**Secured Digital Payments Vital for Cashless India**

India is at the turning point of moving towards a cashless economy ever since the demonetization movement by the Indian government in late 2016. Naturally, mobile phones are the main focus of this digital revolution.

Since cashless economy is possible through mobile devices, particularly mobile phones, ensuring the integrity of data during digital transactions is a challenge for digital payment apps. In order to ensure that the data does not get compromised during transactions, security across mobile devices is vital for this concept to survive.

Payment modes commonly used across the country are Unified Payment Interface (UPI), Aadhaar-enabled Payment System (AEPS), Immediate Payment Service (IMPS), and debit and credit cards used at Point-of-Sale terminals. These may symbolize a society that is moving towards digital empowerment, but their success can only be determined by how secure they are in the cyber world.

Many banking apps and mobile wallets do not use hardware-level security for online transactions and pose fair threats of security breach. These threats include phishing, fake accounts, weak device authentication, data stealing, servers hacking, etc. Cyber experts have warned about vulnerabilities that exist in digital payment systems used in India, and suggest embedding security features in the software and hardware as a part of the design process rather than as add-ons. A system needs to tokenize, encrypt and authenticate a piece of data before it can be used, in order to protect the detail of its users.

Mobile payment apps are now moving from Single Factor Authentication (SFA) to Multi-factor authentication. Multi-factor or two factor authentication is safer than the former as it adds an extra layer of security to a standard login method. Security is also vital in case of a person’s device being lost or stolen. A third person cannot make a transaction through a lost or stolen phone unless they provide with the same PIN or fingerprint that was entered during the setup process.

The demonetization drive in India has taken up a fast pace, but the development in safety and security of payments is not at par with these developments. If there are repeated security breach incidents in future, the fear in people’s minds will definitely slow down this process.