

UPI AND BHIM

Unified Payments Interface (UPI) is an [instant payment system](#) developed in India, by the [National Payments Corporation of India](#) (NPCI). The interface facilitates inter-bank [peer-to-peer](#) (P2P) and person-to-merchant (P2M) transactions.^{[1][2]} It is used on mobile devices to instantly transfer funds between two bank accounts. The mobile number of the device is required to be registered with the bank. The UPI ID of the recipient can be used to transfer money. It runs as an [open source application programming interface](#) (API) on top of the [Immediate Payment Service](#) (IMPS),^{[3][4][5][6]} and is regulated by the [Reserve Bank of India](#) (RBI). Indian Banks started making their UPI-enabled apps available on the Google Play Store on 25 August 2016. It is widely considered to be one of the most successful payment systems in the world, in terms of the number of users, the volume of transactions, and the number of transactions.^{[7][8]}

As of November 2022, the platform had over 300 million monthly active users in India.^{[9][10]} The proportion of UPI transactions in total volume of digital transactions grew from 23% in 2018–19 to 55% in 2020–21 with an average value of ₹1,849 per transaction.^[11] It enabled over 2,348 transactions every second in 2022.^[12]

In Aug 2023, there were several news reports and articles were published about the [BFSI](#) sector. Data from NPCI shows that 10.5 billion transactions were recorded on the platform in August, up from 9.9 billion in July 2023. As of August 2023, UPI has crossed 10 billion transactions.^[13] UPI also recorded Rs 15.7 lakh crore in August, slightly higher than the Rs 15.3 lakh crore record for July. In FY 2023, the value of annual transactions reached \$1.7 trillion, out of which \$380 billion is in merchant payments.^[14]

UPI hit a record of 10 billion transactions worth ₹14 trillion (US\$180 billion) in August 2023. The number of monthly UPI transactions rose 58% year-on-year in May, making it the highest volume and value ever recorded.^{[15][16]}

India has shared its UPI technology with many countries including France, Australia, Singapore, UAE, Saudi Arabia, Oman, Nepal, Bhutan, Sri Lanka and others.

BHIM (Bharat Interface for Money) is an Indian [mobile payment app](#) developed by the [National Payments Corporation of India](#) (NPCI), based on the [Unified Payments Interface](#) (UPI). Launched on 30 December 2016,^[1] it is intended to facilitate e-payments directly through banks and encourage cashless transactions.^[2] It is dedicated to Dr [Bhimrao Ambedkar](#).^[3]

The application supports all Indian banks which use UPI, which is built over the [Immediate Payment Service](#) (IMPS) infrastructure and allows the user to instantly transfer money between 170 member banks^[4] of any two parties.^[5] It can be used on all mobile devices.^[6]