

## The digital divide in the payments revolution: Why are rich states lagging behind?

A recent study by economists at Mahindra University has revealed that while the digital payments revolution in India is accelerating, richer states are lagging behind in adopting them. The states with the highest number of digital payments are Telangana, Tamil Nadu, Maharashtra, Daman and Diu, and Andhra Pradesh.



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### How UPI boom in rest of India hides a paradox in wealthy states

India's digital-payment revolution is often hailed as a technological triumph. But dig deeper and you will be surprised by the fact that some of the country's wealthiest states are lagging in adoption. This counterintuitive finding, as pointed out in our study published in the **Journal of Emerging Market Finance**, ought to prompt policymakers to reassess their assumptions about financial inclusion and digital infrastructure.

**India**

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## **Wealthy Indian states lag in digital adoption**

New Delhi, Nov 27 (UNI) India's wealthiest regions are adopting digital payments at significantly lower rates than poorer states, according to new research which also highlights a sharp age and gender divide in the country's much-celebrated fintech revolution. The study, published in the Journal of Emerging Market Finance by economists Nilanjan Banik and Pranjal Chandrakar, finds that older Indians and women are markedly less likely to use digital payments, even after accounting for access to bank accounts, smartphones, and internet connectivity.