

Business Standard

Digital payment transactions recover in June as Covid-19 lockdowns ease

In March, UPI had recorded a fresh high of 2.73 billion transactions amounting to Rs 5.04 trillion.

Topics

digital transactions | Digital Payments | Lockdown

Subrata Panda | Mumbai
Last Updated at: July 2, 2021 00:37 IST

Unified Payments Interface (UPI), the flagship payments platform of the National Payments Corporation of India (NPCI), touched a record high both in terms of volume and value of transactions in June after a slump in April and May.

The platform recorded 2.8 billion transactions worth Rs 5.47 trillion in June, up 10.6 per cent in volume terms and 11.56 per cent in value terms over May. This is in sync with the opening up of the economy as Covid cases gradually came down from its peak in mid-May and lockdowns were eased in various places. The transaction volumes had dipped in April and May due to the second wave of the pandemic. In May, UPI processed 2.53 billion transactions, down 4.16 per cent and 7.32 per cent from April and March, respectively. In value terms, UPI saw transactions worth Rs 4.9 trillion, down 0.66 per cent and 3 per cent from April and March, respectively.

In March, UPI had recorded a fresh high of 2.73 billion transactions amounting to Rs 5.04 trillion. But, since then, both volume and value of transactions dipped because of the rising Covid infections.

Immediate Payment Service (IMPS), on the other hand, saw an 8.55 per cent rise in volume of transactions in June over May to 303.76 million amounting to Rs 2.84 trillion. It had recorded a 13.34 per cent drop in transactions in May (over April) as the volume of transactions had fallen to 279.8 million.

VALUE OF TRANSACTIONS

	March	April	May	June
UPI	504,886.44	493,663.88	490,638.65	54,737.17
IMPS	327,234.43	299,527.03	266,241.36	284,033.21
BBPS	5,195.52	5,201.92	6,270.31	7,934.71
FASTag	3,086.8	2,776.9	2,125.17	2,576.28

Source: NPCI

(₹) Bharat Bill Payment Systems (BBPS) also saw a 16 per cent month-on-month rise in the volume of transactions in June to 45.47 million amounting to Rs 7,934.71 crore. Interestingly, BBPS bucked the trend last month when all other platforms witnessed a slump in transactions. It had reported a jump in transactions with May at 39.2 million on the platform, up 11 per cent from April.

Among digital payment platforms, FASTag had seen the maximum impact of the localised lockdowns. In May, FASTag recorded 116.4 million transactions, down 29 per cent from April. But in June, it recovered, recording 157.86 million transactions amounting to Rs 2,576.28 crore, up 35.52 per cent and 21.22 per cent in volume and value terms, respectively, over April.