IMPACT OF UPI APPLICATION ON YOUTH

Project Report

Submitted by

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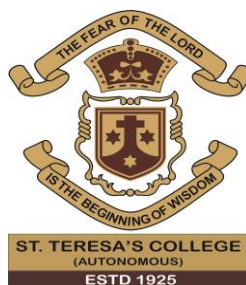**ATHEENA MACKILLOP (Reg. No. AB20COM014)**

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Under the guidance of

Dr. Mary Sruthy Melbin

In partial fulfilment of requirements for award of the degree of

Bachelor of Commerce

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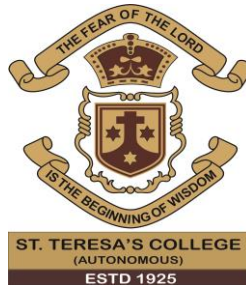
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CERTIFICATE

This is to certify that the project report titled **'IMPACT OF UPI APPLICATION ON YOUTH '** submitted by **ASWINI K V, ATHEENA MACKILLOP AND DIYA ANN PHILIP** towards partial fulfilment of the requirements for the award of degree of Bachelor of Commerce is a record of bonafide work carried out by them during the academic year 2022-23.

Supervising Guide   **Head of the Department**

Dr. Mary Sruthy Melbin   **Ms. Ann Thomas Kiriyanthan**

Assistant Professor   **Assistant professor**

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Place: Ernakulam

Date:

St. Teresa's College (Autonomous), Ernakulam

DECLARATION

We, Aswini K V, Atheena Mackillop, Diya Ann Philip, do hereby declare that this dissertation entitled**, 'IMPACT OF UPI APPLICATION ON YOUTH'** has been prepared by us under the guidance of **Dr. Mary Sruthy Melbin**, Assistant Professor, Department of Commerce, St Teresa's College, Ernakulam.

We also declare that this dissertation has not been submitted by us fully or partly for the award of any Degree, Diploma, Title or Recognition before.

Place: Ernakulam   **ASWINI K V**

Date: **ATHEENA MACKILLOP**

                                                                   DIYA ANN PHILIP

ACKNOWLEDGEMENT

We wish to acknowledge all those persons who helped us in completing our project on the topic, **'IMPACT OF UPI APPLICATION ON YOUTH'**

First of all, we thank God Almighty for his blessings showered upon us in the conduct of the project study. We are also indebted to Dr. Mary Sruthy Melbin, Assistant Professor, Dept. of Commerce, St. Teresa's College, Ernakulam for her guidance and encouragement for proper completion of the study.

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We also extend heartfelt thanks to our family for their constant encouragement without which this project would not be possible.

ASWINI K V

ATHEENA MACKILLOP

DIYA ANN PHILIP

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CHAPTER 1

INTRODUCTION

1.1. Introduction

Advancement of technology has altered India's payment system. The post-demonetization period (after November 8, 2016) was vital for the expansion of digital payments.

The transfer of value from one payment account to another via a digital device, such as a mobile phone, POS (Point of Sale), or computer is known as a digital payment, sometimes known as an electronic payment. Digital payments can be wholly or partially digital; there is no single, universally accepted definition for it.

This market for digital payments is heavily influenced by a smart tool known as smart phones, which has become an important component of people's personal, professional, and financial online lives. The smartphone ecosystem has made it very simple to incorporate the use of various applications/technology into our daily lives. The adoption of one touch payment is influenced by the ease of access to the internet, one touch access, and secure financial transactions. Thus, in order to maximize the benefits of smartphones and technology, as well as to create a platform for cashless and transparent financial transactions, the Government of India created one significant product, the 'UPI' (Unified Payment Interface).

UPI is a simple payment tool developed by NPCI that is based on the IMPS system. UPI can be used on a smartphone and functions similarly to an email ID for money. It allows for the use of a Virtual Payment Address (VPA: A VPA is an ID that a user creates by linking their accounts to a bank's mobile application) as a payment identifier for sending and receiving money, and it works with a single click. The Unified Payments Interface, which is governed by the Reserve Bank of India, was created to promote "cashless transactions" in India. There are multiple apps that offer this facility. Moreover, UPI-enabled transactions are now available on the majority of bank apps.

The COVID-19 pandemic has altered the payment ecosystem, with digital payments becoming the most popular mode among the youth . According to a Fampay survey, over 250 million teenagers prefer digital payments to other modes of payment.

1.2 Significance of the Study

Unified Payments Interface is one of the recent innovations introduced by National Payments Corporation of India. After the implementation of UPI, there is a dramatic

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change in the payment method. Hence it is important to know the impact it has created in society. In this study the researcher aims to study the impact that the UPI Application has created among the youth. It aims to understand the various other implications that it has created since its introduction.

1.3 Statement of the Problem

We are a large cash economy: in fact, India is the second largest producer and consumer of currency in the world, next only to China. Cost and Longevity are important considerations in currency management. Producing such a large amount of currency is expensive. Both the Government and RBI are keeping on moving India towards a less cash economy by encouraging people to shift from cash to electronic payments for all transactions. UPI payments ensure accountability in all the transactions. Since everything is digitally recorded, there is always a way to verify and track transactions. When using cash payments, it could be difficult to hold anyone responsible for any additional expenses.

While India must fully embrace cashless transactions to embark on the transition to a super economy in the coming years, there are still some hurdles to overcome. With IoT and artificial intelligence, it's also important to have a sustainable and lucrative business model that caters to the new age digital ecosystem with a robust cyber security system. Although the challenges are many, a good start is halfway done and the government is already preparing for a safer and brighter future without money. Sectors that will boost UPI payments include small grocery stores, online money transfer, OTT(over-the-top), online gaming, online education, ATM withdrawals and broadband usage.

1.4 Objectives

- ❖ To discover the significance and to measure the safety of UPI applications
- ❖ To identify the nature of transactions and factors influencing the usage of UPI application.
- ❖ To determine the usage of UPI application by youth during Covid 19 scenario.
- ❖ To study the level of awareness about UPI payment.

1.5 Research Methodology and Data Collection

A) **Primary Data**

The primary data is collected through the responses of conveniently selected 150 people through questionnaires which were exclusively prepared for this

study. The questionnaire contains questions related to general, social, economic characteristics of the respondents along with questions that are relevant for the study.

B) Secondary Data

The secondary data is collected from various articles that are published in magazines, journals, circulars and also from various websites.

1.6 Scope of Study

UPI is an abstraction over standard payment transfer mechanisms. It helps to hide sensitive account information along with customer convenience. It is also a fast growing payment mechanism. Through different statistical methods and analytical methods, the study will approach to understand, discuss and bring out the conclusions relevant to the title.

1.7 Limitations of the Study

- Many of the respondents were not willing to provide exact details.
- There may be biased interpretation or data collection.
- The data obtained may not be accurate as wrong information may be provided.
- Data collection was done from people in the Ernakulam district.

1.8 Keywords

- **UPI Payment**

A Unified Payment Interface (UPI) is a smartphone application that allows users to transfer money between bank accounts.

- **Electronic Payment**

Electronic Payments entail the transfer of funds through electronic or digital mediums.

- **Payment Mechanism**

A payment system is any system used to settle financial transactions through the transfer of monetary value.

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1.9 Chapterisation

- **Chapter 1- Introduction**

This chapter gives a brief introduction about the topic, its significance in the research area, problem statement, methodology adopted, objectives to be achieved and limitations of the study

- **Chapter 2- Literature review**

This chapter deals with the literature relating to the topic under study. It also includes analysis of secondary data relating to topic under study.

- **Chapter 3 – Theoretical framework**

This chapter introduces the theory of the research topic.

- **Chapter 4- Data analysis and interpretation**

It includes analysis and interpretation of secondary and primary data collected based on variables related to the study.

- **Chapter 5- Summary, findings, recommendations and conclusion**

It deals with a brief summary of what the researcher has found out from the study and the final conclusion and recommendations.

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CHAPTER 2
REVIEW OF LITERATURE

2.1 INTERNATIONAL PAPERS

DR. ABHIJEET CHATERJI, ROSHNA THOMAS (2017)

The study " Unified Payments Interface (UPI) A Catalyst Tool Supporting Digitalization- Utility, Prospects & Issues" reported that UPI is a tool with compatible features that can make monetary transactions easy and affordable to the customers though it is difficult to side-line the challenges. A strong Aadhar platform (UIID) combined with statistics for the country pertaining to increased financial inclusion, smartphone adoption and telecommunication subscription indicate positive prospects for UPI whereas competition from mobile wallets and possible cases of failure from banks to overcome technical errors especially relating to the front-end platform designed by them may negatively impact the scope of this innovative payment tool.

SHEWTA RATHORE, DR. STITCH (2016)

"Appropriation of Cashless Transactions by Consumers," her research shows that electronic wallets are rapidly becoming a standard method of online payment. Customers are adopting advanced wallets at a fast pace, owing to comfort and convenience. Furthermore, advertising and advancement projects should be directed to raise awareness among non-clients. Rebate offers and rewards focuses on making installments through cashless transactions can also increase its popularity and appropriation. To increase the use of advanced wallets, it is necessary to educate customers about the benefits of a cashless transaction rearranging and streamlining their purchasing experiences.

KHURAM SHAFIQ, KHALIL AHMAD (2015)

This study **" Is Plastic Money Matter For Consumer Buying Behaviour? An Empirical Analysis from Pakistan."** gives the affirming data since buyers feel good in spending through plastic cash as easy access of money, no cash carrying risks and reward shopping are the major factors that plays an important role behind it.

K. C. BALAJI1, K. BALAJI (2017)

The study **"A Study on Demonetization and its Impact on Cashless Transactions"** considered that the development of the cashless exchange framework is achieving new statutes. Individuals tend to move to cashless exchanges. It is on the right track to state that the cashless framework is the prerequisite as well as a requirement for the general public.

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2.2 DOMESTIC PAPERS

ABHILASH GUPTA , RISHI SINGHAL (2021)

Quoted in their study **"Impact of Covid 19 on Digital Payment Services at Towns and Villages"** aimed to understand the concept of digital payment and the impact of Covid 19 on digital payment services at root level in the towns and villages of India. The researcher used secondary data such as previously published articles, journals and government published sources. They analyzed that every citizen is conscious about their health and safety and hence they prefer digital payments over cash transactions. Customers now prefer digital wallets so that they need not stress over cash crunch in the market which simultaneously increases knowledge about the new technology. They concluded by stating that there was an increase in adoption of digital payments and understanding its relevance.

DENCY SONEY, DR. J PETER LEO DEEPAK (2022)

They conducted a survey on the **"Impact of Mobile Payments with Special Reference to Youth".** The survey focuses on understanding the youth's preference towards mobile transactions. The fastest-moving technology and usage of M-Wallet will replace the old payment system and will also strengthen the digital payment system. It will become a platform for storing digital transactions and making banking transactions more simple and convenient. It focuses on fulfilling the needs of modern businesses. The researchers utilized the primary as well as secondary data for analysis. For primary data collection, the data was being collected through a questionnaire from an age group of 15-35.The main objectives was to study the awareness of youth towards different services in mobile payments, satisfaction of services offered and the factors influencing usage of mobile payments. They found that through a frequency test that most of the users were females of the age 15-27 and they came to know of these payment methods through their family/friends and have been using these for a period between 6 months to 2 years.

SINGHAL RASHI (2021)

Quoted in her paper ' insights the significant advantages to banks like the expanding benefit and efficiency as to clients regarding the simplicity of payments and banking administration 24*7. The objectives were to find out whether India going cashless has helped our citizens, if India will end up being an effective credit only economy ,

impact of digital payments and to understand the consequences of the digital system. Secondary data from different research papers, reports and government data has been studied and analyzed. She found that the government and RBI have bought more networthy acknowledgment with an entry into the mode such as financial system of deferred payments. Further she concluded that the government activities such as demonetisation or GST is going to expand the environmental economy.

M THIRUPATHI , DR. G VINAYAGAMOORTHI , DR. SP MATHIRAJ (2019)

They studied the topic **"Effect of Cashless Payment Methods : A Case Study Perspective Analysis"** and quoted that several financial institutions and banks are getting interlinked with digital payment systems. In this case study the main aim of the researchers was to find the impact of digital payment apps and its impact after demonetization. They found that cashless transactions help to reduce block money , avoid carrying physical cash, easy transfer of money, digital transaction benefits like discounts, offers etc . It also helps banks to avoid crowds in banks. They concluded that the posture of the Indian economy will shift to a cashless or less coin based economy which will induce India towards a more digital and developed economy in India.

GILBERT , JOBIN (2020)

"A Study on the Consumer Satisfaction towards SBI YONO App" analyzed the satisfaction of the customers towards the YONO app provided by the State Bank of India. Due to the growth of the digital economy, many banks now offer their own payment apps to customers in an effort to enhance their banking experiences. The YONO app was also released by the State Bank of India. The primary goal of the current study is to analyze how satisfied customers are with the app. The app offers a number of services to its users, including balance checking, mobile top-up, money transfer, bill payment, ticket booking, online shopping, etc. However, there are some negative aspects as well, like the daily transfer limit and the customers are not satisfied with the user interface. But the majority of the customers are satisfied with the app. Compared to any other app, the SBI YONO app is very popular among the people owing to the various facilities provided by the app.

DEEPA, D LALITHA (2020)

The study attempts to comprehend the current state of the cashless economy in the context of India. The demonetization of currency by the Indian government had a

negative influence on the general public by forcing them to make purchases online. In order to boost digital transactions in the Indian setting, the government developed the UPI. Despite the fact that the government started the initiative, several private players have entered the market and have launched their own apps to support cashless transactions. However, the current analysis found that India continues to fall behind in the digital economy when compared to other comparable countries. In order to grow the use of digital transactions, the government must continue to support digital payments.

P SARIKA, S VASANTHA(2019)

They did a study titled **"Impact of Mobile Wallets on Cashless Transactions,"** highlighting how innovative technologies and government initiatives to advancement of technology lead or make a huge positive impact on the mobile wallets. According to a study, the majority of smartphone users make payments via mobile applications as a result of technological advancements and due to the awareness of that advanced technology. They emphasized how mobile wallets and applications are expanding, which is good news for the economy and cashless transactions

ANIL JAIN, APURVA SARUPRIA , ANKITA KOTHARI(2020)

They investigated **"The Impact of COVID-19 on E-wallet Payments in Indian Economy"** and concluded that the occurrence of COVID-19 has provided a significant boost to the Indian economy, particularly in sectors such as food and beverages, entertainment, and other sectors. The services of digital payments have seen huge growth that is from 5 per cent to 30 per cent after demonetisation and also with continuous efforts of the government towards the economy The entertainment and hospitality industry makes a significant contribution to the economy, accounting for approximately 40% of the total GDP growth.

MOHAPATRA SOMAJOLI (2017)

In their study **"A Cashless Indian e-Transaction Process"** reported that the single interface across all NPCI systems besides creating interoperability and superior customer experience. The UPI seeks to make money transfers easy, quick and hassle free. The proliferation of smartphones, the availability of an online verifiable identity, universal access to banking and the introduction of biometric sensors in phones will proactively encourage electronic payment systems for ushering in a less-cash society in India.

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JOJOJEET PAL , PRIYANK CHANDRA, VAISHNAV KAMESWARAN, AAKANSHA PARAMESHWAR, SNEHA JOSHI and ADITYA JOHRI

They studied the topic **"Digital payment and its discontents: Street shops and Indian Government's push for Cashless Transactions"** and the aim was to study the technology adoption against the prevalent transactional practices. They also aimed to study the tensions between imposing formality in exchanges and prevalent market practices. The research methodology used being primary data collection , they spoke with 238 vendors for this research. They found that digital payment adoption increased immediately but they fell after the adoption of new notes. They also found that when there is a technology adoption it is seen to be resisted. The existing comfort with digital technology is considered as an important factor for the adoption of new technologies. They concluded that the failure of the Modi government showed a little compelling evidence that the cash economy was bad for people but the respondents said that the reverse was true.

MRS. J SALOMIBACKIAJOTHI, et.al., (2019)

She conducted a study with the title **"Impact Of UPI Payment Methods Among Youth and its Pros And Cons"** to analyze the driving forces behind choosing UPI over alternative payment methods, as well as to study the purpose for which UPI has been used by youth. This study was conducted in an environment where UPI transactions are widely accepted. It also provides information on UPI security issues, and the numerous methods of data collections prove that the youth are the most affected group.

CHAPTER 3

THEORETICAL FRAMEWORK

Unified Payments Interface (UPI):

Unified Payments Interface(UPI) is an instant real-time payment system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing and merchant payments into one hood. It is developed by National Payments Corporation of India (NPCI) and is regulated by Reserve Bank of India (RBI). This interface facilitates inter-bank, peer-to-peer and person-to-merchant transactions. It is used on mobile devices to instantly transfer funds between two bank accounts.

How is it 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 Two 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 and push provides for incremental security with the customer not required to enter the details such as card no, account no, IFSC, etc.
- Bill sharing with friends.
- 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 measurable.
- Measuring complaints from mobile apps directly.

Participants in UPI

- Payer PSP
- Payee PSP
- Payer's Bank
- Beneficiary Bank
- NPCI
- Bank account holders
- Merchants

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DIFFERENT TYPES OF DIGITAL PAYMENT APP

- ❖ **Google Pay**

- ❖ **Paytm**

- ❖ **PhonePe**

- ❖ **Internet Banking**

GOOGLE PAY

The application was being launched by Google Incorporation launched in 2015. Google pay is the most commonly used digital payment application that is easily available on android or iOS operating systems. An individual can transfer money or pay its utility bills either directly from their bank account or by having Unified Payment interface (UPI) id that can be created only after installing Google Pay application. The app offers dual security to its users as well as securing through their fingerprints which makes them stress free from any kind of theft or losing their secret credentials. It can be used by small shopkeepers, wholesalers or even large business organizations to make or receive their payments.

PAYTM

Paytm is an Indian origin digital payment service third party mobile and computer based application. The concept of Paytm came into existence in 2010 as a private business operating firm. The application has a specialization in areas of e-commerce, financial technology as well as digital wallets. It is a widely accepted application that offers its services in 11 different languages of India with an aim that can be easily understood by every citizen of the country. Other than serving facilities of making and receiving payments, the application also fulfills several needs of its customers such as by its Paytm mall, Gamepind, Paytm money, Paytm smart retail and Paytm payments bank.

PHONEPE

PhonePe is another Indian based payment service application being launched in 2015 as a privately owned multilingual mobile and computer based application. The company has its headquarter in Bangalore city in Karnataka region of India. PhonePe is a unified payment interface (UPI) based app where a user is required to link his or her bank account and generate a UPI id to make any kind of transaction or pay utility bills. Like Paytm the app is also available in 11 languages for users from India.

INTERNET BANKING

The concept of internet banking is also referred to as web banking or online banking by users. A bank account holder can avail services through internet banking either by installing mobile applications or by direct visit on its official website from the bank account of one party to another. This offers various kinds of corporate as well as personal banking assistance in a form of money transfer, having a look towards transactions which have recently been made, generating statements, paying bills for utilities and several others.The application provides dual security to its users so as to remain stress free from security issues and fear.

PERFORMING A UPI TRANSACTIONS:

A. PUSH – sending money using virtual address

i. User logs in to UPI application

ii. After successful login, user selects the option of Send money/Payment

iii. User enters beneficiary's/Payee virtual id, amount and selects account to be debited

iv. User gets confirmation screen to review the payment details and clicks on Confirm

v. User now enters UPI PIN

vi. User gets successful or failure message

B. PULL – Requesting money

i. User logs in to his bank's UPI application

ii. After successful login, user selects the option of collect money (request for payment)

iii. User enters payers virtual id, amount and account to be credited

iv. User gets confirmation screen to review the payment details and clicks on confirm

v. The payer will get the notification on his mobile for request money

vi. Payer now clicks on the notification and opens his banks UPI app where he reviews payment   request

vii. Payer then decides to click on accept or decline

viii. In case of accepting payment, the payer will enter UPI PIN to authorize the transaction.

ix. Transaction complete, payer gets successful or decline transaction notification

x. Payee/requester gets notification and SMS from bank for credit of his bank account.

Service

Unified Payments Interface is a real time interbank payment system that allows sending or requesting money. Any UPI client app may be used and multiple bank accounts may be linked to a single app. Money can be send or requested with the following methods:

- Virtual Payment Address (VPA) or UPI ID: Send or request money from/to a bank account mapped using VPA.
- Mobile number: Send or request money from/to the bank account mapped using mobile number.
- Account number & IFSC: Send money to the bank account.
- Aadhaar: Send money to the bank account mapped using Aadhaar number.
- OR code: Send money by QR code which has enclosed VPA, Account number and IFSC or mobile number.

What makes UPI a secure platform?

This interface is based on the Two Factor Authentication with a seamless single click payment. This feature of UPI is aligned with the regulatory guidelines that make it the safest. Two Factor Authentication is quite similar to OTP. Here, MPIN will be used instead of OTP.

UPI Product

1. **Financial Transactions:** UPI supports the following financial transactions.

   Pay Request: A Pay Request is a transaction where the initiating customer is pushing funds to the intended beneficiary. Payment Addresses include Mobile Number, Mobile Money Identifier (MMID), Account Number, IFSC and Virtual ID.

Collect Request: A Collect Request is a transaction where the customer is pulling funds from the intended payee by using Virtual ID.

2. **Non-Financial Transactions:** UPI will support following types of non-financial transactions:
    - ➤ Mobile Banking Registration
    - ➤ Generate One Time Password (OTP)
    - ➤ Set/Change PIN
    - ➤ Check Transaction Status
    - ➤ Raise Dispute/Raise query

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CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

DATA INTERPRETATION

Table 4.1: Gender of respondents

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Female	92	60.7
Male	61	39.3
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.1: Gender of respondents

Gender
150 responses
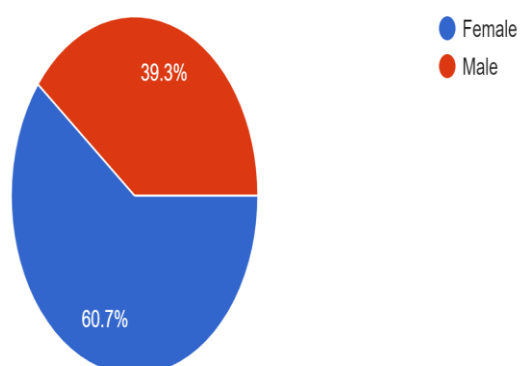
INTERPRETATION

As per table and chart 4.1, total of 154 respondents filled the google form out of which 92 are female respondents and 62 are male respondents. Female and male respondents constitute 59.7 and 40.3 percent respectively.

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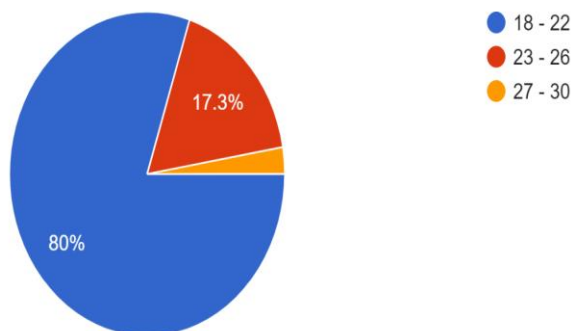
Table 4.2: Age of respondents

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
18 - 22	120	80
23 - 26	26	17.3
27 - 30	4	2.7
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.2: Age of respondents

Age
150 responses

INTERPRETATION

According to table and chart 4.2, most of the respondents i.e. 79.9% (123 respondents) of them are from the 18-22 age category, 17.5% are from the 23-26 age category and 2.6% are from the 27-30 age category.
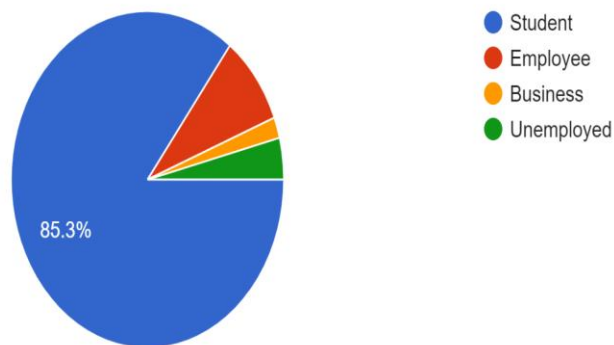
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Table 4.3: Profession of respondents

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Student	128	85.3
Employee	13	8.7
Business	3	2
Unemployed	6	4
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.3: Profession of respondents

What profession do you hold?
150 responses

INTERPRETATION

According to table and chart 4.3 , majority of respondents are students ie. 85.1%. 9.1% of respondents were employees. 3.9% and 1.9% respondents were unemployed and business respondents respectively.
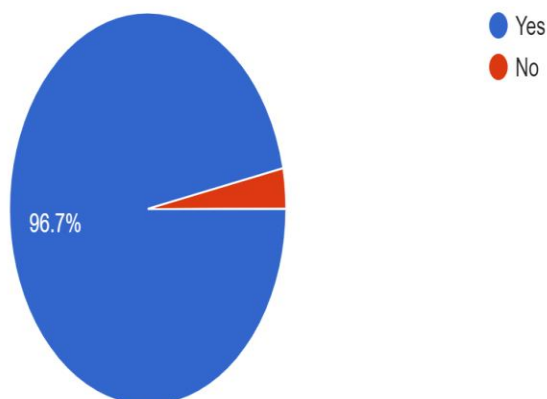
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Table 4.4: Usage of UPI application

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Yes	145	96.7
No	5	3.3
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.4: Usage of UPI application

Do you use UPI application?
150 responses

INTERPRETATION

According to table and chart 4.4 , 96.1% of the respondents use UPI application whereas 3.9% of the respondents don't use UPI application. This itself shows that the usage rate of UPI application is more and is preferred by almost everyone.
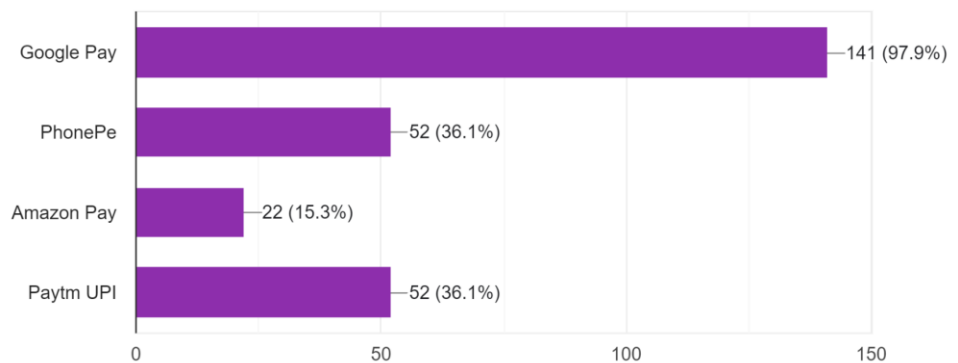
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Table 4.5: UPI application used

PARTICULARS	NO. OF RESPONSES	RANK
Google Pay	141	1
Phone Pay	52	2
Amazon Pay	22	3
Paytm UPI	52	2

Source: Primary Data

Chart 4.5: UPI application used

If ' Yes ',Which UPI application do you use?
144 responses

INTERPRETATION

As per table and chart 4.5, According to table and figure 3.5, Google Pay holds the top spot for most-used UPI applications. PhonePe stands second, followed by Paytm and Amazon pay in the third and fourth position, respectively.

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Table 4.6: Reasons for not using UPI application

PARTICULARS	NO. OF RESPONSES	RANK
Security Concern	5	1
No Bank Account	3	3
No Mobile Account	0	5
No Internet Connection	3	3
Nil	4	2
Others	1	4

Source: Primary Data

Chart 4.6: Reasons for not using UPI application

If ' No ', why are you not using the UPI application?
16 responses

- Security Concern
- No bank account
- No mobile phone
- No internet connection
- ...
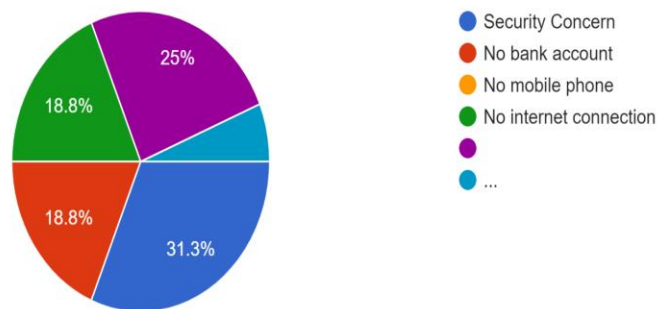
INTERPRETATION

As per the table and chart 4.6, most of the responses indicate that security concern is the main reason for the non-usage of UPI application, whereas there are persons who are not using UPI applications without any reasons. Lack of bank account and internet connection ranked the third position of reasons.
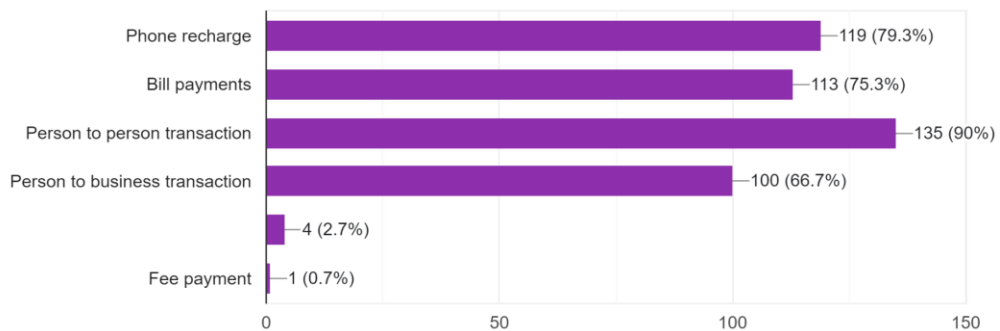
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Table 4.7: Nature of transactions

PARTICULARS	NO. OF RESPONSES	RANK
Phone Recharge	119	2
Bill Payment	113	3
P2P Transactions	135	1
P2B Transactions	100	4
Others	4	5
Others: Fee Payment	1	6

Source: Primary Data

Chart 4.7: Nature of transactions

What are the nature of transactions done using UPI application?
150 responses

INTERPRETATION

As per table and chart 4.7 , The most popular nature of UPI transactions was Person to Person, which took the top spot. Phone recharge, Bill Payments and Person to Business Transactions ranked the next positions respectively.

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Table 4.8: Factors affecting the usage of UPI

PARTICULARS	NO. OF RESPONSES	RANK
Convenience	130	1
Ease of use	123	2
Time saving	118	3
Safety	47	4

Source: Primary Data

Chart 4.8: Factors affecting the usage of UPI

What are the factors influencing your usage of UPI application?
150 responses
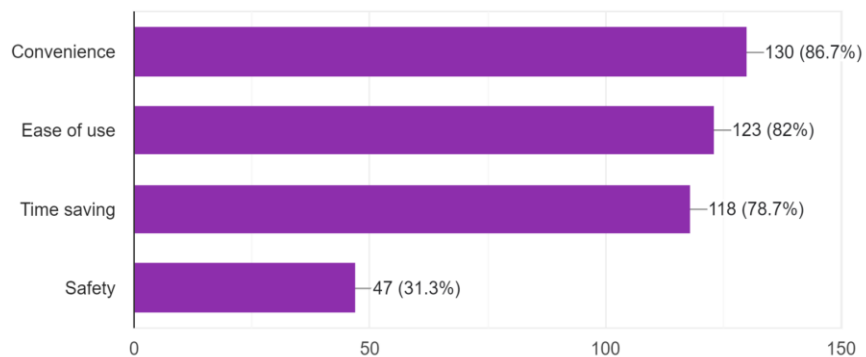
INTERPRETATION

With reference to table and chart 4.8, convenience is the main factor influencing the usage of UPI application by the respondents which constitutes the first position. The ease of use factor is just behind it. Time saving and safety were the other factors that affect the usage of UPI.

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Table 4.9: Period of usage of UPI application

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Less than 3 months	12	8.2
3 - 6 months	12	8.2
6 - 12 months	13	8.9
More than 12 months	108	74.7
TOTAL	**145**	**100**

Source: Primary Data

Chart 4.9: Period of usage of UPI application

How long have you been using UPI application?
146 responses

- Less than 3 months
- 3 - 6 months
- 6 - 12 months
- More than 12 months

74.7%
8.2%
8.9%
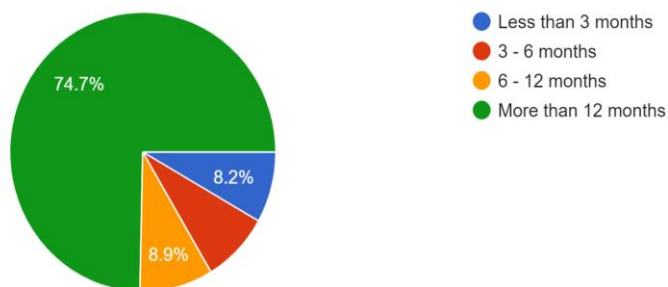
INTERPRETATION

According to table and chart 4.9, most of the respondents i.e. 74.7% of them are using UPI applications for more than 12 months. 8.9% of the respondents are using UPI applications for 6 - 12 months. Only 8.2% of the respondents are using UPI applications for 3 - 6 months and less than 3 months. This itself shows that most of the respondents are familiar with the UPI applications and are satisfied with the services so that they are retaining the same for more than 12 months.

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Table 4.10: Frequency of usage

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Less than 5 times	36	24.8
5 - 10 times	55	37.9
10 - 20 times	32	22.1
More than 20 times	22	15.2
TOTAL	**145**	**100**

Source: Primary Data

Chart 4.10: Frequency of usage

How frequently do you use UPI application in a week?
145 responses

- Less than 5 times
- 5 - 10 times
- 10 - 20 times
- More than 20 times

22.1%
15.2%
37.9%
24.8%
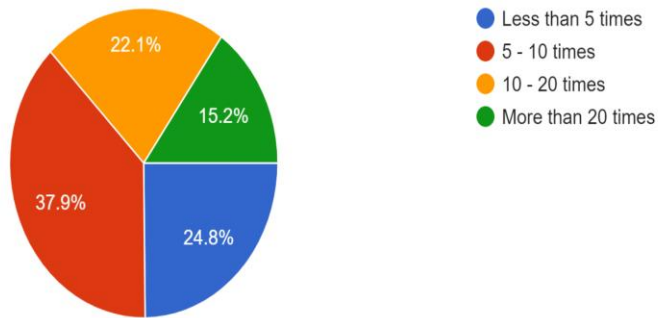
INTERPRETATION

According to table and chart 4.10, 37.9% of the respondents use UPI applications for 5-10   times a week. 24.8% of the respondents use it for less than 5 times in a week. 22.1% of the respondents use it between 10 -20 times and 15.2% use it more than 20 times. So the usage frequency of the respondents also shows that they are convenient for them
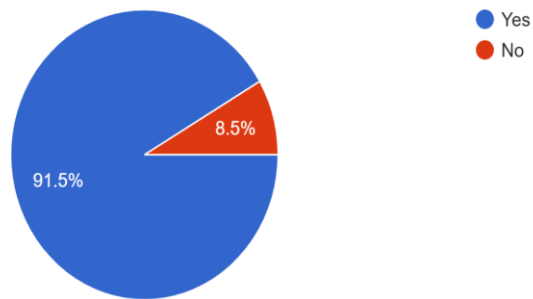
Table 4.11: Changes in usage of UPI during Covid-19

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Yes	133	91.5
No	12	8.5
TOTAL	**145**	**100**

Source: Primary Data

Chart 4.11: Changes in usage of UPI during Covid-19

Whether there is any increase in the usage of UPI payments during the Covid-19 era?
142 responses

INTERPRETATION

As per table and chart 4.11, there was an increase of 91.5% of the respondents for the usage of UPI payments during Covid-19 era whereas only 8.5% of the respondents have not used UPI payments during Covid-19 era.

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Table 4.12: Methods used before using UPI application

PARTICULARS	NO. OF RESPONSES	RANK
E-wallets	1	4
Internet Banking	23	2
Debit/Credit Card	123	1
Cash	2	3
Nil	1	4

Source: Primary Data

Chart 4.12: Methods used before using UPI application

What was the e-payment method used before using UPI application?
150 responses

- E - wallets
- Internet Banking
- Debit / Credit card
- Cash
- Nil

82%
15.3%
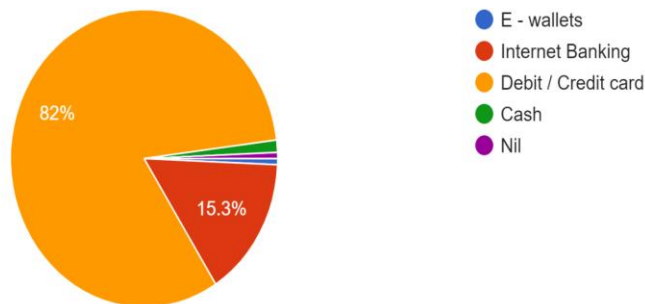
INTERPRETATI0N

According to the table and chart 4.12, the majority of respondents used Debit/Credit Card before using UPI applications and thus it ranked first position. Internet Banking, cash and E wallets ranked the second, third and fourth positions respectively.
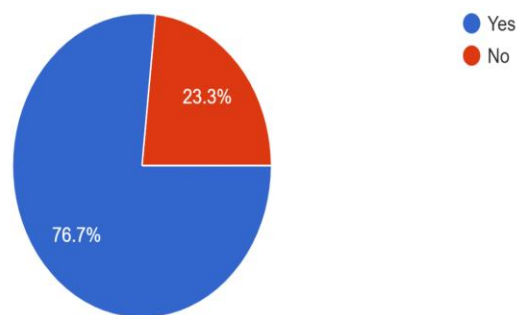
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Table 4.13: Awareness in the terms and conditions of UPI		
PARTICULARS	**NO. OF RESPONSES**	**PERCENTAGE**
Yes	115	76.7
No	35	23.3
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.13: Awareness in the terms and conditions of UPI

Do you have full awareness about the UPI payment system?
150 responses

INTERPRETATION

As per table and chart 4.13, most of the respondents, i.e. 76.7% of the respondents have full awareness regarding the terms and conditions of UPI payment system. 23.3% of the respondents don't have full awareness regarding the UPI payment system. This table shows that even though there are persons who are unaware of the terms and conditions of UPI, they are using the system frequently due to the various factors mentioned.

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Table 4.14: Rating of awareness level

PARTICULARS	NO. OF RESPONSES	PERCENTAGE
Highly aware	42	27.7
Moderately aware	103	68.9
Lowly aware	5	3.4
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.14: Rating of awareness level

Rate your awareness level about UPI payment system
148 responses
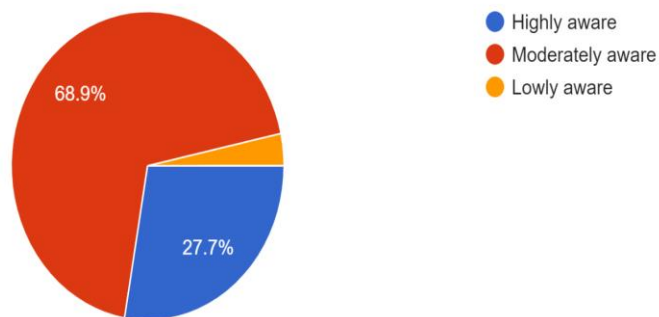
INTERPRETATION

As per table and chart 4.14, 27.7% of the users of UPI application are highly aware. 68.8% of the majority of the respondents are moderately aware and only 3.4% of the users are lowly aware of the UPI application.

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Table 4.15: Source of awareness regarding UPI

PARTICULARS	NO. OF RESPONDENTS	RANK
Referral links	35	3
Social media	83	2
Friends	113	1
Newspaper	29	4
Family	2	5
Others	1	6

Source: Primary Data

Chart 4.15: Source of awareness regarding UPI

How did you come to know about UPI payment method?
150 responses
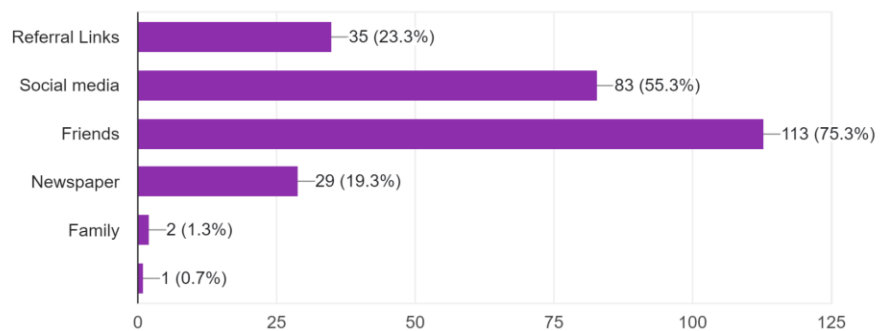
INTERPRETATION

As per the table and chart 4.15, the awareness about UPI applications through friends took the top spot followed by the influence through social media. Awareness through referral links and newspaper ranks the 3rd and 4th position. Family constitutes the 5th position of source.

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Table 4.16: Recommendation of UPI application

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	134	89.3
No	16	10.7
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.16: Recommendation of UPI application

Have you recommended UPI Application to others?
150 responses
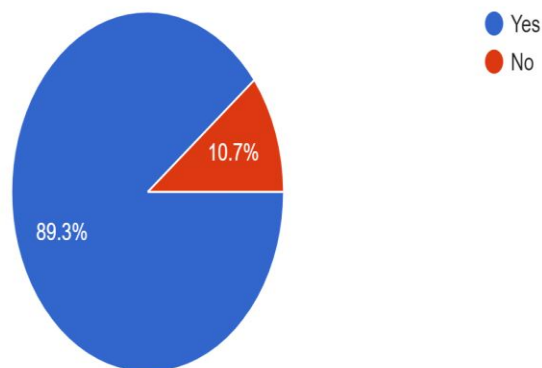
INTERPRETATION

As per the table and the chart, the majority of the respondents i.e. 89.3% of the respondents have recommended UPI application to others and 10.7% of the respondents have not recommended UPI application to others.

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Table 4.17: Difficulties faced by respondents

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Crash of application	19	12.7
No response by bank	36	24
Non recognition of bank account	8	5.3
Delay in making payment	83	55.3
No	3	2
Payment failed due to network issue	1	0.7
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.17: Difficulties faced by respondents.

Have you faced any of the following difficulties while using UPI Application?
150 responses

Legend:
- Crash of Application
- No response by bank
- Non recognition of bank account
- Delay in making payment
- No
- Payment failed due to net work issue

INTERPRETATION

As per the table and the chart, majority of the respondents i.e. 55.3% of the respondents face the issue of delay in making payment while using UPI, 24% of the respondents face the issue of no response by the bank, 12.7% of the respondents face the issue of crash of application while using UPI, 5.3% of the respondents face the issue of non recognition of bank account while using UPI, 0.7% of the respondents face the issue of payment failure due to network issue and 2% of the respondents face no issue while using UPI.

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Table 4.18: Participation in promotions and offers provided		
PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	99	66
No	51	34
TOTAL	150	100

Source: Primary Data

Chart 4.18: Participation in promotions and offers provided

Do you participate in the offers and promotion provided by UPI Application?
150 responses
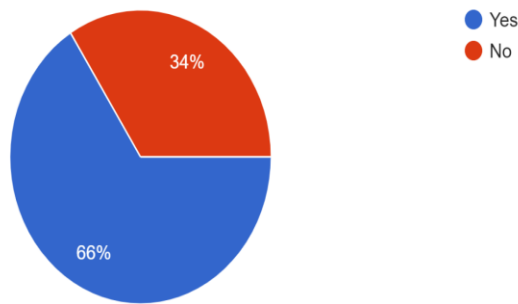
INTERPRETATION

As per the table and the chart, the majority of the respondents i.e 66% participate in the promotions and offers provided by the UPI application while 34% of the respondents do not participate in such offers and promotions provided by UPI application.

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Table 4.19: Satisfaction with the customer support provided

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
Yes	120	80
No	30	20
TOTAL	**150**	**100**

Source: Primary Data

Chart 4.19: Satisfaction with the customer support provided

Are you satisfied with the customer support provided by UPI Application providers?
150 responses
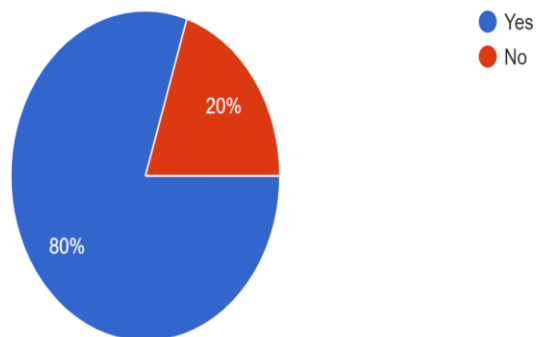
INTERPRETATION

As per the table and the chart, 80% of the respondents are satisfied with the customer support provided by the UPI application providers while 20% of the respondents are not satisfied with the customer support provided by the UPI application providers.

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Table 4.20: Rating the UPI application system

PARTICULARS	NO. OF RESPONDENTS	PERCENTAGE
1- Highly dissatisfied	2	1.3
2- Dissatisfied	4	2.7
3-Neither satisfied nor dissatisfied	34	22.7
4- Satisfied	73	48.7
5- Highly satisfied	37	24.7
TOTAL	**150**	**100**

Source: Primary Data

Chart 4 .20: Rating the UPI application system.

How would you rate the UPI Application System?
150 responses
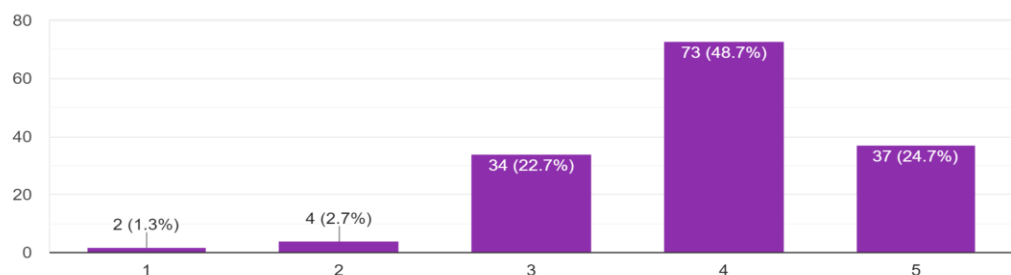
INTERPRETATION

As per the table and the chart, 1.3% of the respondents are highly dissatisfied with the UPI application system, 2.7% of the respondents are dissatisfied with the UPI application system, 22.7% of the respondents are neither satisfied nor dissatisfied with the UPI application system, 48.7% of the respondents are satisfied with the UPI application system and 24.7% of the respondents are highly satisfied with the UPI application system.

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SECONDARY DATA ANALYSIS

Table 4.21: Table showing the amount of transactions through UPI during Covid 19 lockdown

MARCH	AMOUNT (in cr.)
March	206462.31
April	151140.66
May	218391.60
June	261835.00
July	290537.86
August	298307.61
September	329027.07
October	386106.07

Source: Secondary Data

Chart 4.21: Chart showing the amount of transactions through UPI during

Amount (Rs. in Cr.)

Covid 19 lockdown

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INTERPRETATION

There is a rapid increase in the usage of UPI application during Covid 19 period as people prepared to use more of UPI than cash to ensure social distancing. It is clear from the table and chart that there is a clear increase in the amount of transactions from March to October.

Chart 4.22 : Charts showing the comparative analysis of UPI transaction Pre lockdown and during lockdown
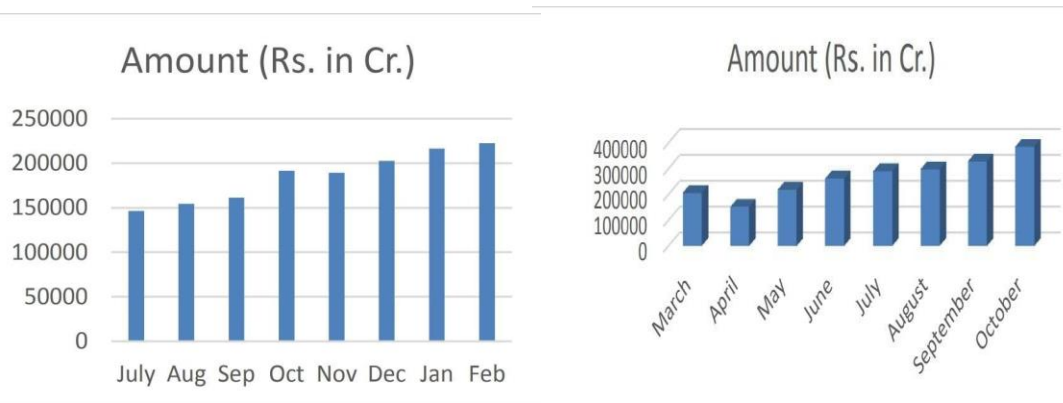
Source: Secondary Data

Pre lockdown   **During Lockdown**

INTERPRETATION

The above two charts show that UPI payments increased during the Covid 19 Lockdown, whereas prior to the lockdown, UPI payments decreased. In February, payments totalled 2.22 lakh crore. However, during the October Lockdown, the number of UPI transactions increased to 3.86 lakh crores.

CHAPTER 5
SUMMARY, FINDINGS, RECOMMENDATIONS AND CONCLUSION

5.1 Summary

The study was conducted on the topic, 'Impact of UPI on Youth'. 150 responses were collected from people residing in Ernakulam district.

Our study emphasized on the usage of UPI payments in youth. It was clear from the study that there was an increase in the number of UPI payment usages showing the navigation from cash transactions to cashless transactions.

The study reveals the easy adaptability of UPI payments. However some required training to switch to new technology. Also preference of payment methods between cash and UPI payments was evaluated. The survey revealed that the majority of the respondents were satisfied using UPI payments. We also did a comparative study of UPI payments usage in the pre covid and the covid scenario.

5.2 Findings

The data collected from different people of different age groups with the structured questionnaire was analyzed to find out the answers for the research questions. The following are the findings / observations from the responses that were collected.

General observations from the survey :

- ➢ Majority of the respondents, ie 60.7% are females.
- ➢ 80% of the respondents are of the age group of 18 - 22 years.
- ➢ Better part of the respondents , which constitute 85.3% of the total respondents are students.

Findings based on objectives:

OBJECTIVE 1 : To discover the significance and the growth of UPI applications

- ➢ The users of UPI applications are more in number which adds up to 96.7% of the total.
- ➢ Greater part of the UPI application users i.e. about 97.9% use Google Pay application.
- ➢ Most of the users of UPI application, i.e. 74.7% have been using it for a period of over 12 months.
- ➢ Most of the respondents 37.9% are using UPI applications 5-10 times a week for making payments.

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- ➢ A clear majority of 82% were using Debit/Credit Card as the e-payment method before the introduction of UPI application.
- ➢ 48.7% i.e majority of the respondents are satisfied with the UPI application system.
- ➢ 89.3% of the respondents recommend the usage of UPI applications to others.
- ➢ 80% of the respondents are clearly satisfied with the customer support provided by the providers.

OBJECTIVE 2 : To identify the nature of transactions and factors influencing the usage of UPI application.

- ➢ Most of the users of UPI application which constitutes 79.3% uses it for phone recharge and it is followed by 75.3% of users who use it for bill payments.
- ➢ Convenience is the main factor affecting the usage of UPI applications by the respondents based on a majority of 86.7%.

OBJECTIVE 3 : To determine the usage of UPI application by youth during Covid 19 scenario.

- ➢ There was an increase of 91.5% for the usage of UPI payments during Covid-19 era.
- ➢ From the secondary data analysis, it is clear that there was an increase in the number of transactions from the month of March to October.
- ➢ During the October lockdown, the number of UPI transactions increased to 3.86 lakh crores.

OBJECTIVE 4 : To study the level of awareness about UPI payment.

- ➢ Most of the respondents, i.e. 76.7% are fully aware regarding the terms and conditions of UPI payment system.
- ➢ 68.9% are moderately aware which shows the rating of the awareness level about the UPI payment system.
- ➢ Most of the respondents i.e. 75.3% came to know about the UPI application system through their friends.

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5.3 Recommendations

➢ Government and all banks must make a decision on sending compulsory SMS to the customer for every transaction.

➢ Fraudsters and scammers must be identified and an action must be taken for the same.

➢ There should be an effort to promote digital literacy and digitalized financial inclusion nationwide.

➢ Introducing new security tools for the effective monitoring of security risks.

➢ Innovating UPI payments through offline modes like bluetooth, Near field communication (NFC), etc can prevent loss of transaction information and financial details over the web network.

➢ Don't confuse between collect and payment requests.

5.4 Conclusion

'The Study on the Impact of UPI Application on Youth' revealed that the majority of the respondents use UPI applications and most of them are students. Google Pay is the most preferred UPI application compared to the others and the majority of the respondents have been using it for a period exceeding 12 months. The study revealed that the P2P transactions are relatively high compared to the other transactions. Convenience is the main factor that is affecting the usage of UPI applications. It can be said that most of the respondents are fully aware about the payment methods. Earlier, Debit/ Credit cards were their preferred mode of e-payment method. It has been noticed that there has been an increase in the number of transactions during the Covid-19 era. The study also shows that the respondents actively participated in the offers and promotions offered by the providers. It can also be said that the respondents are clearly satisfied with the customer support and the other aspects of UPI application. Thus it would be fair to conclude that there has been a significant impact of UPI application among the youth.

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APPENDIX

QUESTIONNAIRE

QUESTIONNAIRE

1. **Gender**

   - **Male**
   - **Female**
   - **Other**

2. **Age**
   - **18-22**
   - **23-26**
   - **27-30**

3. **Which profession do you hold?**

   - **Student**
   - **Employee**
   - **Business**
   - **Unemployed**

4. **Do you use UPI application?**

   - **Yes**
   - **No**

5. **If 'Yes', which UPI application do you use?**

   - **Google Pay**
   - **PhonePe**
   - **Amazon Pay**
   - **Paytm UPI**

6. **If 'No', why are you not using UPI application?**

   - **Security Concern**
   - **No bank account**
   - **No mobile phone**
   - **No internet connection**
   - **Other**

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7. What are the nature of transactions done using UPI application?

- Phone recharge
- Bill payments
- Person to person transaction
- Person to business transaction
- Others

8. What are the factors influencing your usage of UPI application

- Convenience
- Ease of use
- Time saving
- Safety
- Other

9. How long have you been using UPI application

- Less than 3 months
- 3-6 months
- 6-12 months
- More than 12 months

10. How frequently do you use UPI application in a week?

- Less than 5 times
- 5-10 times
- 10-20 times
- More than 20 times

11. Whether there is any increase in usage of UPI payments during Covid-19 era?

- Yes
- No

12. What was the e-payment method used before using UPI application?

- E- wallets
- Internet banking

- **Debit / Credit card**
- **Other**

13. Do you have full awareness about UPI payment system?

- **Yes**
- **No**

14. Rate your awareness level about UPI payment system.

- **Highly aware**
- **Moderately aware**
- **Lowly aware**

15. How did you come to know about UPI payment method?

- **Referral links**
- **Social media**
- **Friends**
- **Newspapers**
- **Other**

16. Have you recommended UPI application to others?

- **Yes**
- **No**

17. Have you faced any of the following difficulties while using UPI Application?

- **Crash of application**
- **No response by bank**
- **Non recognition of bank account**
- **Delay in making payments**
- **Other**

18. Have you faced any of the following difficulties while using UPI Application?

- **Yes**

- No

19. Are you satisfied with the customer support provided by UPI application providers?

- Yes
- No

20. How would you rate the UPI application system?

1- Highly dissatisfied

2- Dissatisfied

3- Neither satisfied nor dissatisfied

4- Satisfied

5- Highly satisfied

- 1
- 2
- 3
- 4
- 5