
“A STUDY ON THE IMPACT OF UPI AND DIGITAL PAYMENTS ON CASH USAGE”

***Dikshita Raju Kontam, Dr. Sandip Ishwar Salunkhe**

Department of Master of Business Administration Zeal Institute of Business Administration,
Computer Application and Research, Narhe, Pune

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***Corresponding Author: Dikshita Raju Kontam**

Department of Master of Business Administration, Zeal Institute of Management and Computer Application, Narhe,
Pune.

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ABSTRACT

The essential objective of this investigate is to analyze the degree to which UPI and computerized installment strategies such as versatile wallets, debit/credit cards, and web managing an account have supplanted conventional cash-based exchanges. The think about too investigates the components driving the selection of advanced installments, counting comfort, speed, security highlights, government activities (such as Computerized India), and motivations like cashback and rebates. Furthermore, it explores the challenges confronted by clients, such as specialized issues, cybersecurity concerns, need of computerized education, and web accessibility. The consider concludes that advanced installments, particularly UPI, have played a vital part in moving India towards a less-cash economy. Be that as it may, accomplishing a totally cashless society requires tending to existing challenges such as making strides cybersecurity measures, improving computerized education, and extending web network in country zones. The inquire about gives important bits of knowledge for policymakers, money related teach, and fintech companies to encourage fortify the computerized installment biological system and advance comprehensive budgetary development.

KEYWORDS: UPI (Unified Payments Interface), Digital Payments, Cashless Economy, Mobile Wallets, Consumer Behavior.

INTRODUCTION

The Indian installment scene has experienced a surprising change over the past decade,

driven by fast innovative headways and the expanding entrance of smartphones and web network. Customarily, India has been a cash-dominated economy where physical cash played a central part in day by day exchanges. Be that as it may, the development of advanced installment systems—particularly the Bound together Installments Interface (UPI)—has altogether changed how people and businesses conduct monetary transactions.

The dispatch of UPI by the National Installments Enterprise of India in 2016 checked a progressive step in India's money related biological system. UPI empowers moment, real-time finance exchanges between bank accounts through versatile gadgets, disposing of the require for physical cash or indeed conventional managing an account points of interest. Its interoperability, ease of utilize, and round-the-clock accessibility have made it one of the most broadly received computerized installment frameworks in the nation. Applications such as Google Pay, PhonePe, and Paytm have assist quickened its utilization by giving user-friendly interfacing and appealing incentives.

In expansion to UPI, other computerized installment strategies such as versatile wallets, charge and credit cards, web keeping money, and contactless installments have picked up significant notoriety. Government activities like Computerized India and approach measures taking after the Demonetization in India 2016 have moreover played a significant part in advancing advanced exchanges and lessening dependence on cash.

Despite these headways, cash proceeds to coexist with advanced installment strategies, particularly in country zones and for low-value exchanges. Components such as computerized education, web openness, believe in innovation, and cybersecurity concerns impact the appropriation of advanced installments. Whereas urban populaces and more youthful shoppers are speedy to grasp advanced stages, a critical parcel of the populace still depends on cash due to propensity, comfort, or infrastructural limitations.

This think about points to look at the effect of UPI and advanced installments on cash utilization in India. It looks for to get it the changing installment behavior of customers, distinguish the key drivers and obstructions to advanced installment appropriation, and assess whether India is moving towards a cashless or less-cash economy. The discoveries of this inquire about will give important bits of knowledge for policymakers, monetary teach, and fintech companies to fortify computerized installment frameworks and guarantee comprehensive money related improvement.

LITERATURE REVIEW-

Effect of Advanced Installments on Cash Usage

Several experimental thinks about have inspected the relationship between computerized installments and cash utilization. Inquire about recommends that whereas advanced installments have altogether diminished the recurrence of cash exchanges, they have not totally disposed of the utilize of cash. Cash proceeds to rule in small-value exchanges and in locales with restricted computerized infrastructure.

A think about conducted post Demonetization in India 2016 found a transitory decay in cash utilization, taken after by a progressive recuperation. In any case, it too quickened the selection of computerized installment stages, counting UPI. Analysts conclude that India is transitioning towards a “less-cash” economy or maybe than a totally cashless one.

Growth and Selection of UPI in India

The presentation of UPI by the National Installments Enterprise of India has been broadly recognized as a game-changer in the Indian installment environment. Inquire about considers show that UPI has seen exponential development due to its straightforwardness, interoperability, and real-time preparing capabilities.

According to different fintech reports and scholarly thinks about, UPI selection has been driven by components such as ease of utilize, moo exchange fetched, and integration with numerous managing an account application. Creators have moreover watched that UPI has outpaced other advanced installment modes like portable wallets and card-based installments in terms of exchange volume and value.

Digital Installments and Monetary Transformation

Early thinks about on computerized installments emphasize their part in moving forward proficiency, straightforwardness, and money related consideration. Concurring to inquire about by Save Bank of India (RBI), computerized installment frameworks decrease exchange costs, improve traceability, and minimize the dangers related with cash dealing with. Researchers have moreover famous that computerized installments contribute to financial formalization by bringing more exchanges into the recorded budgetary system.

Studies by worldwide teach such as World Bank highlight that computerized budgetary administrations can altogether move forward get to to managing an account administration, particularly for unbanked populaces. In the Indian setting, the extension of Jan Dhan accounts, Aadhaar linkage, and versatile network has made a solid establishment for

computerized installment adoption.

Consumer Behavior and Selection Factors

Literature on customer behavior highlights a few determinants affecting the appropriation of advanced installments. Key components include:

Convenience and Speed: Clients favor computerized installments due to speedy and hassle-free transactions.

Incentives and Rewards: Cashback offers and rebates empower adoption.

Perceived Security: Believe in the security of exchanges plays a significant role.

Ease of Utilize: User-friendly interfacing increment acknowledgment among differing populations.

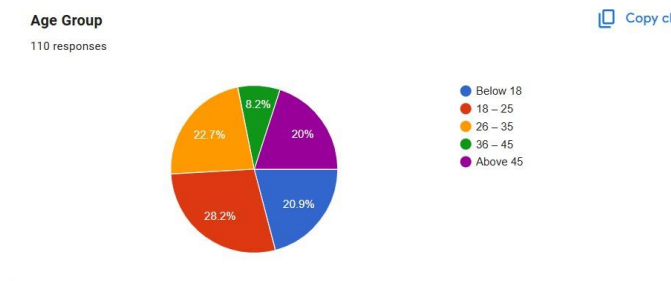
Studies too uncover statistic varieties, where more youthful, taught, and urban customers are more slanted toward advanced installment strategies compared to more seasoned and rustic populaces.

OBJECTIVES OF THE STUDY-

- To study the growth and adoption of UPI and digital payment methods among consumers.
- To examine the change in cash usage patterns after the introduction of UPI.
- To analyze consumer preference towards digital payments over cash transactions.
- To identify the factors influencing the adoption of UPI and digital payment systems.

DATA ANALYSIS AND INTERPRETATION-

1. Gender-wise Distribution

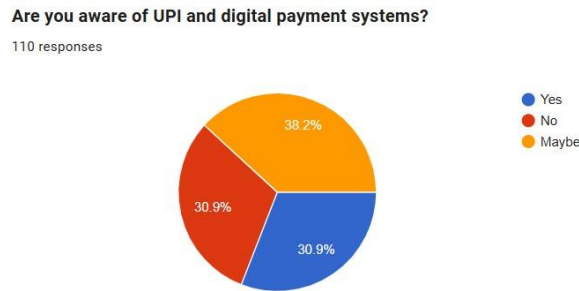


Interpretation:

The information appears that the larger part of respondents have a place to the 18–25 age bunch (28.2%), demonstrating that youthful grown-ups are the most dynamic members in the overview. This is taken after by the 26–35 age gather (22.7%), recommending solid

representation from the working-age population.

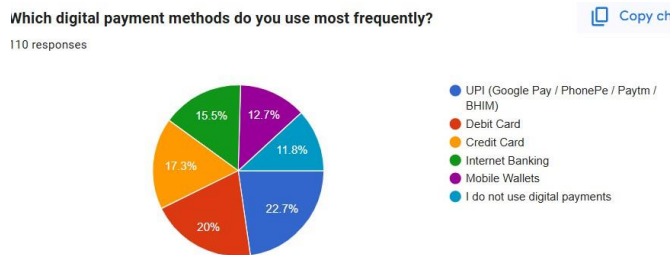
2. Awareness of digital Payment Systems



Interpretation:

The information shows a blended level of mindfulness with respect to UPI and advanced installment frameworks among respondents. Approximately 30.9% of respondents are mindful of UPI and advanced installments, whereas a break even with extent (30.9%) detailed that they are not mindful, appearing a clear isolate in mindfulness levels.

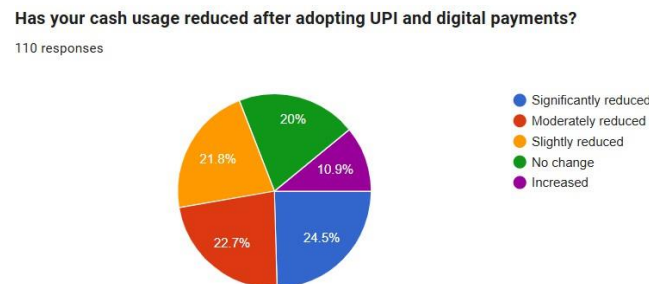
3. Most Frequently Used Mobile Wallet



Interpretation:

The information appears that UPI (22.7%) is the most habitually utilized computerized installment strategy among respondents, demonstrating its ubiquity due to comfort and ease of utilize. This is taken after by charge cards (20%) and credit cards (17.3%), proposing that conventional card-based installments still hold noteworthy usage.

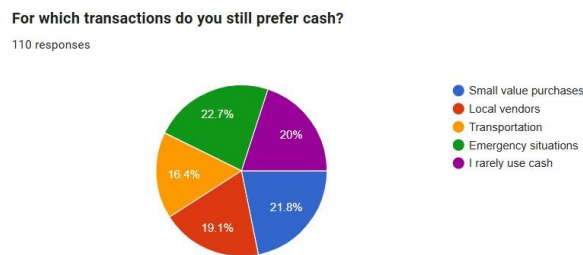
4. Cash Usage Reduction



Interpretation:

The information shows that advanced installments have driven to a discernible lessening in cash utilization among respondents. A lion's share detailed a decrease, with 24.5% expressing cash utilization has altogether diminished and 22.7% announcing a direct decrease. Furthermore, 21.8% experienced a slight decrease, appearing a progressive move toward advanced exchanges., proposing that a parcel still inclines toward cash in spite of the accessibility of advanced choices. A littler bunch, 10.9%, demonstrated an increment in cash usage.

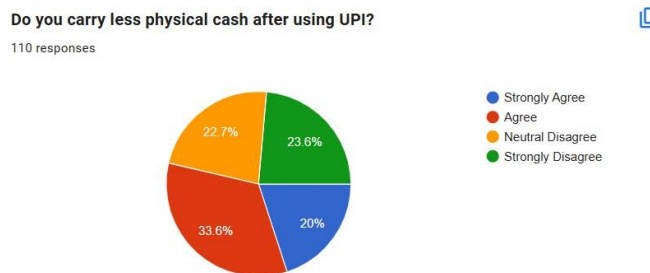
5. Cash Use



Interpretation:

The information appears that cash is still favored primarily in particular circumstances. The most noteworthy extent of respondents (22.7%) utilize cash in crisis circumstances 21.8% favor cash for little esteem buys, taken after by 19.1% for nearby merchants, proposing that cash remains common in regular and casual exchanges. Transportation (16.4%) moreover depends on cash to a few degrees.

6. cash carry after UPI

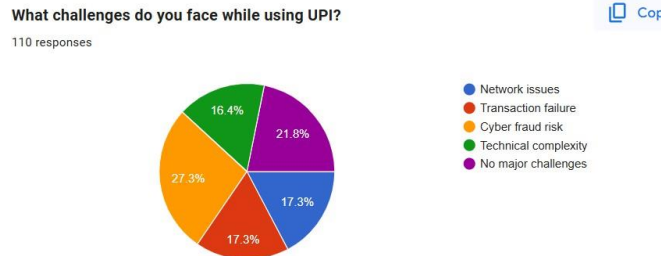


Interpretation:

The information appears that a noteworthy parcel of respondents carries less physical cash after utilizing UPI. 33.6% concur and 20% emphatically concur, demonstrating that more than half of the respondents have decreased their reliance on cash. However, 22.7% stay impartial, recommending that UPI has not essentially changed their cash-carrying propensities.

In the meantime, 23.6% unequivocally oppose this idea, showing that an outstanding bunch still favors to carry cash in spite of utilizing computerized payments.

7. Challenges Using Upi



Interpretation:

The information uncovers that clients confront a blend of challenges whereas utilizing UPI. The most common issue is cyber extortion hazard (27.3%), demonstrating that security concerns are a major obstruction to client confidence.

Network issues (17.3%) and exchange disappointments (17.3%) are too critical issues, reflecting specialized confinements that influence smooth utilization. Moreover, 16.4% of respondents discover UPI actually complex, proposing ease of use challenges for a few clients.

Research Methodology Research Design

Component	Description
Research Design	A descriptive research design was adopted to examine.
Data Collection	Two types of data were used: Primary Data and Secondary Data .
Primary Data	Collected through structured questionnaires.
Secondary Data	Collected from research journals, websites, fintech reports, books, and articles related to digital payments.
Sample Size	The study considered 100 respondents from different age groups in Pune city.
Sampling Method	Convenience sampling method was used for selecting respondents.
Data Analysis Tools	Data was analyzed using percentage analysis, charts and graphs ,

Findings of the Study

Youth Dominance in Advanced Payments

The larger part of respondents has a place to the 18–35 age bunch, demonstrating that youthful customers are the essential clients of UPI and advanced installment systems.

Moderate Level of Awareness

Awareness of UPI and computerized installments is not all inclusive. A critical parcel of respondents is either unconscious or dubious, highlighting the require for moved forward computerized literacy.

UPI as the Most Favored Installment Method

Among all advanced installment alternatives, UPI is the most as often as possible utilized due to its comfort, speed, and ease of use.

Decline in Cash Usage

An expansive number of respondents detailed a decrease in cash utilization after receiving computerized installments, showing a move toward a less-cash economy.

Cash Still Utilized in Particular Situations

Despite computerized development, cash is still favored for small-value exchanges, neighborhood merchants, transportation, and crisis situations.

Reduction in Cash Carrying Habit

More than half of the respondents concur that they carry less physical cash after utilizing UPI, reflecting behavioral change.

Security Concerns as a Major Challenge

Cyber extortion hazard is the most critical issue confronted by clients, taken after by arrange issues and exchange disappointments.

CONCLUSION -

The study on the effect of UPI and advanced installments on cash utilization clearly demonstrates that India is experiencing a critical change in its installment environment. The expanding selection of UPI and other advanced installment strategies has diminished reliance on cash, particularly among more youthful and urban populaces. Comfort, speed, and ease of exchanges have risen as the essential components driving this move toward computerized platforms. The discoveries uncover that UPI has ended up the most favored mode of computerized installment due to its user-friendly interface and moment finance exchange capabilities. A lion's share of respondents detailed a decay in cash utilization and a diminished require to carry physical cash, highlighting a clear behavioral alter in installment propensities. In any case, the move is not uniform over all portions of society.

Despite the development of advanced installments, cash proceeds to play a critical part in certain circumstances such as small-value exchanges, neighborhood seller installments, transportation, and crisis needs. Also, challenges such as cybersecurity concerns, exchange disappointments, need of computerized education, and destitute web network act as obstructions to total adoption in conclusion, whereas UPI and computerized installments have essentially contributed to the development toward a less-cash economy, India is still in a transitional stage or maybe than a totally cashless society. To accomplish broader selection, it is fundamental to reinforce advanced foundation, upgrade security measures, and advance mindfulness and instruction with respect to computerized installment frameworks. These endeavors will offer assistance in building believe among clients and guaranteeing comprehensive and economic development of the computerized installment biological system

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