



Digital India and Transparency in Governance: Opportunities and Challenges

Sushma

University of Lucknow, Lucknow

Email: sushmagaurav9@gmail.com

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Abstract

This study examines the role of the Digital India initiative in enhancing transparency in governance, with a focus on digital payment systems such as UPI. The study uses data collected from secondary sources between 2016 and 2024. It includes information on the number of UPI transactions, the total value of those transactions, the number of banks involved, and measures of corruption.

The study looks at trends and uses a statistical method called Pearson Correlation Coefficient to see how digital payments are connected to corruption. The results show that as digital payment systems like UPI grow, corruption tends to decrease, meaning more people using digital financial services is linked to less corruption. The study emphasizes that Digital India has substantial potential to improve transparency and accountability in governance. However, there are still some problems like the gap in access to technology, dangers from online threats, and not enough knowledge about these issues. The paper ends by offering ideas to improve digital systems and encourage wider use of digital tools so that governance works better.

Keyword: Digital India, Transparency in Governance, Unified Payments Interface (UPI), Digital Payments, Corruption, Trend Analysis.

1. Introduction

Digital transformation has become a key aspect of governance in India, especially since the start of the Digital India program. The primary objective of this program is to enhance transparency, accountability, and efficiency in government operations by utilizing digital technology. One of the biggest changes in the Digital India program is the rise of digital payment systems, especially the Unified Payments Interface (UPI), which has made paying money quicker, simpler, and more transparent.

Transparent rules in how a government works help cut down on deception because technology makes it harder for people to hide things and keeps track of every action more easily. In this context, digital payments play a significant role in minimizing leakages, improving record-keeping, and enhancing trust in public systems.

By analyzing data on UPI volume, value, and the number of participating banks, the study aims to explore whether digital financial inclusion contributes to better governance. The study also looks at the chances and difficulties of using Digital India to increase openness.

2. Research Problem

Even though the Digital India program has seen a lot of growth in digital projects, corruption is still a big problem in how things are managed in India. Digital payment systems like UPI have seen a big rise in the number



of transactions, the total amount paid, and the number of banks involved. However, it is still unclear if this growth has really helped make things more open and honest by cutting down on corruption. Most existing discussions focus on the general benefits of digitalization, but there is a lack of data-driven analysis that examines the real relationship between digital payment adoption and corruption levels.

In particular, there is limited research that employs statistical methods such as the Pearson Correlation Coefficient to assess the strength of the association between digital financial growth and changes in corruption over time.

Moreover, the rapid growth of UPI after 2016 has not been fully explored in recent studies, especially in terms of its impact on reducing corruption. So, this study tries to address this gap by looking at how much digital payments are used and how that relates to corruption, using data from the years 2016 to 2024.

3. Objectives of the Research Study

- 1) To study how UPI transactions have grown in India over the years.
- 2) To understand the relationship between digital payments and corruption levels.
- 3) To find out whether increasing use of digital payments helps in reducing corruption.
- 4) To examine how the number of banks involved in UPI affects transparency in governance.
- 5) To analyze the overall role of Digital India in improving transparency and accountability.

Research Questions

- 1) How have UPI transactions increased over time in India?
- 2) Is there any connection between digital payments and corruption?
- 3) Does the growth of UPI help in reducing corruption?
- 4) How does the increase in number of banks affect transparency?
- 5) Is Digital India successful in improving transparency in governance?

4. Review of Literature

Recent studies highlight that the Digital India initiative, particularly through platforms like UPI and e-governance systems, has significantly improved transparency and accountability in governance. Digital payment systems create a traceable record of transactions, which helps in reducing corruption by limiting cash-based, unrecorded activities. Research also shows that the adoption of UPI has enhanced financial inclusion and streamlined service delivery, making government processes more efficient and citizen-friendly.

However, scholars point out that challenges such as digital disparity, data security and confidentiality measures, and uneven technological access still restrict the optimal potential of E-governance in ensuring transparency. Overall, the existing literature suggests that while Digital India has created strong opportunities for reducing corruption and improving governance, certain structural and technological challenges continue to persist.

Elbahnasawy (2014), E-government, internet adoption, and corruption. This research focused on how e-governance and internet usage affect corruption levels. The findings show that increased use of digital platforms in government reduces corruption by minimizing human interaction. In simple terms, when services go online, there is less direct contact between officials and citizens, which reduces chances of bribery and corruption.

Setor, Senyo, and Addo (2021) Do digital payment transactions reduce corruption? Evidence from developing countries. The research study investigates the association between cashless payments and corruption across 111 developing countries. The researchers used panel data and found that an increase in digital transactions significantly reduces corruption levels.

In simple words, when people use more digital payments instead of cash, it becomes easier to track transactions, which reduces the chances of corruption. This study strongly supports the idea that variables like UPI volume and value can help measure transparency in governance.

Merhi (2022), *The effect of digital transformation on corruption: A global analysis*. This study examined how digital transformation impacts corruption globally. It found that countries with higher digital adoption experience lower corruption levels. In simple words, digital tools improve monitoring and reduce opportunities for corruption.

Gupta and Arora (2022), *Adoption of digital payments in India*. This study focused on factors influencing digital payment adoption in India. It found that ease of use, trust, and accessibility drive digital payment growth. The study indirectly supports your research by showing why UPI usage is increasing rapidly.

KC and KC (2023), *Digital payments and good governance*. This study highlighted the significance of electronic payments in improving governance. It concluded that cashless transaction mechanism boost transparency, accountability, and efficiency. It clearly supports the idea that systems like UPI help reduce corruption by making transactions traceable.

Sharma, Gallani, and Maheria (2024) *Digital payments and fraud connection: Insights from the Indian economy*. This study analyzed the connection between electronic payment volume, value, and financial fraud in India using time-series data. It concluded that while cashless payments increase convenience and transparency, they also bring risks like fraud, especially when users lack digital awareness.

Sahoo et al. (2025), *Digital payment adoption and inequality*. This study found that digital payment adoption is not equal across regions and income groups. It highlights that while digital payments improve transparency, challenges like inequality and digital divide still exist, which is important for your “challenges” part.

Chaudhary (2025), *the Digital India initiative has strengthened governance mechanisms by enabling e-governance platforms such as Aadhaar and digital payments, which reduce corruption and enhance accountability*.

Sharma and Arya (2025) identify implementation complexities, infrastructure gaps, and stakeholder adaptation as key barriers in achieving transparency through e-governance. Overall, while Digital India has created significant opportunities for enhancing transparency in governance, addressing these challenges is essential for ensuring inclusive and effective digital transformation.

Mahdani and Soufyan (2026), *Blockchain and AI in combating financial corruption: A systematic literature review*. This study explains how advanced digital technologies like blockchain and AI help reduce corruption. Blockchain ensures transparency by keeping permanent records, while AI helps detect fraud. This shows that digital transformation plays an important role in improving governance transparency.

Research Gap

There is limited empirical research that specifically examines the direct relationship between UPI transaction growth and corruption levels in India using real data.

Very few studies have looked at several aspects of digital payments, like the number of transactions, the total value of transactions, and how many banks are involved, all at the same time when it comes to how transparent the governance is. Previous studies haven't properly used statistical methods such as the Pearson Correlation Coefficient to check how strong and in which direction the connection between these things has been over time. Moreover, the rapid growth of UPI after 2016 has not been fully explored in recent studies, especially in terms of its impact on reducing corruption. So, this study tries to address this gap by looking at how much digital payments are used and how that relates to corruption, using data from the years 2016 to 2024.

5. Research Methodology

1. Research Design

This study uses a quantitative approach to examine the connection between digital payment systems and transparency in governance. The primary goal is to investigate whether the growth of digital payments, particularly UPI, is linked to changes in corruption levels over time. The study uses numbers and statistical techniques to look at how different factors are connected in an organized and thorough way.

2. Nature and Source of Data

The study is based entirely on secondary data, which has been collected from reliable and official sources. Data related to UPI transactions, including transaction volume and value, has been taken from the National Payments Corporation of India (monthly) report.

For measuring governance quality and corruption, the study uses data from the World Bank's World Governance Indicators (WGI), specifically the "Control of Corruption" index. The data employed in this study covers the period from 2016 to 2024, which helps in understanding trends over time.

3. Variables of the Study

The study is based on two main variables:

Independent Variable:

Growth of digital payments, measured through UPI transaction volume and value

Dependent Variable:

Transparency in governance, measured using the "Control of Corruption" index

Additional Variable:

Number of banks participating in the UPI system

4. Data Processing

Since UPI data comes out once a month, it was turned into yearly totals to fit the same format as the governance data. This helped make the comparison more precise and reliable. The data was then organized into tables for further analysis.

5. Tools and Techniques of Analysis

To analyze the data, the study uses basic and useful statistical methods:

Trend Analysis:

Trend Analysis is one of these methods. It helps to see how UPI transactions and corruption levels have changed over time

Pearson Correlation Coefficient:

In this study, it helps to understand how the growth of UPI transactions is related to changes in corruption levels. Pearson correlation is used to find out whether there is a relationship between digital payment growth and corruption levels, and how strong that relationship is

The Pearson Correlation Coefficient, which is written as r , helps to show how strong and in what direction the connection is between two different variables. In this study, it helps to understand how the growth of UPI transactions is related to changes in corruption levels.

$$r = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sqrt{\sum \left\{ \sum (x - \bar{x})^2 \cdot \sum (y - \bar{y})^2 \right\}}}$$

where, r = Correlation coefficient, X = UPI data (transaction volume/value), Y = Corruption index (WGI – Control of Corruption), \bar{X} (\bar{X} bar) = Mean of X values, \bar{Y} (\bar{Y} bar) = Mean of Y values, and Σ (Sigma) = Summation of values

Interpretation:

$r = +1$ → Perfect positive relationship

$r = -1$ → Perfect negative relationship

$r = 0$ → No relationship

If r is negative → Digital payments increase → Corruption decreases

If r is positive → Both move in same direction

6. Scope of the Study

The study is restricted to India and emphasizes on impact of digital payments, particularly UPI, on transparency in governance. It covers a specific time period from 2016 to 2024 and uses selected indicators for analysis.

6. Conceptual Framework

The conceptual framework of this study is on the basis of understanding how digital governance influences transparency in governance. It explains the key concepts involved and shows how the usage of digital technologies helps improve openness, accountability, and efficiency in government functioning.

1) Meaning of Digital Governance

Digital governance indicates the use of digital technologies, such as the internet, mobile applications, and online platforms, by the government to provide services and interact with citizens. It focuses on making government processes faster, more efficient, and easily accessible.

In simple terms, digital governance means using technology to run government systems and deliver services in a better and more convenient way. Initiatives like the Digital India Program is one of the examples of how adoption of digital technology is being used to improve governance in India.

2) Meaning of Transparency

Transparency in governance means that government actions, decisions, and processes are open, clear, and easily accessible to the public. It ensures that citizens have the right to know how decisions are made and how public resources are used.

In simple words, transparency means “nothing is hidden” in government functioning, which helps reduce corruption and increases trust in connection with citizens and the government.

3) Relationship between Digitalization and Governance

Digitalization and governance are closely connected. The application of digital technologies has changed the traditional way governments operate by making processes more open and efficient. Digital tools such as online portals, digital payments, and e-procurement systems reduce human involvement, which helps in minimizing corruption and delays. They also allow citizens to easily access information, track services, and participate in governance. This indicates that digitalization acts as an instrument that strengthens transparency and accountability in governance. However, its success depends on factors like digital literacy, infrastructure, and proper implementation.

Overall, the conceptual framework highlights that digital governance plays a key role in improving transparency, but its effectiveness depends on how well digital systems are implemented and accessed by all sections of society.

Data Presentation

Year-wise Data on UPI Adoption and Corruption Index in India (2017-2024)

Year	No. of banks live on UPI	Volume in (Millions)	Value in (Crores)	Corruption Index
2016	NA	NA	NA	-0.28522
2017	629	425.3	47351.54	-0.22442
2018	1291	3746.32	5,52,421.94	-0.20796
2019	1696	10787.54	18,36,638.18	-0.21833
2020	2003	15,746.73	33,87,744.72	-0.25449
2021	2869	38,744.55	71,59,258.80	-0.30076
2022	4049	74,044.48	1,25,95,017.87	-0.29249
2023	5483	1,17,641.09	1,82,92,795.21	-0.33532
2024	7210	1,72,208.01	2,27,04,167.55	-0.29534

Researcher's own calculation

Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)

Note:

Corruption index data for 2016 is presented for reference; however, it has not been included in the correlation analysis due to the unavailability of corresponding UPI data for that year. Therefore, the correlation analysis is conducted for the period 2017–2024.

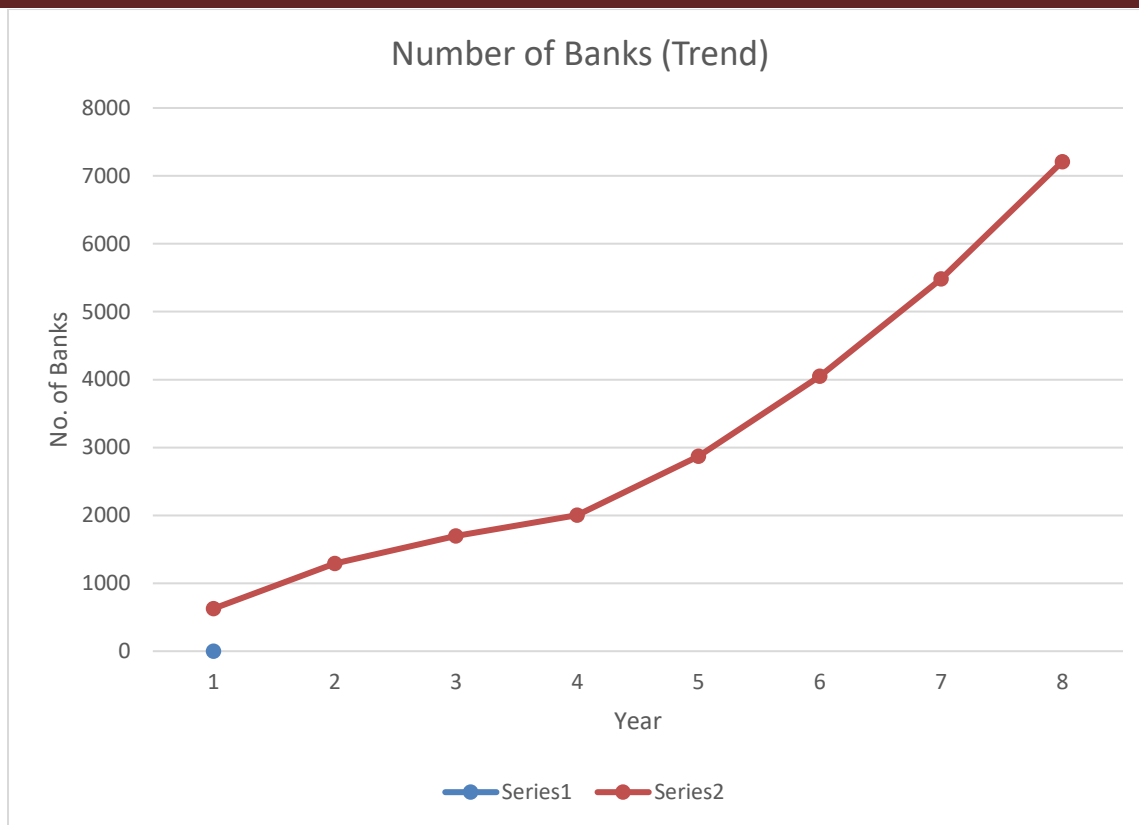
The table presents year-wise data on UPI adoption indicators, including the number of banks participating in UPI, transaction volume, and transaction value, along with the corruption index for the period 2017–2024. It is observed that there has been a consistent and significant rise in the count of banks integrated with UPI, as well as a sharp rise in both transaction volume and value over the years. This reflects the progress of digital payment infrastructure and increased public adoption under the Digital India initiative.

At the same time, the corruption index shows a gradual improvement (or decline, depending on your data), indicating changes in governance transparency. The simultaneous increase in UPI usage and change in corruption levels suggests a potential relationship between digital financial inclusion and transparency in governance. As time-series data captures changes over years, it helps in identifying trends and patterns between variables.

Overall, the table indicates that the growth of digital transaction systems like UPI may contribute to enhancing transparency, reducing cash-based transactions, and improving accountability in governance.

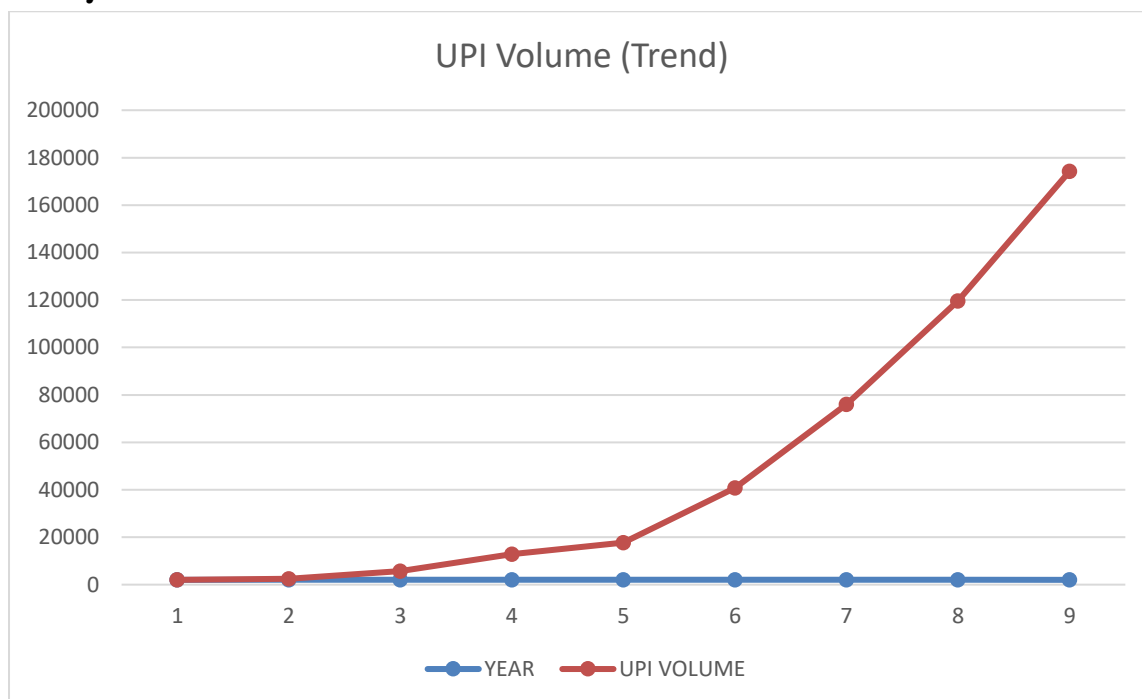
Trend Analysis of Number of Banks

This section presents the trend analysis of key variables, including number of banks, UPI transaction volume, transaction value, and corruption index. Graphical representations are used to analyze the growth of digital payments and their relationship with transparency in governance.



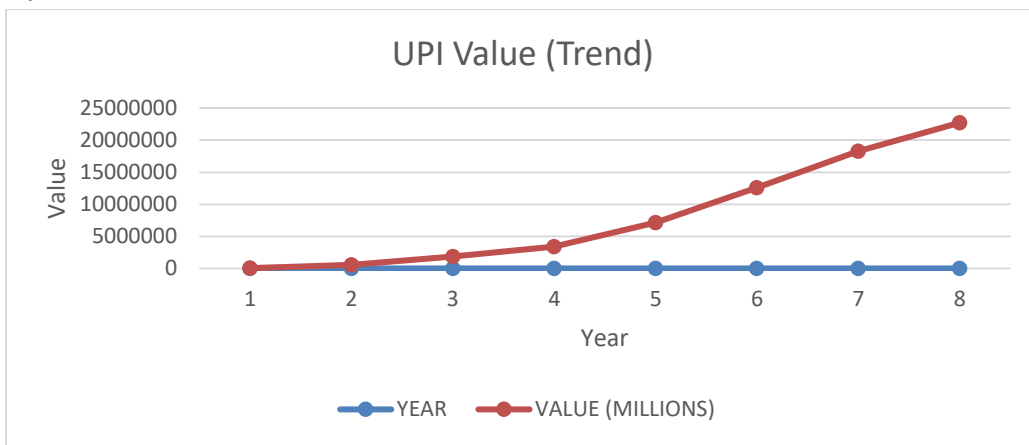
Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)
The trend of the number of banks shows a steady increase from 2016 to 2024. This indicates expansion of digital infrastructure and increased participation in the UPI ecosystem under Digital India initiatives.

Trend Analysis of UPI Volume



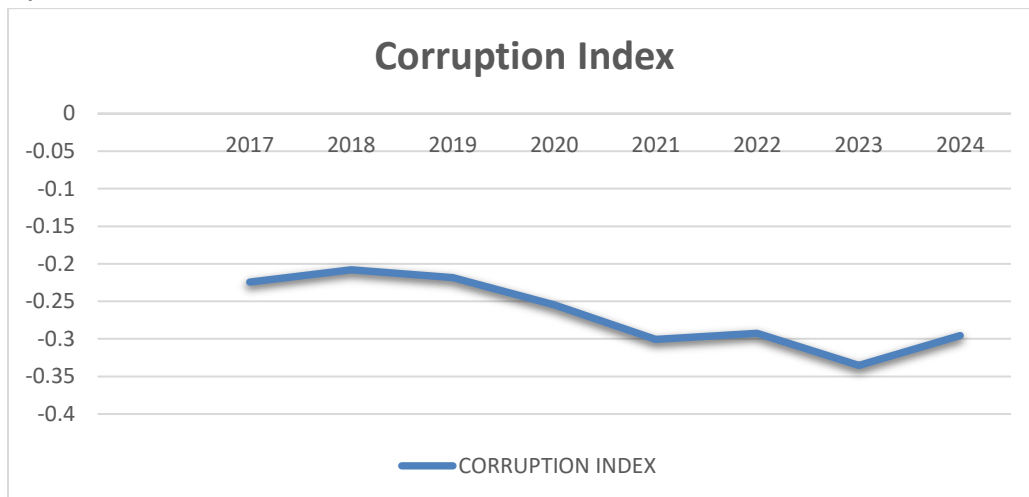
Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)
The trend analysis of UPI transaction volume shows a sharp and continuous increase over the years. This reflects rapid acceptance of digital payment systems and increased usage by the public.

Trend Analysis of Transaction Value



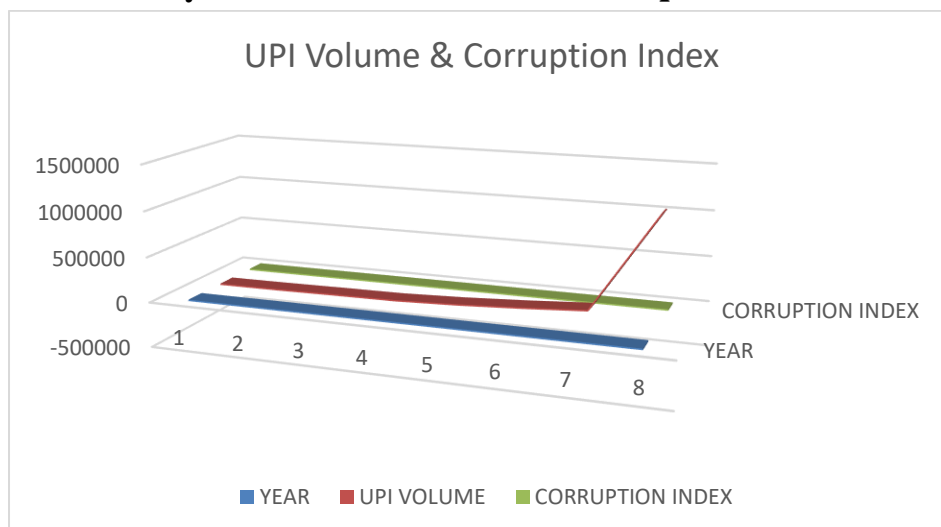
Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)
The transaction value also shows significant growth, indicating increasing financial activity through digital platforms. This highlights the growing economic importance of UPI in India.

Trend Analysis of Corruption Index



Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)
The corruption index shows gradual improvement over time, suggesting enhanced transparency and governance. However, the change is moderate compared to the rapid growth in digital transactions.

Comparative trend Analysis Volume of UPI and Corruption Index



Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)

The comparative trend analysis among UPI transaction volume and corruption index reveals that as digital transactions increased significantly, the corruption index shows gradual improvement. This suggests a possible relationship between digitalization and transparency. Increased use of digital payments reduces cash transactions and enhances traceability, thereby limiting corruption opportunities.

Overall, the trend analysis indicates strong growth in digital payment systems in India, as reflected by increasing UPI volume, value, and participating banks. At the same time, the corruption index shows gradual improvement. The comparative analysis suggests that digitalization may have an important role in enhancing transparency in governance.

Correlation Analysis

Introduction

A Correlation analysis was performed to evaluate the association between digital payment indicators and corruption levels in India. The Pearson correlation coefficient was used to measure the strength and direction of the relationship between variables.

Correlation Analysis of Variables

Correlation table

Variables	Correlation (r)
UPI Volume & Corruption	-0.34136
UPI Value & Corruption	-0.83723
Banks & Corruption	-0.80036

Researcher's own calculation

Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)

In the research study Pearson Correlation Coefficient used to investigate the association between digital payment indicators and corruption levels. The outcomes reveal that UPI transaction volume has a moderate negative correlation with corruption ($r = -0.34136$), indicating that as the number of digital transactions increases, corruption tends to decline to some extent. Further, UPI transaction value shows a strong negative correlation ($r = -0.83723$), indicating that increased digital financial activity is significantly linked to reduced corruption levels. Similarly, the number of participating banks also exhibits a strong negative correlation with corruption ($r = -0.80036$), highlighting that increased financial inclusion and banking participation contribute to improved transparency. Overall, these results suggest that the expansion of digital transaction systems under the Digital India campaign is closely linked with a reduction in corruption, thereby supporting the role of digitalization in enhancing transparency in governance. Despite this, no direct cause- and-effect conclusion can be drawn and other institutional and socio-economic factors may also influence corruption level.

Discussion and Interpretation of Correlation Results

The researcher used the Pearson Correlation Coefficient, so interpretation depends on:

- Sign (+ / -) → direction
- Value (0 to 1) → strength

1. UPI Volume & Corruption ($r = -0.34136$)

- ✓ This is a moderate negative correlation
- ✓ It means: As UPI transaction volume increases, corruption tends to decrease.
- ✓ In simple words: Digital payments are helping reduce corruption, but the impact is not very strong.

2. UPI Value & Corruption ($r = -0.83723$)

- ✓ This is a strong negative correlation.
- ✓ It means: As the value of UPI transactions increases, corruption decreases significantly.
- ✓ In simple words: Higher digital money flow = less corruption
- ✓ This is your strongest evidence

3. Banks & Corruption (r = -0.80036)

- ✓ This is also a strong negative correlation
- ✓ It means: As more banks participate in UPI, corruption decreases
- ✓ In simple words: More banks → better access → more transparency → less corruption

Strength of Relationship based on Results

Variables	R Value	Strength of relationship	Direction
UPI Volume & Corruption	-0.34136	Moderate	Negative
UPI Value & Corruption	-0.83723	Strong	Negative
No. of Banks & Corruption	-0.80036	Strong	Negative

Researcher's own calculation

Sources: National Payment Corporation of India (NPCI) and Worldwide Governance Indicators (WGI)

The table shows that UPI transaction volume has a moderate negative relationship with corruption, while UPI transaction value and number of banks have strong negative relationships, indicating that higher digital financial activity and banking participation are strongly associated with lower corruption levels.

Digital India and Governance

Overview of Digital India

The Digital India Program was launched by the Government of India in 2015 with the goal of transforming the country into a digitally empowered society and knowledge-based economy. The main idea behind this initiative is to use digital technology to make government services easily available to citizens, especially in a faster, more transparent, and efficient way.

Digital India focuses on upgrading digital infrastructure, expanding internet access, and ensuring that government services can be accessed electronically. It plays an important role in reducing paperwork, minimizing delays, and making governance more citizen-friendly. Over time, it has become a key tool for promoting transparency and responsibility in government administration.

Key Pillars and Initiatives of Digital India

Digital India is built on three main pillars:

❖ Digital Infrastructure as a Core Utility

This includes providing internet connectivity, digital identity (like Aadhaar), and access to smartphones and banking services so that every citizen can benefit from digital systems.

❖ Governance and Services on Demand

The Government services made accessible electronically, allowing citizens to access them anytime and from anywhere. This reduces the need to visit government offices.

❖ Digital Inclusion of Citizens

This focuses on improving digital literacy so that people can easily use online services and participate in governance.

Some important initiatives under Digital India include:

- Websites where people can get government services online (like e-district services)
- Tools for making digital payments such as UPI and the BHIM app

- Systems for buying goods and services through the internet (e-Procurement and e-Tendering)
- Digi Locker, which lets people store their important papers in a digital format.

Role in Public Service Delivery

The Digital India program has helped make it easier for people to get government services and improve how public services are provided in the country. By moving services to online platforms, it has increased efficiency, enhanced transparency, and improved accessibility for citizens.

Now, people can apply for certificates, pay their bills, file their taxes, and access government programs from the comfort of their homes. This helps cut down long lines, saves time, and lowers the chance of people getting involved, which in turn helps stop corruption.

Digital platforms enable citizens to monitor their applications and file complaints, thereby enhancing accountability in government operations. Digital India has made public services more efficient, clear, and focused on the needs of citizens.

Digital India has made government services easier to access and more open by improving how they are delivered. However, its success depends on how effectively digital systems reach all sections of society and how well challenges like digital literacy and infrastructure are addressed.

Opportunities Presented by Digital Governance for strengthening Transparency

Digital governance has opened up many chances to make government operations more transparent. Credit goes to digital tools and programs like Digital India, government work is now more transparent, faster, and easier for citizens.

Reduced Corruption

Digital platforms reduce direct interaction between citizens and government officials, which lowers the chances of bribery and unfair practices. Online systems like e-procurement and digital payments help keep track of transactions, making it easier to see what's happening. This makes the whole process more open and less likely to have corruption.

Easy Access to Information

Citizens can quickly find government information through online websites and portals, which is a major benefit of digital governance. Important details concerning policies, schemes, and services are accessible at all times, fostering openness and transparency.

Improved Accountability

Digital governance helps make it easier to track and check what government is doing, which increases accountability. Every action, decision, or transaction is written down in a digital way, which helps in knowing who is responsible for what. Officials can be held accountable for delays or mistakes, as their work can be tracked through online systems.

Increased Citizen Participation

Digital platforms allow citizens to get more involved in how government works. People can provide feedback, file complaints, and express their views using online platforms. This involvement makes governance more inclusive and transparent.

Efficient Service Delivery

Digital governance facilitates efficient service delivery, enabling faster and more reliable public services. People can apply for government services, pay bills, and check the status of their applications all online, without needing to go to government buildings. This helps cut down delays, saves time, and makes the service process easier and clearer for everyone.

Digital governance has created new chances to boost transparency by making government work easier to access, more responsible, and more effective. However, these benefits can only be fully enjoyed if digital systems are properly set up and available to everyone in society

Challenges in Achieving Transparency through Digital Governance

Even though digital governance has helped make things more transparent in many areas, there are still several issues that stop it from being completely effective. Despite initiatives such as the Digital India Programme, these challenges must be tackled to achieve inclusive and transparent governance.

Digital Divide

One of the major challenges is the gap between individuals who have access to digital technologies and those who do not. Many people, particularly in rural and remote regions, still do not have access to the internet, smartphones, or digital services. This leads to unfairness and stops everyone from getting the same benefits from clear digital systems.

Lack of Digital Literacy

Even when digital tools are available, many people don't have the skills they need to use them properly. A lack of awareness and understanding of digital platforms hinders citizens' ability to access services or information, thereby reducing the effectiveness of transparency.

Cybersecurity Issues

As more people use digital platforms, the chances of facing cyber threats like hacking, data breaches, and online fraud have gone up. These worries about security can make people less confident in digital systems and stop them from using them.

Data Privacy Concerns

Data privacy issues come up because digital governance requires gathering and keeping a lot of personal information. If this data isn't protected well, someone might use it wrongfully or get into it without permission. People may be reluctant to use digital platforms completely if they are worried about their privacy.

Infrastructure Limitations

In many parts of the country, particularly in rural areas, there is not enough good digital infrastructure. This includes things like dependable internet, electricity, and technical help. These limits make it harder for digital governance systems to work well and lower how well they can help make things clear and open.

Despite its potential to enhance transparency, these challenges serve as obstacles to the success of digital governance. Addressing these issues is essential to ensure that the benefits of digital governance reach all sections of society in an effective and inclusive manner.

In summary, this study looks at how the Digital India program has affected transparency in government by looking at how much UPI transactions have grown and how that connects to the level of corruption.

7. Conclusion

The study explores the contribution of the Digital India initiative on transparency in governance by analyzing the progress of UPI transactions and their relationship with corruption levels. The outcomes of trend analysis clearly show a significant increase in UPI transaction volume, value, and the number of participating banks over the period 2016 to 2024, reflecting the swift expansion of digital financial transactions in India.

The correlation analysis using the Pearson Correlation Coefficient indicates a negative relationship between UPI indicators and corruption. In particular, UPI transaction value and the number of banks show a strong negative correlation with corruption, while UPI volume shows a moderate negative relationship. This suggests that as digital financial transactions and inclusive banking services increase, corruption levels tend to decline.

Overall, the research outcomes bring attention to that Digital India campaign has plays a crucial role in promoting transparency and accountability in governance. However, digitalization alone is not sufficient to completely eliminate corruption, as other institutional and socio-economic factors also influence governance outcomes. Therefore, while digital payments contribute positively to transparency, there is still a need for supportive policies and effective implementation.

Suggestions / Recommendations

- ✓ The government should continue to promote digital payment systems like UPI by increasing awareness and accessibility, especially in rural and less-developed areas.
- ✓ Appropriate measures should be adopted to improve digital literacy so that more people can use digital platforms confidently and securely.
- ✓ Strong cybersecurity measures should be implemented to protect users from fraud and build trust in digital systems.
- ✓ The participation of more banks and financial institutions should be encouraged to enhance financial inclusion and accessibility.
- ✓ The government should integrate digital systems with anti-corruption policies to ensure better monitoring and transparency in public transactions.
- ✓ Continuous monitoring and evaluation of digital initiatives should be done to identify gaps and improve their performance in governance.

Limitations of the Study

This research relies on secondary data gathered from available sources, which may have certain limitations in terms of accuracy and completeness. The analysis mainly focuses on UPI transaction volume, value, and the number of participating banks, along with corruption indicators, and does not include other important factors such as political, social, or institutional influences that may also affect corruption levels.

The study uses the Pearson Correlation Coefficient, which only shows the relationship between variables and does not establish cause-and-effect. Therefore, it cannot be concluded that digital payments directly reduce corruption.

In addition, the time period of the study is limited to 2016–2024, which may not capture long-term trends before the introduction of UPI. The study also focuses only on India, so the findings may not be applicable to other countries.

Scope for Future Research

Future research could build on this study by adding more factors like digital literacy, availability of the internet, government rules, and economic and social conditions. This would help better understand how open and honest government operations are researchers can also employ sophisticated statistical techniques, such as regression analysis, to investigate the causal relationship between digital payments and corruption.

They can also employ sophisticated statistical techniques, such as regression analysis, to investigate the causal relationship between digital payments and corruption. More research could look at a longer time frame or compare different countries to better understand how digital governance affects things around the world. Another way to gather information is by using surveys or interviews to understand what people think and how they actually experience digital payments and corruption.

Future studies could also look into how new technologies such as artificial intelligence and blockchain can help make systems more transparent and reduce corruption in how governments operate.

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