UPI 123PAY — India's Internet-Free UPI for Feature Phones, and the Onboarding Friction That Slowed Uptake

Digital Inclusion · Good practice · India

Quality score: 56/100

Evidence strength: Moderate

Summary

Launched by the RBI in March 2022, UPI 123PAY lets India's ~400M feature-phone users pay via IVR, missed calls, apps or sound, with no internet. Field work found real appeal but low uptake, driven by OTP onboarding friction and design gaps.

Key dimensions

Dimension	Score
Innovation level	4/5
Sustainability (ongoing)	1/1
Evaluation evidence	0/1
Demonstrated reach	0/1
Documented learning	1/1

Evaluated by C-NAPSE

Data sources

C-NAPSE web research — accessed 2026-11-12

National Payments Corporation of India (NPCI) — accessed 2026-11-12

MicroSave Consulting — UPI 123PAY analysis (2023) — accessed 2026-11-12

3ie — Digital financial inclusion through UPI: community-driven initiative (2026) — accessed 2026-11-12

Inc42 — RBI launches UPI123Pay for feature phones (2022) — accessed 2026-11-12

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