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"Impact of Digital Banking on India's Financial Sector" Shruti Sikarwar Abstract

Student, Vikrant University, Gwalior M.P.

Nagesh singh Tomar Student, Vikrant University, Gwalior M.P. Dr. Rahul Kushwah HOD, Vikrant University, Gwalior M.P Paper Rcevied date

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This study examines the impact of digital banking on India's financial sector, focusing on how technologies like UPI, mobile banking, and fintech innovations have improved accessibility, efficiency, and financial inclusion. It also highlights key challenges such as cybersecurity risks and digital literacy gaps. The research shows that digital banking is transforming the financial landscape, promoting inclusive growth and reshaping customer experiences.

Using secondary data from government publications, industry reports, and scholarly articles, the report provides an in-depth understanding of how digital banking is revolutionizing India's financial sector and what the future holds in terms of innovation, risk management, and inclusive growth.

Key Words: Financial Inclusion, Digital Payments, Banking Innovation, Internet Banking, Economic Growth.

INTRODUCTION

Digital banking has revolutionized India's financial sector by making banking services faster, more accessible, and efficient. With the rise of UPI, mobile banking, and fintech innovations, more people now have access to financial services, especially in rural areas. This shift supports

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financial inclusion, reduces costs, and improves customer convenience. This study explores how digital banking is impacting India's economy, banking system, and customer behavior, while also addressing challenges like cybersecurity and digital literacy.

This research aims to explore the overall impact of digital banking on India's financial system, analyzing both the opportunities it presents and the challenges it poses in terms of security, regulation, and infrastructure. The study also seeks to understand how digital banking is influencing consumer behavior, bank performance, and policy-making in the country.

Digital banking has also transformed the landscape of India's financial services, playing a pivotal role in driving financial inclusion, improving service efficiency, and fostering economic growth. With the rapid adoption of internet and mobile technologies, banking has become more accessible, secure, and user-centric. Initiatives like UPI, mobile banking apps, digital wallets, and internet banking have revolutionized how individuals and businesses interact with financial institutions. This digital shift has not only enhanced customer convenience but also reduced transaction costs, minimized human errors, and improved transparency. As India moves towards a cashless economy, digital banking stands as a cornerstone in reshaping the financial ecosystem of the nation.

Digital banking has transformed India's financial sector by increasing financial inclusion, improving transaction speed, and reducing operational costs. It supports government schemes, promotes cashless payments, and boosts transparency. With digital tools like UPI and mobile apps, banking has become more accessible, efficient, and customer-friendly, strengthening the overall financial system.

1. Increased Financial Inclusion

- Reached rural and unbanked populations via mobile banking, UPI, and digital wallets.
- Enabled access to savings, credit, and insurance services.

2. Enhanced Efficiency and Speed

- Quicker processing of transactions, loans, and customer services.
- Reduced manual workload and paperwork in banks.

3. Growth of Fintech Ecosystem

• Boosted innovation in financial technology.

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• Led to collaboration between banks, startups, and digital platforms.

4. Reduction in Operational Costs

- Automated services reduced staff and branch dependency.
- Lowered overall service costs for banks and customers.

5. Transparency and Accountability

- Digital trails made transactions more traceable.
- Helped reduce corruption and financial frauds.

6. Empowered Government Initiatives

- Supported schemes like Jan Dhan Yojana, Aadhaar, and DBT (Direct Benefit Transfer).
- Facilitated targeted subsidy delivery and welfare payments.

7. Rise in Cashless Transactions

- UPI, NEFT, IMPS, and mobile apps increased digital payments.
- Reduced reliance on cash in urban and semi-urban areas.

8. Improved Credit Assessment

- Digital data analytics improved risk profiling and loan approvals.
- Made lending more inclusive and faster.

9. Enhanced Customer Experience

- 24/7 access, chatbots, and online services increased satisfaction.
- Personalized financial products through AI and machine learning.

10. Strengthened Financial Resilience

- Supported businesses and individuals during COVID-19 with seamless services.
- Made banking more adaptable to crisis situations.

LITERATURE REVIEW

Renu Singh and Garima Malit (2019) observe that the banking services have improved steadily with the adoption of digitalization in the country. This has enhanced the customer services and actually provided them all products and services at their doorsteps using a laptop or a smart phone. Though, the Indian banking industry has adopted the latest technology for providing best services to the consumers but there has been a substantial difference between the rural and urban



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customers. The urban banking customers, due to various reasons, have adopted the technology well, whereas the rural ones still have a number of issues in the usage of the technology for conducting financial transactions. The article evaluates the various openings of growth due to the increased rural banking and also the pitfalls associated with the same. It also highlights the significance of increasing financial literacy in today's time.

Shruti Sharma and Himani Upreti (2022) remark that all organizations need to adapt to the changing environment in order to survive in this cut throat competition. They should adopt latest tools of artificial intelligence and automation for not only their survival but also their future growth. The organizations in the financial sector are no exceptions and, therefore, they should also keep pace with the changing technology in order to compete effectively, economically and efficiently in today's competitive era.

Inese Mavlutova, Aivars Spilbergsetal (2020), observe that the financial sector is changing due to the advent of novel, new technologies especially digital modes of payments. As a result, the financial sector is becoming sustainable due to increasing efficiency in its operations and widening the customers base by addition of all in the formal banking sector. The study highlights two aspects firstly the trends of changes in financial sector due to adoption of technology and the increased sustainability of financial institutions due to the new technology. Secondly, it focuses on the correlation between the increase of digital payments and its impact on the operational efficiency and financial inclusion of the financial institution's in Baltic States vis a vis various countries in Europe.

Lambert Kofi Osei, Yuliya Cherkasova and Kofi Minta (2023) conducted a study primarily to review the intellectual framework of the digital banking transformation. The authors' findings conclude that countries including UK, USA, Germany and China have conducted the largest number of studies regarding the issue of digital banking transformation.

Dr.S.Amudhan, Dr. Sayantani Banerjee, Dr.J.Poornima (2022), observe that theorganization, data, software and technology are the four major players involved in digital transformation. In the context of India, its banking system plays a crucial role as trustees of public money and its parking in the relevant profitable business. In India and similarly placed third world countries the banks play an important role in the public finance domain as other financial institutions are still



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evolving. Therefore, it is vital that the banks' stability be ensured. The article concluded that adoption of digital banking services has a significant impact on the rural customers.

Dr. Anand Patil remarks that the usage of digitization in the financial sector has increased due to the advent of fintech sector. Various financial sector companies in India have adopted innovative technology to address the growing aspirations of the people. The author feels that a number of new opportunities and related challenges have arisen due to the advent of technology in our financial ecosystem. This paper tries to address those opportunities and related barriers caused by digitalization in the financial arena.

In this study Fotis Kitsios, Ioannis Giatsidis; Maria Kamariotou (2021) seek to examine the usage of digital transformation in the realm of banking in Greece. A sample of one hundred and sixty-one employees of Greek banks participated in the survey. This paper studies the perception of bank employees with regard to new technologies. The study provides a roadmap for executive education in the Greek banks and suggests targeted training programs for the employees to for smooth transition towards digital banking.

Cristian Alonso, Tanuj Bhojwani, Emine Hanedar, Dinar Prihardini, Gerardo Una and Kateryna Zhabska observe that in India, the digital payments have attained wide acceptance with only the UPI taking care of around 68 percent of all financial transactions made. The adoption of digital payments has augmented the number of customers of micro & small traders, helped in formalizing their financial records and improved their chances of getting credit from formal channels. Around 45 lakh individuals and small businesses have reaped the benefit of formal credit. Due to this change around 88 lakh new taxpayers have registered for GST network till 2022 thus resulting in resilient tax collection. The paper concludes that certain systems and processes of India's digital transformation like ADHAAR would be difficult to reproduce by other countries.

Objectives

The objectives of the study are listed below: -

- To understand the digital journey of Indian financial sector.
- To highlight the initiatives undertaken by Government of India for promoting digital financial transactions in the country.



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- To understand the reasons for the continuous acceleration of financial transactions in India.
- To study the challenges in the growth of digital financial transactions in India.
- To compare the usage of UPI transactions in India with other countries.
- To highlight the way forward for the digital finance in India.

Research Methodology

The research methodology followed is as under:

Data Collection

The study is based on data derived from secondary sources. The said information has been collated from various published sources like literature published by Ministry of Finance, Government of India, RBI, NITI Ayog, journals, magazines, newspapers, research papers, websites, etc.

The Digital Journey of Indian Financial Sector

Digital payments include those financial transactions wherein no physical cash is involved and the transactions use the technology for the transfer of money from one bank account to the other. Various types and methods of digital financial modes are being used in our country for trade and commerce. These include: ATM Cards, Micro ATMs, Bank Prepaid Cards Aadhaar Enabled Payment System (AEPS), Internet Banking, Mobile Banking, PoS Terminals, Unified Payments Interface (UPI), Mobile Wallets, Unstructured Supplementary Service Data (USSD),etc.

The usage of digital technology has revolutionised the payments methods and thus the functioning of financial sector in India which has been transformed into an efficient, inclusive and effective tool for the benefit of the consumers. The novel innovations introduced in the financial sector are discussed hereunder:

1. Mobile Wallets:

Companies like Paytm, PhonePe, and Google Pay have introduced



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mobile wallets that enable users to store money digitally and make quick payments for a wide range of services.

2. Digital Lending Platforms:

Several fintech companies and digital lending platforms have emerged, offering quick and hassle-free loans to individuals and businesses. These platforms use data analytics and AI to assess creditworthiness.

3. Fintech Ecosystem:

India has witnessed a burgeoning fintech ecosystem with startups and established financial institutions collaborating to offer innovative solutions across various domains, including payments, lending, insurance, and wealth management.

4. Rural and Urban Connectivity:

The penetration of smartphones along with \Box affordable data connections both 3G and 4G in the urban as well as rural India has played a pivotal role in expanding access to digital financial services.

5. Digital Insurance:

Insurtech start-ups have simplified the purchase and management □ of insurance policies through digital channels, making it easier for individuals to protect their assets and health.

6. Online Brokerages:

Online trading platforms like Zerodha and Upstox have \Box democratized stock trading by offering low-cost trading and user-friendly interfaces.

7. Robo-Advisors:

The use of artificial intelligence and Robo-advisors for furnishing \Box investment and portfolio management advisory to the clients after studying the algorithms.

8. KYC Digitization:

The digitization of Know Your Customer (KYC) processes has made it easier for financial institutions to onboard customers remotely, reducing paperwork and simplifying the customer experience.



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9. Open Banking:

India has been exploring the concept of open banking, allowing thirdparty fintech providers to access customer data with their consent and offer innovative financial services.

10. Cybersecurity and Data Privacy:

As digital financial services expanded, so did concerns about cybersecurity and data privacy. Various laws and rules have been promulgated to protect the hapless investors from cyber frauds.

Digital Financial transactions in India

The journey of digital financial transactions in India is depicted as under:

Sr.No	Year	Digital transactions- Current (Crore)	BHIM Transactions -Current (Crore)	Debit Card Current (Crore)
1	2017-18	2,070.95	91.31	334.34
2	2018-19	3,134.31	535.16	441.79
3	2019-20	4571.78	1,251.75	512.38
4	2020-21	5,554.12	2,232.95	411.47
5	2021-22	8,637.87	4,560.79	414.75
6	2022-23	12,644.99	8,324.05	380.2

Table 1: Digital Payment Transactions in India from 2017-23

Source: RBI, PIB, NPCI, DigiDhan Dashboard

Table 2: Monthly Growth of BHIM-UPI Transactions



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Table 2: Monthly Growth of BHIM-UPI Transactions

Sr.No	Month	Volume of Transactions (in lakhs)
1	April-22	55830
2	May-22	59553
3	June-22	58627
4	July-22	58638
5	August-22	65795
6	September-22	65537
7	October-22	73053
8	November-22	70733
9	December-22	78297
10	January-23	80367
11	February-23	75346
12	March-23	90629

Source: Ministry of Electronics and Information Technology, DigiDhan Dashboard



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As a result of all of the above technology adoptions, the digital financial transactions have increased manifolds in India, especially after COVID 19. In the past nine years, India has experienced a more than 100-fold increase, in the number of digital transactions, from just 127 crores in 2013–14 to 89880 crores as of April 2023. In order to encourage the Indian citizens to shift towards a less cash society, the GoI developed and introduced consumer friendly digital payment platforms like Bharat Interface for Money-Unified Payments Interface (BHIM-UPI), Immediate Payment Service (IMPS), prepaid payment instruments (PPIs) and National Electronic Toll Collection (NETC) system. All these platforms received tremendous response from the general public which led to a phenomenal growth in the digital financial ecosystem.

Unified Payments Interface (UPI) which was launched in 2016 on a pilot basis with 21-member banks has revolutionized digital payments in India by facilitating users to make instant payments and transfer funds using their smartphones. At the time of its launch, the payments through UPI which only accounted for 6% as compared to 36% card payments has expanded to 63% vis- a-vis card payments which has shrunk to 9%, in 2021. In April 2023, 33 Cr+ Indian UPI users undertook 89880 crores digital payment transactions valued at Rs. 14.07 lakh crore, making UPI the nation's favourite method of payment. Thus, out of every four digital transactions made in

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India three are undertaken on UPI. One of the global surveys by Mastercard in India in the year 2022 revealed that around 93% of Indians made digital payments last year. More than half of these transactions were done via QR codes or digital money transfer apps in India.

Initiatives of Government for Promotion of Digital Transactions

The Indian government, eager to achieve a cashless economy, has been actively promoting digital financial transactions as part of the Digital India program. The main objective of the Digital India mission of the GoI is to convert the country into an empowered society driven by technology and move towards a knowledge economy. It has spurred the growth of digital financial services with handy initiatives like UPI, Aadhaar-based authentication, and eGovernance services. The use of Aadhaar, India's biometric identity system, has streamlined identity verification and made it easier to access financial services. In order to promote digital payments and create awareness about the benefits of digital payments the government launched DigiDhan Mission in June 2017. Accordingly, the Government developed consumer friendly digital financial platforms like BHIM UPI, Aadhaar Pay, UPI-QR Code, debit cards, NEFT and RTGS having very little or no charges attached to them. The government also launched Aadhaar Enabled Payment System (AePS) to facilitate a bank customer especially in rural and semi urban areas to access his bank account and make transactions without an ATM machine.

Affordable smartphones and cheaper internet connections are the main reasons for the fast adoption and expansion of UPI in the country even amongst the poorer sections.

Reasons for the Growth of UPI transactions in India

Digital financial transactions network has spread substantially in India, off late, owing to a number of factors like push by the government, increased accessibility of internet and smartphone and the unprecedented growth in online shopping. One major reason is the adoption of Unified Payments Interface (UPI), which ensures transactions from one bank to the other in real-time and the Bharat Interface for Money (BHIM) app, which is responsible for digital financial transactions using smartphones. The key reasons are discussed as under:

1. Demonetization:

After the announcement of demonetization policy by the GoI in 2016, the citizens were encouraged to go for less cash using various digital financial platforms including UPI, as people sought alternatives to cash for their transactions.

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2. User-Friendly Interface:

UPI offers a simple and user-friendly interface that allows individuals to make payments and transfers using just their smartphones. The customer friendly process makes it inclusive and easily applicable for all sections of people including the ones who are tech-challenged.

3. Interoperability:

This means that the clients can pay or receive money between various banks and wallets seamlessly, eliminating the need for multiple payment apps.

4. Wide Acceptance:

UPI is accepted by a vast network of merchants, online retailers, utility companies, and service providers across India. This widespread acceptance has made it a preferred choice for both online and offline transactions.

5. Government Support:

The GoI has initiated and developed various interface like National Payments Corporation of India (NPCI) and UPI for supporting the digital financial revolution. Initiatives like "Digital India" and "Jan Dhan Yojana" have helped in its adoption by promoting digital payments and financial inclusion.

6. Security:

UPI transactions are highly secure. They typically require two-factor authentication, with options like PIN and biometrics (fingerprint or iris scan), ensuring that only authorized users can make transactions. This has built trust among users.

7. 24/7 Availability:

UPI transactions can be conducted 24/7, including weekends and holidays. This availability makes it convenient for users to make payments and transfers whenever they need to, without being restricted by banking hours.

8. Low Transaction Costs:

Many UPI transactions are either free or come with very minimal transaction costs, making it an economical choice for users as against other platforms like credit cards, which often charge hefty transaction charges.

9. Financial Inclusion:



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UPI has played a significant role in bringing the non-banked citizens to banks. It has facilitated the citizens who were without bank accounts to open digital bank accounts and transact digitally.

10. Direct Benefit Transfers by Government:

The government has increasingly used UPI for disbursements of subsidies, benefits, and direct transfer of funds to citizens' bank accounts. This has driven adoption among a large segment of the population besides plugging the leaks.

11. Fintech Innovation:

The UPI ecosystem has seen continuous innovation from fintech companies, which have introduced a variety of apps and services built on top of the UPI platform. These include payment apps, financial management tools, and lending platforms, making UPI even more versatile.

12. Consumer Trust:

The success of UPI has built trust among consumers, who have come to rely on the system for everyday transactions, bill payments, online shopping, and more.

Issues and Challenges in Digital Financial Transactions in India

Some of the key challenges include:

1. Cybersecurity Issues:

As UPI transactions involve sensitive financial data and personal information, they are susceptible to cyber-attacks and fraud. Cybersecurity threats, including phishing, malware, and hacking attempts, can compromise the security of UPI transactions. Recent data from the Indian Computer Emergency Response Team (CERT-In) alarm that India encountered a total of 13.91 lakh reported cyber fraud cases in 2022. According to another report on cyber security; more than half of the Indian population don't have the required knowledge and skill set to protect themselves from cyber frauds.

2. Rural Adoption:

Many users, particularly in rural and semi-urban areas, may not be fully aware of the security practices and risks associated with digital payments. Ensuring that users are well-informed and educated about safe transaction practices is crucial.

3. Connectivity Problems:

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While mobile internet penetration has grown significantly in India, there are still areas with limited or unreliable connectivity. Ensuring that UPI transactions are accessible

in remote and underserved regions remains a challenge. As against 42 % of the urban population only 15 percent of rural households have the access to good internet services. Amongst all sections, the females are the most prone to be digitally illiterate, especially in the poor households.

4. Technology Disruptions:

UPI systems, like any technology, can experience technical glitches or downtime. Such interruptions can disrupt transactions and cause inconvenience to users.

5. Dependency on Smart Phones:

UPI transactions heavily depend on smartphones and mobile devices. This can exclude individuals who do not own smartphones or are uncomfortable with digital technology.

6. Limited Digital Education:

A significant portion of the Indian population lacks digital literacy, which can hinder their ability to use UPI effectively and securely.

7. Network Congestion:

During peak usage times, UPI networks can become congested, leading to delays in transaction processing and sometimes failed transactions.

8. Fake Apps and Websites:

Malicious actors may create fake UPI apps or phishing websites to steal users' personal and financial information. These fraudulent platforms can deceive unsuspecting users.

9. Regulatory Issues:

Ensuring that UPI service providers comply with regulatory guidelines and security standards is an ongoing challenge for authorities. The evolving regulatory landscape may require adjustments to address emerging issues.

10. Managing Digital Risks by Banks/ Financial Institutions:

Banks and financial institutions need to manage the risks associated with UPI transactions effectively, including fraud prevention, dispute resolution, and customer protection.

11. Language Barriers:



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The language used in the payment interfaces is majorly English, which is foreign and non-understandable to the majority of the population. Hence, it is suggested that all interfaces be multi-lingual with wider use of local and regional languages.

12. Interoperability Challenges:

While UPI is designed to be interoperable, there can still be challenges in seamless transactions between different banks and payment service providers.

13. Limit on the Transactions:

UPI transactions have daily transaction limits for security reasons. These limits can sometimes be a hindrance for large-value transactions.

14. Universal Acceptance:

While UPI has seen widespread adoption among consumers, ensuring that a wide range of merchants, especially small businesses and vendors, accept UPI payments can be a challenge.

Digital Financial Transactions Globally- An Analysis

The adoption and usage of digital transactions vary from country to country, and several nations are considered leaders in the world of digital payments. The top countries in the world in terms of digital transactions often have well-established digital payment ecosystems, high levels of internet and smartphone penetration, and a strong culture of digital commerce. As already stated India has made significant strides in digital financial transactions attaining top spot both in volume as well as value. Some of the other top countries known for their robust digital transaction ecosystems include:

1. Brazil:

With 29.2 million transactions, Brazil is ranked second in the digital payments. Brazil has developed a payment interface known as Pix which is similar to the UPI being used in India. Even though Brazil's population is less (around a sixth of India's), but Pix's user base is huge (approximately half of UPI's). According to a 2022 report, Pix has shown marvellous accessibility and usage in Brazil.

2. China:

China is one of the top countries in digital transactions, driven primarily by mobile payments. It is ranked third with 17.6 million digital financial transactions. China is one



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of the top countries in digital transactions, driven primarily by mobile payments. It is ranked third with 17.6 million digital financial transactions.

3. United States of America:

The United States has a well-developed digital payment ecosystem, with widespread use of mobile payment apps like Apple Pay, Google Pay, credit cards, debit cards and various online payment platforms. E-commerce is a significant driver of digital transactions in the U.S.

4. South Korea:

South Korea is known for its advanced digital infrastructure and high smartphone penetration. It is ranked fourth with 16.5 million digital financial transactions. Mobile payments, including NFC-based contactless payments and mobile wallets, are widely used for various transactions.

5. Thailand:

Thailand is ranked fifth with 8 million digital financial transactions which include digital trade, payments at merchants centre through mobile, and receiving digital remittances. Digital wallet usage has risen in prominence in Thailand. EPayment infrastructure has helped Thailand to become a cashless economy. The ePayment infrastructure created by Thailand consists of internet/mobile banking, credit card, e-Wallet, QR code; ATM card, direct debit, Prompt Pay etc. ePrompt Pay and QR code are the major financial tools driving Thailand towards a cashless economy.

Country	Transactions (in millions)
India	89.20
Brazil	29.20
China	17.60
Thailand	16.50
South Korea	8.00

Table No.3: Countrywide Comparison of Digital Financial Transactions



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Source: Data from MyGovIndia THE WAY FORWARD

Digital payments ecosystem is expected to reach unimaginable heights in India as the country enters into the 5G era and the low latency network. There are expectations of further growth in UPI payments in emerging and younger cities. Because of the rising numbers of smartphone users and various technological advancements it is expected that digital transactions in India will reach 186 billion in volume and Rs 200 trillion in value by the year 2025. This will unlock new opportunities benefiting all the stakeholders majorly customers and merchants. The future is of digital transactions and such impressive growth of UPI only makes the future of India secure. India has taken significant strides for designing the global network of its UPI system.

The NPCI International Payments Limited (NIPL) has forged partnerships with a number of friendly countries to design a huge compatible network for RuPay and UPI which will facilitate Indian citizens to make financial transactions using these platforms while they travel to the foreign shores. UPI facility is now also available for nonresident account holders with international mobile numbers across ten countries facilitating students, local businesses of Indian origins etc. Thus, NRIs seven without Indian cell numbers may be able to use UPI in these countries, therefore. The RBI and NPCI have launched two new products – UPI 123PAY and UPI

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Lite which allow users to transact using feature phones even without access to internet connection. The Indian financial sector is expected to continue its digital journey with advancements in blockchain technology, artificial intelligence, and machine learning, which will further enhance efficiency, security, and customer experiences.

Table 4: Expected Growth Overall Digital Payment Market Transaction (Volume in Billions)

FY	Transaction (Volume In Billions)
23-24	156
24-25	226
25-26	309
26-27	411

Source: RBI, NPCI, PwC Analysis



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Table 5: Expected Overall Digital Payment Market Transaction (Value in Trillions)

FY	Transaction (Volume In Trillions)
23-24	241
24-25	333
25-26	418
26-27	518

Source: RBI, NPCI, PwC Analysis



Limitations

- The study is primarily based on data derived from secondary sources.
- The research is limited by the time and cost constraints.
- The subjectivity and bias of the researcher may reduce the efficacy of the results.

CONCLUSION

Digital payments have taken off in India during the last nine years. As a result of demonetisation wherein the Government encouraged cashless transactions and the push towards less cash by way of negligible or no transaction charges the consumers have welcomed digital financial transactions in a big way. The growth of digital financial transactions in India and improved accessibility of the digital infrastructure to all Indians have helped improve ease of living for citizens, financial inclusion, cost savings, convenience, security, transparency and growth of



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business and economy. As a result, India has experienced a more than 100-fold increase, in the number of digital transactions, from just 127 crores in 2013–14 to 89880 crores in 2023 with more than 30 crores Indians using the same. These advantages have accelerated the digital financial payments in the country and changed the methods of business. The GoI has encouraged digital financial transactions in the country as part of its Digital India program. The adoption of digital financial transactions in India offers numerous benefits to individuals, businesses, and the overall economy including financial inclusion, security, consumer awareness, cutting costs etc. However, a number of challenges like internet connectivity, cyber frauds, technological disruptions, language barriers, limited computer literacy, etc. pose a sizeable threat to the growth of digital financial transactions in India. Nevertheless, it is envisioned that as the digital payment's ecosystem expands the security concerns will also arise. Today India ranks number 1 in terms of digital financial transactions both in volume as well as in number of transactions and is followed by Brazil, China, South Korea and Thailand.

However, digital payment landscape is continually evolving, and the rankings may change over time as countries adopt new technologies and payment methods.

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