Digital Economy in India: Opportunities and Challenges

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Abstract:

There is no doubt in denying the fact the digital India is nothing but the starting of digital revolution in India. It is a means by which, the government thinks, the services can be accessible to the people of India electronically. No doubt, with the digitalization, the people from remote areas can also enjoy these services with the help of internet facilities and online infrastructure. With the digitalization in India, the government has a mission and target to make India updated economically and digitally. The measure taken by Indian government will, undoubtedly, facilitate the people of India to get engaged in the innovative process which is the need of the hour for the development of any country. Without any shadow of doubts, it is indeed a big challenge as there are number of hindrance in the successful implementation of this dream like project. In the problems involved with programme, low internet speed, lack of coordination among various departments, poor infrastructure and, last but not the least, digital illiteracy are worthy of detailed consideration. For the success of digitalization, first and the foremost requirement is to make people aware of these challenges, because once it is implemented successfully, it will pave the way of opportunities for the citizens of India.

Key Words: Definition, Digital Economy, Components, Demonetization Impacts, Opportunities Challenges.

Introduction :

In this age of digital economy, it has become necessary for every country in the world to adopt it seriously as it has become the need of the hour. But, at the same time, it is also a challenge. In the society surrounding us, people, communities, government and even business organizations are following the

digital technology to take decisions, to make goods and to deliver services more digital economy refers to both the digital access of goods and services, and the use of digital technology to help businesses. Digital economy is a term that is often used to cover this activity, but is hard to define.

At present time when throughout the whole world, information and communication technologies continue to advance at incredible speed, Digitalization in every walk of life is one of the most fundamental period of transformation we have ever witnessed. Digital India was a flagship programme launched by the Prime Minister of India Narendra Modi on 1 July 2015 – with keeping in view an objective of connecting rural areas with high-speed internet networks and improving digital literacy. The vision of this programme is to transform India into a digitally empowered society and knowledge economy. It is one of the biggest steps by government of India to motivate the citizen of the country and connect Indian economy to knowledge savvy world.

What one can witness in india is that the Indian digital economy is not a conventionally marketed economic activity, and GDP figures do not take account of economic benefits of the digital economy, such as time saved, increased choice, and lower cost of products. Technology is going to revolutionizing business, transforming virtually all aspects of the economy and society. No doubt, the digital economy is the new productivity platform that some experts regard as the third industrial revolution. Digital revolution, also labeled as the Internet Economy or Internet of Everything is expected to generate new market growth opportunities.

At present, there are number of social and economic activities that can be included under the concept of Digital economy activities that are enabled by information and communications technologies. Activities like banking, buying and selling, and accessing education or entertainment using the internet and connected devices. The digital economy is not separate to the economy. It affects all industries and business types and influences the way we interact with each other every day.

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choice, and lower cost of products. Technology is going to revolutionize or is already revolutionizing business, transforming virtually all aspects of the economy and society.

The digital economy is the new productivity platform that some experts regard as the third industrial revolution. Everything is expected to describe the range of economic and social activities that are enabled by information and communications technologies. It includes activities like banking, buying and selling, and accessing education or entertainment using the internet and connected devices. The digital economy cannot be separated from the term economy. It impacts all industries way we interact with each other every day. It also recognizes that as sectors become data driven their economic structures change, industry boundaries blur, and the basis of competition changes.

II. LITERARY ANALYSIS

A number of research papers and articles provide a detailed insight about the role of digital India and the implications of this project in India. Rani (2016) concluded that the digital India project provides a huge opportunity to use the latest technology to redefine India the paradigms of service industry. It also pointed out that many projects may require some transformational process, reengineering, refinements to achieve the desired service level objectives.

Midha(2016) concluded that digital India is a great plan to develop India for knowledge future but its improper implementation due to inaccessibility and inflexibility to requisite can lead to its failure. Though digital India programme is facing number of challenges yet if properly implemented it can make the best future of every citizen. So we Indians should work together to shape the knowledge economy.[2] Gupta and Arora (2015) studied the impact of digital India project on India' s rural sector. The study found that many schemes have been launched in digital India to boost agriculture sector and entrepreneurship development in rural areas. Digital India programme has also set the stage for empowerment of rural Indian women.

III .OBJECTIVE OF THE PAPER

1. To analyse and interpret the concept of digital India programme.

2. To trace out the significance of this project.

3. To find out the problems and challenges faced in implementation of this programme.

4. To try to find out some practical solutions and remedies as well as innovative ideas to accomplish the vision of a digital India-a reality.

1. **DIGITAL INDIA**

'Digital India' is a highly innovative programme which will enable the Indians ready for a knowledge-based future Vision Areas of Digital India The Digital India programme has its focus in three important areas envisioned by the government

2. **Digital Infrastructure as a Utility to Every Citizen:**

The main idea behind digital infrastructure as a utility to every citizen is to facilitate the Indian economy with high internet speed as a core utility for delivery of services to citizens.. Providing mobile phone and bank account enabling citizen participation in digital and financial space is the focus of attention. Shareable private space on a public cloud for every citizen is also one of the chief concerns of this programme.

2.Governance and Facilities on Demand

It goes without saying that seamless integration across departments or jurisdictions ensuring availability of services in real-time from online & mobile platforms is the main idea of this concept. Also, to transfer digitally all services for improving ease of doing business Leveraging Geo spatial Information Systems (GIS) for decision support systems & development is the motto behind this programme.

3.Digital Empowerment of Citizens

One of the significant aspects of this concept is to empower citizen through universal digital literacy as well as to provide universal accessible digital

resource. To make available digital resources / services in Indian language and to provide collaborative digital platforms for participative governance is an important goals of this concept.

KEY POINTS OF DIGITAL INDIA PROGRAMME

☐ Internet provides a platform for sharing information and collaborating.

☐ Use Internet and information technology for "digital matching"

☐ Use IT systems on web/mobile apps to facilitate peer topeer transactions.

☐ Offer workers flexibility in deciding working hours.

☐ Rely on workers to use their own tools/assets.

☐ Considerable interest in whether/how activities are measured.

☐ Firms appear to be included in business registers and

Under Digital India Programme in India, the following aspects are to be taken in to consideration

1.Broadband Highways

Under this heading, the aim is to cover 250000 village Panchayats under National Optical Fibre Network (NOFN) by December 2016. Nationwide internet infrastructure (NII) would integrate the network and cloud infrastructure in the country to provide high speed connectivity and cloud platform to various government departments up to the panchayat level.

2.Public Internet Access Programme

One Common Service Centre(CSC) would be provided to each gram panchayat and 150,000 Post Offices are proposed to be converted into multi service centers.

3. Governance

IT would be used to make the delivery of government services more effectively. There would be integration of services and platform-UIDAI,

Payment Gateway, Mobile Seva platform, Public redressal etc., through IT. All information would be available in electronic form

4.**Universal Access to Mobile Connectivity**

The aim is to increase network penetration and to provide mobile connectivity to 44000 villages by 2018 with investment of RS 16000.

5. IT for Jobs

The aim is to train 10 million people in towns and villages for IT sector jobs in five years. It also focuses to provide training to three lakhs service delivery agents as part of skill development to run viable businesses delivering IT services. It also concentrates on training of five lakh Rural Workforce on Telecom and Telecom related services and setting up of BPOs in each North-eastern state.

6. Electronics Manufacturing

The government is focusing on zero imports of electronics by2020 through local manufacturing of items such as smart energy meters, micro ATMs, mobile, consumer and medical electronics. Government is also taking several steps to promote manufacturing and investment in electronics sector by providing clarity on taxation, incentives skill development etc.

VII. ADVANTAGES OF DIGITAL INDIA PROGRAMME

Digital India programme is a step in ushering digital revolution. It is a big step in the direction of empowering people of the country. Main advantages of this programme are-

1. Due to this digital India mission, all the government services available to people of country through common service delivery outlets. This would be a leading step in the direction of inclusive growth by enabling access to education , healthcare and government services to all the citizens of the country. People can get better advise on health services. Those who can' t afford school/ colleges can get chance to online education.

2. This programme will focus on more and more transparency as all the data would be available online and would be accessible to citizens of the country.

3. E-Governance will help in eradicating corruption and getting things done smoothly and quickly.

4. Digital locker facility will enable the citizen to digitally store their important documents like Pan card, passport, mark sheets etc.

5. It will help in getting things done easily. For example when we need to open an account, we will give official details of our digital locker, where they can verify our documents. By this we can save time and the pain of standing in long queues for getting our documents would be reduced.

6. It will surely help in decreasing documentation and reducing paper work.

7. Digital India mission is away for cashless transactions.

8. It can help small businesses. People can use online tools to expand their business.

9. The programme would generate huge number of jobs in IT, electronics and telecommunication sector directly or indirectly.

VIII. CHALLENGES

It is a time of more than one year since Digital India mission has been inaugurated, but there are   multiple challenges being faced in successful implementation. Some of the challenges are as follow

1.High level of digital illiteracy is the biggest challenge and hinderance in the success of digital India programme in adaptation of technologies . According to ASSOCHAM-Deloitte report on Digital India, November,2016, around 950 million Indians are still not on internet.

2. There is lack of awareness as well as guidance in this programme as the masses are not familiar with its benefits..

3. It is a big and huge task to connect each and every village , town and city. To Connect 250000 Gram Panchayats through National Optical Fibre is not an easy task. The biggest challenge is ensuring that each panchayat point of broad band is fixed up and functional.

4. A key component under this vision is high speed of internet as a core utility to facilitate online delivery of various services. India has low internet speed. According to third quarter 2016 Akamai report on internet speed, India is lagging behind as it is at the 105th position in the world in average internet speed.

6. The slow and delayed infrastructure development in India is the biggest challenge faced by Digital India.. India' s digital infrastructure is comprehensively inadequate to tackle growing increase in digital transactions7.The private participation in government projects in India is poor because of long and complex regulatory processes.

8. The competent private sector organizations are not able to pick up many request proposals by government since they are not commercially viable. Currently over 55000 villages remain deprived of mobile connectivity because providing mobile connectivity in such locations is not commercially viable.

9 Between urban and rural India, there is a wide digital division, the problem of funding is still not able to meet the cost of infrastructure creation in rural areas.

10. Because of a number of languages in India(1600 languages and dialects), there is non-availability of digital services in local languages is a great barrier in digital literacy.

SUGGESTIONS

Digital India campaign can' t be successful on its own. Policy changes are needed to make digital India a reality. Few of the suggestions are –

1.Digital literacy is first step in empowering citizens. People should know how to secure their online data.

2.To make this programme successful, a massive awareness programme has to be conducted. There is pressing need to educate and inform the citizens, especially in rural and remote areas, about the benefits of internet services to increase the growth of internet usage.

3.Digital divide needs to be addressed.

4.Manufacturing content is not government' s strength. This mission needs content and service partnerships with telecom companies and other firms.

5.PPP models must be explored for sustainable development of digital infrastructure.

6.Private sector should be encouraged for development of last mile infrastructure in rural and remote areas. To encourage private sector, there must be favorable taxation policies ,quicker clearance of projects.

7.The success of digital India project depends upon maximum connectivity with minimum cyber security risks. For this we need a strong anti cyber crime team which maintains the database and protects it round the clock.

8.To improve skill in cyber security , we need to introduce cyber security course at graduate level and encourage international certification bodies to introduce various skill based cyber security courses.

9.There is need for effective participation of various departments and demanding commitment and efforts. Various policies in different areas should support this goal.

10.For successful implementation , there must be amendments in various legislations that have for long hindered the growth of technology in India.

CONCLUSION:

The vision of digital India is spectacular. It is a concrete step in the direction of building a truly empowered nation. If it succeeds, it is supposed to transform citizen access to multimedia information, content and services. However, the motto is still far away since most of the nine pillars of digital India mission are facing serious challenges in implementation. It is imperative that focused persistent attention must be given to each and every pillar so that this programme does not end up in failure. In fact, what is required here is a mindset for accepting the changes that are likely to occur when this programme will be a successful one, and then and only then, the vision seen by prime-minister Modi will come true in real sense of words..

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