

The increase in use of digital payments in the country shows central govt's success in enabling financial inclusion. Do you agree with this view? Analyse.

ACI worldwide annual research report state that India overtook China to register the highest number of digital payment with transaction cross 25 billion higher than China's 15 billion in 2020. and report also predicted India set to account more than 71% all payments digitally by 2025

This increase in digital payment in country attributed to central govt initiatives like

- digital India Mission
- JAM trinity
- linking Aadhar to bank accounts
- UPI - Unified payment Interface

Increase in digital payment enabling government intended vision of Financial inclusion

- Opening Bank account under Pradhan Mantri Jan Dhan Yojan about 42.4 crore accounts, more 2/3rd in rural areas

2] Jan-Dhan-Adhar-Mobile helped to digital payment to unreserved category

3] Direct Benefit transfer to vulnerable population like disabled person, old age assistance, agri subsidies

Ex:- 4.3 lakh crore transferred under 319 schemes

4] JAM Trinity eliminated middlemen, frauds & leakage thus lesser cost of transaction

Ex:- ₹ 1.8 lakh crore estimated saves of DBT

5] Responsiveness & timely grievance redressal

6] Timely financial assistance to needed people in uncertain times

Ex:- PM Garib Kalyan package massive instantaneous cash transfer people living far flung areas

However the problems of digital payments like exclusion due to technical errors like Adhar verification, Increase in cyber crimes especially financial crimes, lack of awareness, difficult in retrieval of benefit due to digital illiteracy need to be addressed

The world's largest digital & financial inclusion programmes helped to transform the life of millions of India this is also critical to achieve SDG goals