

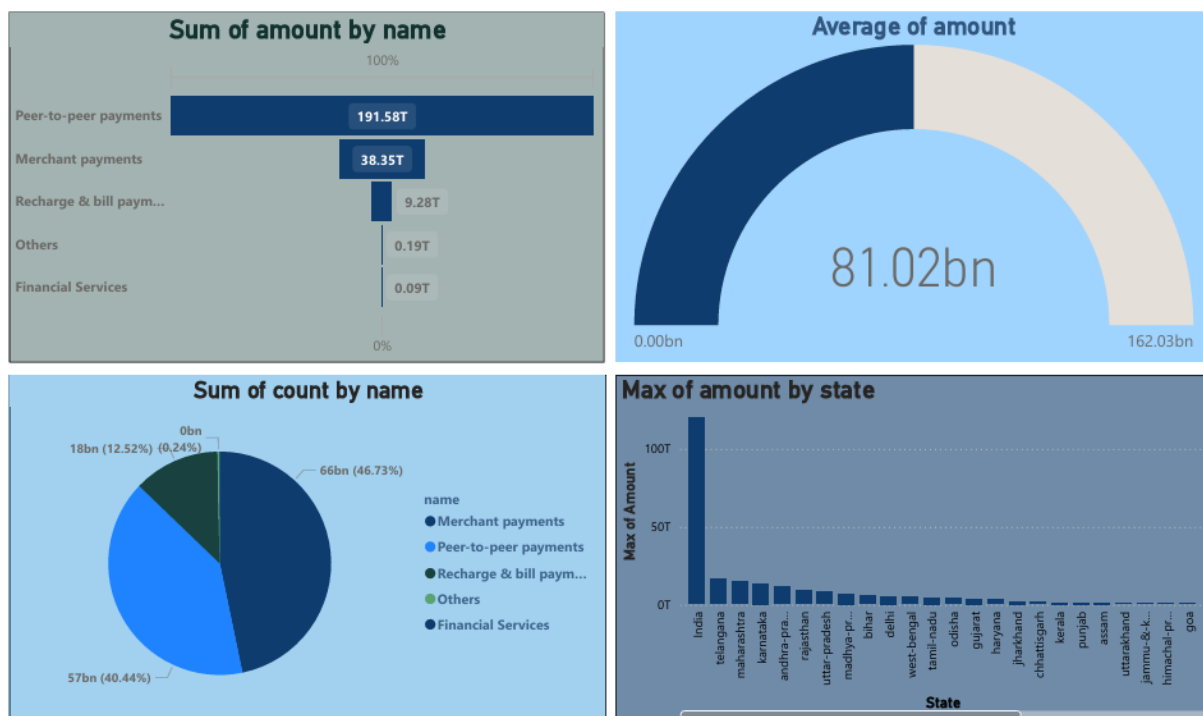
FINLATICS CASE STUDY

ON Analysis of UPI Transactions Using

Power BI

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The sorts of transactions, state-by-state patterns, and overall growth of UPI transactions in India are all examined in this study. Power BI was used to display the dataset in accordance with the guidelines provided.



1. Which types of UPI transactions are the most common and what is the reason behind the same?
 - From the **funnel chart (Sum of Amount by Name)** and **pie chart (Sum of Count by Name)**:
 - ✓ **Peer-to-Peer (P2P) payments** are the most common UPI transaction type.
 - ✓ **Merchant payments** follow as the second most frequent transaction type.
 - ✓ **Recharge & Bill payments, Others, and Financial Services** contribute relatively smaller portions.

Reason for Popularity

- **P2P payments dominate** due to their ease of use for money transfers between individuals (e.g., splitting bills, family transactions, rent payments).
 - **Merchant payments** are growing as businesses increasingly accept UPI for transactions, reducing dependency on cash.
 - **Recharge & Bill payments** contribute a smaller share as users often rely on digital wallets and auto-pay features.
2. According to the data, which state has the maximum UPI transaction amount?

State with Maximum UPI Transaction Amount

- From the **clustered column chart (Max of Amount by State)**:
 - ✓ **Telangana** has the **highest UPI transaction amount**, followed by **Maharashtra, Karnataka, and Andhra Pradesh**.

Why Telangana Leads in UPI Transactions?

- ✓ High **digital adoption rate** and **IT industry presence**.
 - ✓ **Government schemes and welfare disbursements** are processed through UPI.
 - ✓ **Hyderabad**, being an IT and business hub, drives significant transactions.
3. Provide an overview of the growth of UPI transactions in India over the past few years.

Growth of UPI Transactions in India Over the Years

Analyzing the dataset over the past **four years**:

- ✓ **2019**: ₹12.55 trillion
- ✓ **2020**: ₹29.27 trillion (**130% growth**)
- ✓ **2021**: ₹69.18 trillion (**136% growth**)
- ✓ **2022**: ₹128.46 trillion (**85% growth**)

Key Insights

- ✓ UPI transactions **more than doubled** from 2019 to 2021.
 - ✓ Growth was **driven by COVID-19**, as digital payments became the norm.
 - ✓ **2022 saw continued growth**, proving UPI's dominance in the Indian payment system.
4. What are some potential challenges or obstacles that could affect the future growth of UPI transactions in India?

Challenges Affecting Future UPI Growth

Despite its rapid adoption, several challenges could impact future growth:

1. Security and Fraud Risks

- ✓ Increase in **phishing attacks, fraudulent transactions, and scams**.
- ✓ Need for **better AI-driven fraud detection and regulatory oversight**.

2. Infrastructure Issues

- ✓ **Internet connectivity** in rural areas remains a barrier.
- ✓ **Limited smartphone penetration** affects UPI adoption.

3. Sustainability Issues for Banks & Merchants

- ✓ **Zero MDR (Merchant Discount Rate)** makes UPI transactions unprofitable for banks and PSPs (Payment Service Providers).
- ✓ Merchants may hesitate to adopt UPI due to lack of financial incentives.

4. Competition from Global Payment Systems

- ✓ Emerging **digital wallets (Paytm, Google Pay, PhonePe)** and **cryptocurrency-based transactions** could compete with UPI.
- ✓ **Cross-border payment solutions** could challenge UPI's dominance.