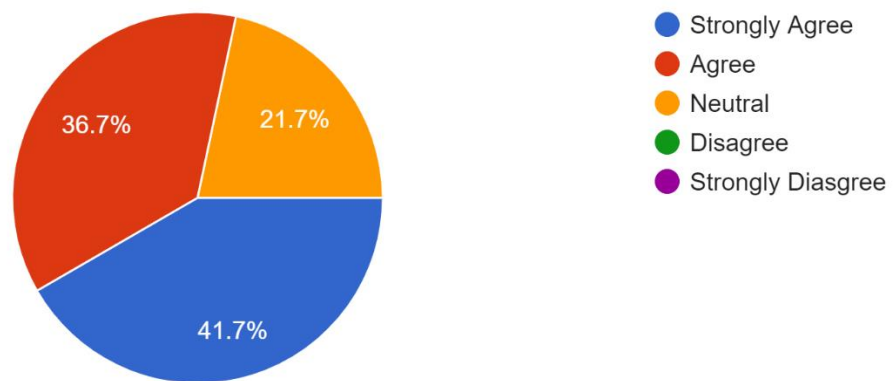
INTERPRETATION

A large majority of the respondents agree or strongly agree to this statement, that is 37% agree and 42% strongly agree. About 13 persons remained neutral to this statement.

5. Privacy protection

Particulars	No.of Respondents	Percentage
Strongly Agree	11	18.3
Agree	25	41.7
Neutral	23	38.3
Disagree	1	1.7
Strongly Disagree	0	0
Total	60	100

I feel there is privacy protection to my transactions
60 responses
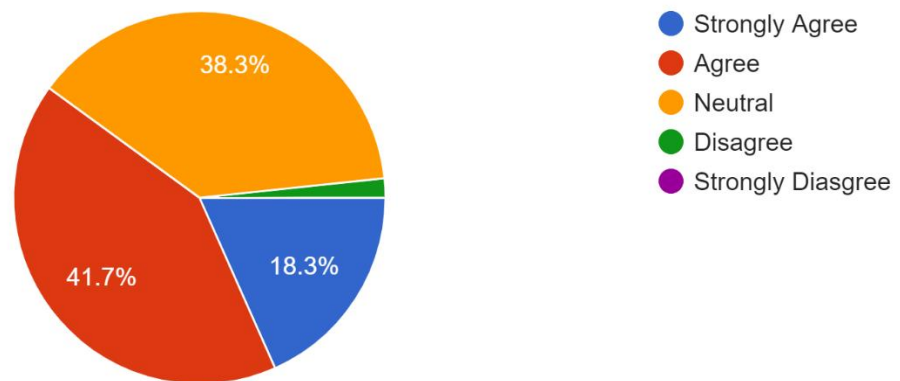
INTERPRETATION

Many respondents agree that UPI provide privacy protection to users and another majority remained neutral to this statement. About 42% agree there is a privacy protection and 1 respondent disagree to this statement.

6. Make Transactions Through Multiple Accounts

Particulars	No.of Respondents	Percentage
Strongly Agree	14	23.3
Agree	29	48.3
Neutral	17	28.3
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I find it easier to use due to its ability make transaction through multiple accounts
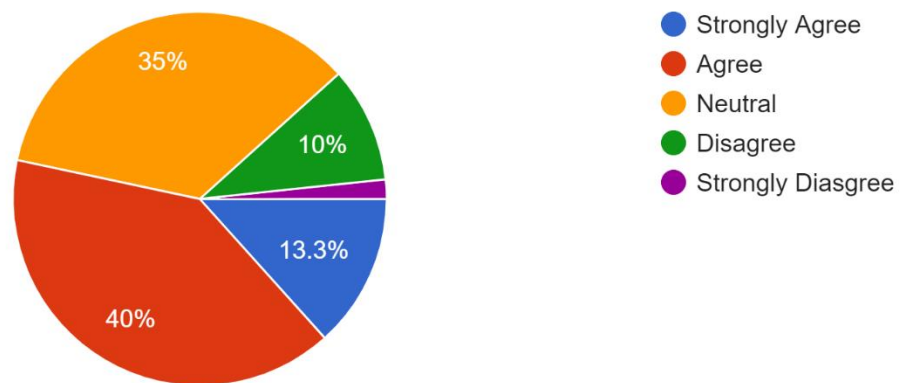60 responses
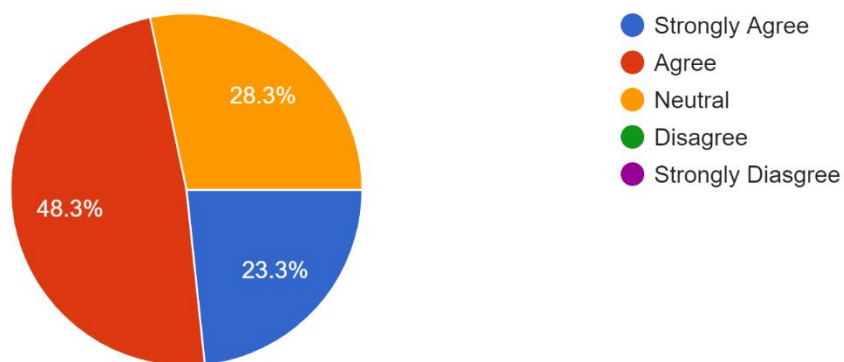
INTERPRETATION

Just over 70% of the respondents Agree or Strongly agree to this statement. And about 17 respondents remained neutral to this statement.

7. Reward and Cashback

Particulars	No.of Respondents	Percentage
Strongly Agree	8	13.3
Agree	24	40
Neutral	21	35
Disagree	6	10
Strongly Disagree	1	1.7
Total	60	100

I find rewards and cashback helpful

60 responses

INTERPRETATION

There is a mixed response about this question 32 responses were positive and 21 responses were neutral and 7 responses were negative. Out of this 24 responses were agreeing to this

8. Helpful for small transaction

Particulars	No.of Respondents	Percentage
Strongly Agree	23	38.3
Agree	32	53.3
Neutral	5	8.3
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I find it helpful for small transactions

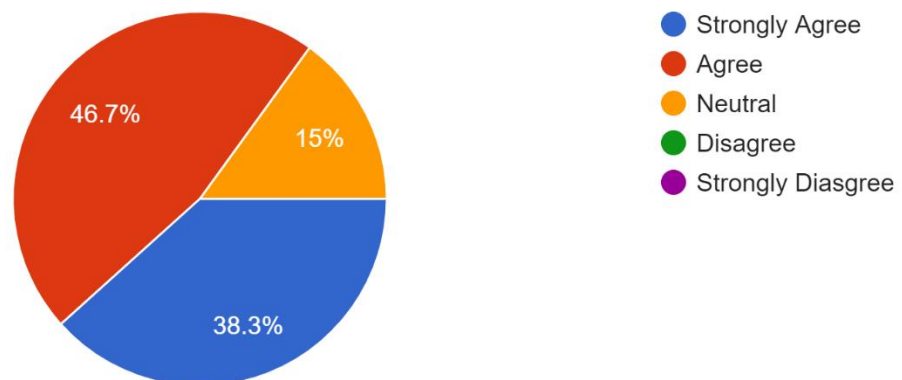60 responses
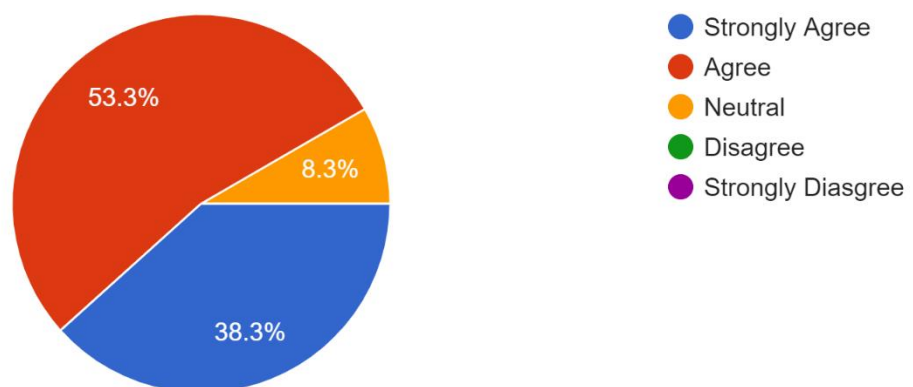
INTERPRETATION

More than 90% of the responses were positive and only 5 responses were neutral with no negative responses. Respondents find it it very useful for small transactions.

9. Supported by various apps

Particulars	No.of Respondents	Percentage
Strongly Agree	23	38.3
Agree	28	46.7
Neutral	9	15
Disagree	0	0
Strongly Disagree	0	0
Total	60	100

I feel it is helpful as UPI is supported by various apps
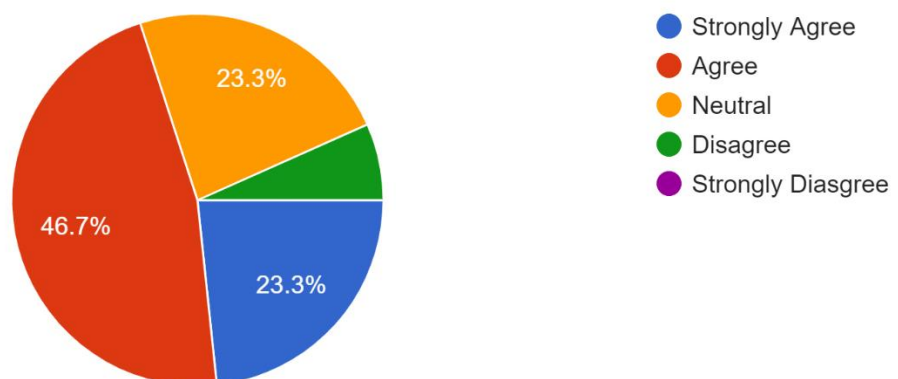
60 responses

INTERPRETATION

About 85% of the responses were positive about the statement and there are no negative responses. It can be founded that this feature can help its users in its usage.

b) Problems faced by UPI users

1. Delay In payment due to network issues

Particulars	No.of Respondents	Percentage
Strongly Agree	14	23.3
Agree	28	46.7
Neutral	14	23.3
Disagree	4	6.7
Strongly Disagree	0	0
Total	60	100

I fear delay in payment due to network issues
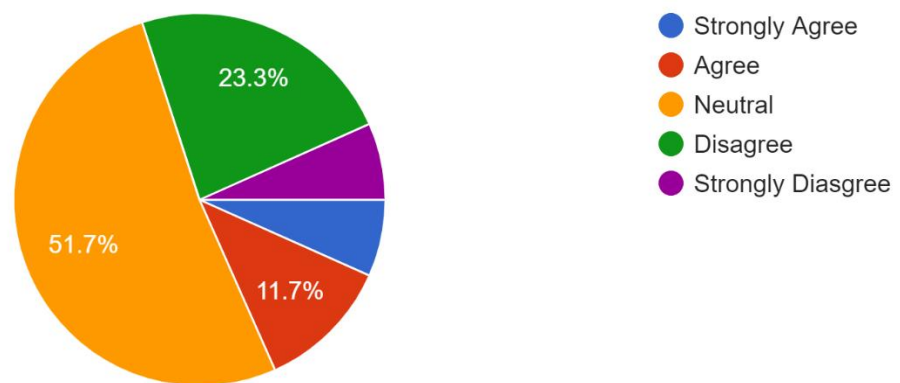60 responses

INTERPRETATION

A large majority of the responses have given positive response to this statement. And about 4 responses were negative responses to this statement.

2. Insecurity due to 6 digit PIN

Particulars	No.of Respondents	Percentage
Strongly Agree	4	6.7
Agree	7	11.7
Neutral	31	51.7
Disagree	14	23.3
Strongly Disagree	4	6.7
Total	60	100

I feel it insecure due to it having only 6 Digit PIN
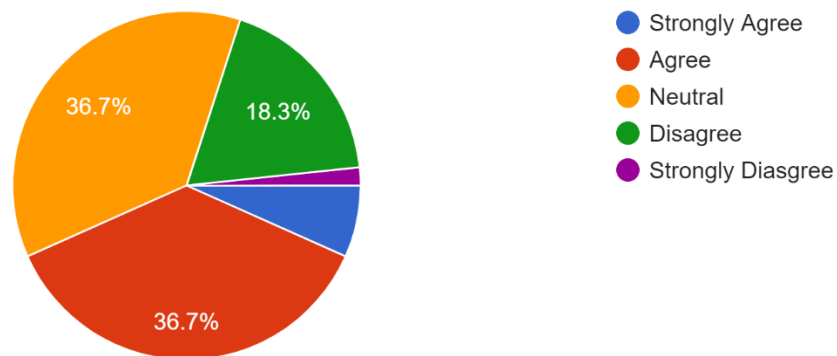60 responses

INTERPRETAION

A large group of the respondents were neutral to this statement and There is a higher percentage of negative response in for this question indicating more people find the 6 digit pin secure.

3. No physical Representation of bank balance

Particulars	No.of Respondents	Percentage
Strongly Agree	4	6.7
Agree	22	36.7
Neutral	22	36.7
Disagree	11	18.3
Strongly Disagree	1	1.7
Total	60	100

I sometimes forget about my bank balance and overspend because there is no physical representation

60 responses

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Diasgree

INTERPRETATION

There is a mixed response for this question, while a large portion is positive about this statement a respectable number of people have given negative response about this statement. Most people doesn't find No physical representation of money a problem.

4. Money credited only after 48 hours

Particulars	No.of Respondents	Percentage
Strongly Agree	8	13.3
Agree	23	38.3
Neutral	22	36.7
Disagree	5	8.3
Strongly Disagree	2	3.4
Total	60	100

I feel it inconvenient because deducted money is credited back only after 48 Hours
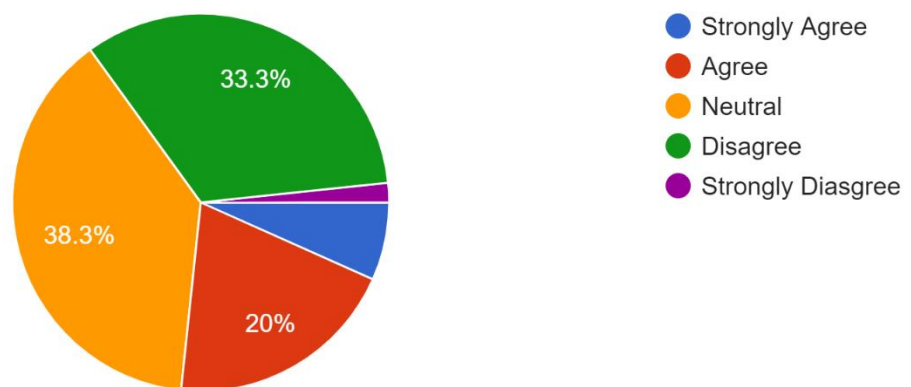60 responses
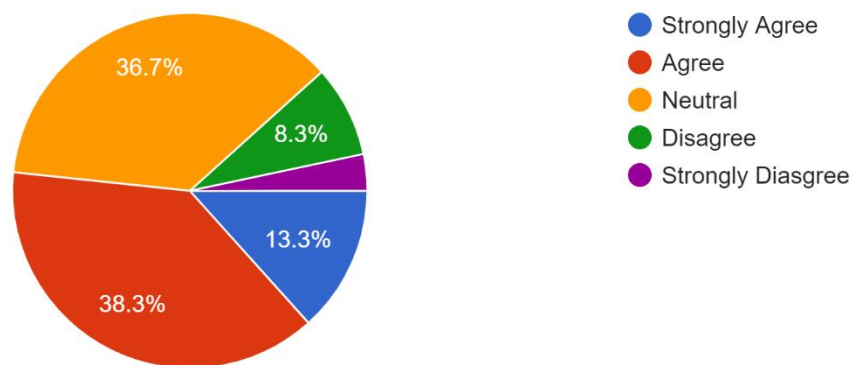
INTERPRETATION

Majority of the respondents does find this inconvenient as more than 50% of the respondents have given a positive response for this statement. While there are some responses which state that there is a little inconvenience for the users.

5. Less satisfaction for less or no money with them

Particulars	No.of Respondents	Percentage
Strongly Agree	4	6.7
Agree	12	20
Neutral	23	38.3
Disagree	20	33.3
Strongly Disagree	1	1.7
Total	60	100

I feel less satisfaction that I am carrying less or no money with me
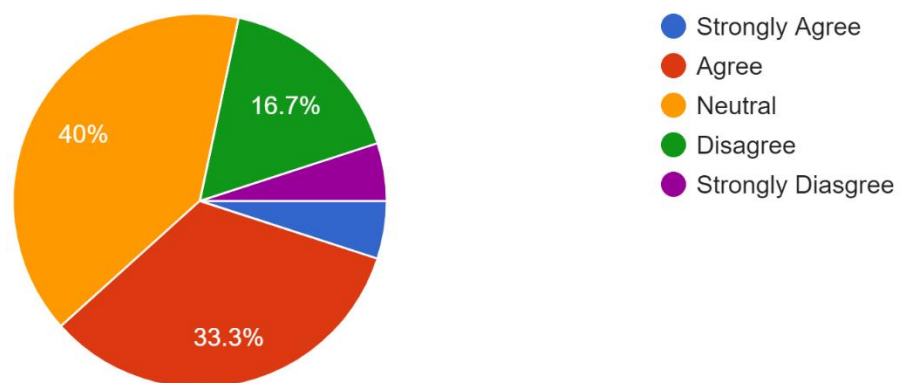
60 responses

INTERPRETATIONS

There is a majority of neutral responses for this statement followed by 20 responses which are negative. This indicate that people are not less satisfied for carrying no or less money with them. This Indicate that there are more people finding it less inconvenient for carrying less money with them.

6. Security of Transaction

Particulars	No.of Respondents	Percentage
Strongly Agree	3	5
Agree	20	33.3
Neutral	24	40
Disagree	10	16.7
Strongly Disagree	3	5
Total	60	100

I am not sure about the security of my transaction

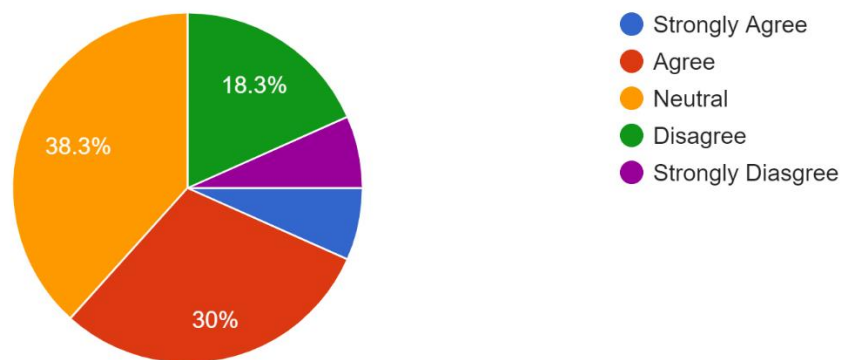60 responses

INTERPRETATION

Here also there is a mixed response about this statement, about 40% of the people gave a neutral response and there is a higher positive response for this statement. this indicate that there a higher degree of people not sure about the security of the transaction.

7. Not Reliable Everywhere

Particulars	No.of Respondents	Percentage
Strongly Agree	4	6.7
Agree	18	30
Neutral	23	38.3
Disagree	11	18.3
Strongly Disagree	4	6.7
Total	60	100

I feel it is not reliable everywhere

60 responses

INTERPRETATION

There is a varied response about this statement as well, about 23 responses were neutral and there is higher degree of agreement to this statement against disagreement. About 37% of the response were positive and 25% of the responses were negative.

Chapter 4
FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

Our study on Antecedents for adopting UPI and the Problems faced by it revealed the following information

Antecedents for adoption of UPI

1. Majority of the respondents were males from the age group 18 to 25
2. Majority of the respondents agree to the fact that they have been able to make instant transaction using UPI systems
3. Most of the respondents responded favourably to the fact that they were find it helpful to use UPI apps to Transfer money from Everywhere.
4. Almost all the respondents strongly agree that they were able to maintain a better transaction history through UPI
5. Almost 41.7% of the respondents strongly agree and 36.7 of the respondents agree to the fact of contributing their part to cashless economy
6. 41.7% of the responses were agreeable and 18.3% of the Responses were strongly agreeable to the fact they have protection to privacy to their transactions
7. Transaction through multiple accounts makes the user easier as 71.6% of the responses were agreeable.
8. Reward and Cashback is found helpful to about 53.3% respondents and it is found that about 11% of the respondents find it not helpful.
9. For small transaction more than 90% of the responses were favourable that UPI is helpful for making small Transaction.
10. Many respondents feel it helpful As UPI is supported by various apps as 85% of the Responses were favourable

Tto the statement. It is concluded that people find it easier to use UPI apps due to this fact

1. Delay in payment due to network Issue have mixed responses among the respondents as majority (70%) feel that they find it problematic
2. It can be noted that more respondents responded neutrally when asked about the security of the 6 digit PIN, that is about 52% and the next best response was that they felt it secure with 23% disagreeing with the statement and 7% strongly disagreeing with the statement.
3. When asked about whether they overspend due to not having a physical representation of the money, it is found that about 37% of the respondents feel that way by agreeing and 6% strongly agreeing to this statement.
4. It is found that most users find it really inconvenient that deducted money is only credited back after 48 hours, with 52% agreeing or Strongly Agreeing to the statement and only a very few Disagreeing.
5. More people feel that there is no satisfaction loss due to them not carrying any money with them
6. It is found that more people are concerned about the security of their transaction.
7. There is mixed response about the reliability of the UPI everywhere as it is to be noted it is still too early to judge as many stores and shops are adopting it, nevertheless the respondents are more inclined to the fact that they are not as reliable right now which can very much change in the future.

SUGGESTIONS

1. Respondents feel that there is delay in payment sometimes due to network issue, therefore we suggest something to be done for this to improve customer satisfaction.

2. Respondents feel like there is less coordination between UPI system and Bank, respondents have stated that there is a problem when they have been forgetting the bank balances and sometimes they overspend, if the confirmation message is right on time then the people will not have tough time remembering their bank balance.

3. It would be preferred if the amount deducted would be credited back within a lesser time period as respondents have responded in majority that it is inconvenient for them to have to wait for 48 hours.

4. Many respondents feel that the security of the transaction is not up to mark as the respondents commented that they are not sure about the security of the transaction. We would suggest something to be done against this problem.

5. Some respondents feel that the UPI system is not reliable everywhere as there are some store and shop which still does not have UPI implemented, there not more to suggest for this as we feel it would be implemented in the future but for the sake of current users we suggest UPI system try to implement the system to as many stores and shops.

CONCLUSION

Making all payments is about convenience, security and speed. We have seen how India's payment system has evolved from the Barter system of the old age to the modern world's Digital payment mode.

The study was based on antecedents for adoption of UPI and the problems faced by its users. The study focused on UPI system's ability to Make Transactions easier and convenient to its users and also throw some light on its problems faced by its users. For this purpose we were able to collect data from over 60 respondents in and around Ernakulam from different age group for our study. The responses were collected in the period of December 2022 to march 2023.

The researchers were able to find about nine antecedents for the adoption of UPI and they are Instant Transaction, Transfer money from anywhere, maintain a better transaction history, Contribution to cashless economy, Privacy Protection, Transaction through multiple accounts, rewards and cashback, small transaction and supported by various apps. The problems faced by them are delay in payment due to network issues, Insecurity of 6 digit PIN, no physical representation of cash, deducted money credited back only after 48 hours, less satisfaction, security of transaction and its reliability.

The data collected from the respondents were analysed carefully to give light to two sections that is demographic analysis and descriptive analysis. From the demographic analysis we were able to find which group of people responded most, and we found out most of the respondents were students and between

the age group 18 to 25, this was really helpful to the study as this is the age were most people start to spend a lot for small transactions. About one-third of the respondents were from age group above 40 other stage of heavy spending. We were able to identify the time period and frequency of UPI usage as well giving more insight to our research.

We through our research found that UPI's ability to do small transaction is one of the major upside for its adoption and also positive like able instant transaction, able to transfer money from anywhere, able to maintain better transaction history, contribution to cashless economy, transaction through multiple accounts and supported by various apps have indeed made UPI very more viable. Although some respondents have given their concern about rewards and cashback, and also about the privacy protection of their transactions. When it comes to the problems faced by the users delay in payment due to network issue stands out the most and fairly too, since it will become inconvenient. The other problems faced by the users had conflicting responses as the positive and negative responses were always neck to neck. It is safe to assume that UPI system will be the go to for the future. The UPI system can also improve to certain extend to decrease its problems to make it more viable, as consumers still have some concern about its usage.

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APPENDIX

ANTECEDENTS FOR ADOPTION OF UPI AND THE PROBLEMS FACED BY ITS USERS

QUESTIONNAIRE

1. Email address

2. Name

3. Gender
   - Male
   - Female
   - Others

4. Age
   - Below 18
   - 18 to 25
   - 25 to 40
   - Above 40

5. Education
   - Plus, two
   - Under graduate
   - Post graduate

6. Occupation
   - Student
   - Self employed
   - Salaried

- Wage worker
- Unemployed

7. I have been using UPI for transactions for the past
    - 0 to 3 months
    - 3 to 6 months
    - 6 months to 1 year
    - More than 1 year

8. Frequency of usage of UPI for transactions
    - Every transaction
    - Frequently
    - Sometimes
    - Occasionally
    - Never

9. I mostly use
    - Google pays
    - Phone pe
    - Paytm
    - Other

10.I have been able to make instant transactions using UPI systems

    - Strongly agree
    - Agree
    - Neutral
    - Disagree
    - Strongly disagree

10. I find it helpful as I can use it to transfer money from anywhere

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

11. I have been able to maintain a better transactions history due to UPI system

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

12. I have been able to contribute my part to cashless economy

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

13. I feel there is privacy protection to my transactions

- Strongly agree
- Agree

- Neutral
- Disagree
- Strongly disagree

14. I find it easier to use due to its ability to make transactions through multiple accounts

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

15. I find rewards and cashbacks helpful

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

16. I find it helpful for small transactions

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

17. I feel it is helpful as UPI is supported by various apps

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

18. I fear delay in payment due to network issues

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

19. I feel it insecure due to it having only 6 Digit PIN

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

20. I sometimes forget about my bank balance and overspend because there is no physical representation

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

21. I feel it inconvenient because the deducted money is credited back only after 48 hours

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

22. I feel less satisfaction that I am carrying less or no money with me

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

23. I am not sure about the security of my transactions

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

24. I feel it is not reliable everywhere

- Strongly agree
- Agree
- Neutral

- Disagree
- Strongly disagree