



Press Release

National Tech Day How technology is playing a pivotal role in making the Indian Economy Cash-lite

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We all have read in the history books and have also witnessed the evolution of currency and the payment methods. We began with the barter system and today we make payments online. Banks have been attempting to make it easier to manage our money for almost two decades.

Be it salary credits, paying bills or shopping, the way technology has progressed over the last decade or so has made it possible for us to transact digitally without actually handling any cash. But despite the ease of using digital money & making payments, society still values cash in its physical form.

The world is constantly revolving around evolution and advancement in technology has played a pivotal role in the transformation. Almost all sectors are embracing the technological innovations and so is the financial sector, giving rise to the Fintech.

Financial technologies such as contactless payment, digital wallets, mobile payments and wireless POS, consumers are increasingly adopting and trusting the technologies for their day to day transactions. The convenience of contactless payment and the increase of mobile payments have helped facilitate this shift and have opened up new ways to transact.

As digital payment technologies advance around the world, nations are stepping up their efforts to go cashless as it helps in reducing bank robberies and tax avoidance while bringing more transparency into the financial landscape. Sweden is at the forefront of becoming a cashless society by 2020, other nations like Norway and the United Kingdom have also taken significant steps to go digital. India, too, has joined the bandwagon and has been growing exponentially in terms of the volume of digital transactions every year. With several payment gateway apps and greater penetration of smartphones, not just urban India but even the rural India is contributing significantly to India's digital economy today.

India is today among the largest markets for smartphones and mobile apps in the world and this has led banks and payment gateways towards devising strategies that help the country in becoming digitally empowered and less dependent on cash. However, the story of India's new cashless culture

is incomplete without the mention of Aadhaar, the biometric identification owned by around one billion citizens now, as it paved the way for digital infrastructure in the country.

Ride hailing apps, food delivery apps, e-commerce, and OTT platforms are further pushing India's cashless story. Millennial and the new-entrants "Generation Z" find using cash primitive and are comfortable with technology and thus, digital payments.

The Turning Point and the internet

The Internet can be considered as the key point in the technological evolution of payments. After the invention of the World Wide Web, the approach towards payments was changed drastically and permanently. It is said that technological innovation is driven by demand and the demand for convenience, security and regulations have their own share causing a significant shift in the way we pay today.

Growth of digital transactions in India was very low and was limited to metro cities but Demonetization in 2016 has acted as a turning point in changing the payment habits of the people across the country.

Even though cash is always a preferred payment mode in India, advanced technology has replaced a physical wallet with digital. Today, making payments is just a click away.

Technological advancement in digital security has played a vital role in making India cashless, but, just a few years back, people are skeptical about using digital means for payment, and security was one of the main concerns.

Overcoming challenges like weak connectivity, improved security, taking digital payments to rural India, advanced features trying to save time of both customers and merchants proved a major game-changer in India's march towards becoming cash-lite.

The Digital Payment scenario is changed vastly in a considerably short span. Introduction of wireless technologies like NFC, penetration of digital wallets, regulations, and security standards, online real-time transactions have simplified the use of digital payments.

Current mobile payment applications are more than just a peer to peer payment platform, they provide services ranging from utility bill payments, buying movie tickets and other financial services.

Future of Digital Payments

Financial technology is evolving at a rapid pace opening up countless opportunities to transform the digital space. As the young generation will keep taking the lead to transform digital space, endless changes are expected for the benefit of the society as a whole.

Nations are also stepping up their efforts to go cashless as it brings more transparency into the financial landscape and can help in minimising corruption within the society.

Consumers also seem to be becoming increasingly comfortable in adopting digital payment solutions paving the way for an increasingly cashless society. However, security was a major concern in its adoption but it is just a matter of time until a seamless secure option is established.

As of today, India is one of the leading countries in payment transformation. We have the world-

renowned online payment solution, mobile as well as online payment applications with seamless and convenient experience, and what was once thought as a challenge, digital payments have received acceptance in rural India too.

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About Lyra

Started in 2007, in Mumbai, India, Lyra is established as a leader in securing e-commerce and proximity payments, working in sectors like payment gateway, IP solutions sim solutions, payment switch, merchant plug-in, etc.

Lyra's Key Figures:

- Over 10 billion payments secured and transmitted
- Over 1,20,000 e-merchants
- Over 14,00,000 POS devices
- Processing 16 million connections per day
- SSL certified, EMV 3D2.0 secured and PCI DSS V 3.2.1 compliant services

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