



DIGITAL INDIA : A VISION TO EMPOWER RURAL INDIA

Dr. A. Shanmugam* **Dr. A. Gopalakrishnan****

**Assistant Professor, P G and Research Department of Economics ,Thanthai Periyar Government Arts and Science College (Autonomous) (Affiliated to Bharathidasan University) Tiruchirappalli-23, TN.*

***Associate Professor & Head, P G and Research Department of Economics,Thanthai Periyar Government Arts and Science College (Autonomous) (Affiliated to Bharathidasan University) Tiruchirappalli-23, Tamil Nadu.*

Introduction

Digital India is a significant campaign for making India digitized through all its services and facilities. The aim of this program is to bring all facilities available among citizens of India. Digital India is mainly associated with economic services for uplifting the usage of digital platforms among people. With the increased usage of digital economy India will be developed in adopting technology in various aspects of their life. Prime minister of India Narendra Modi started the mission digital India on July 1, 2015 for connecting the whole India with all government services through technology. With this initiative normal citizens have been encouraged to use technological facilities for various economic services and operations. According to a report by economic analysts, the Digital India initiative could boost our GDP by around \$1 trillion by 2025. It can also be detrimental to play an important role in macroeconomic factors such as job creation, labour productivity, business development, and revenue generation. The vision aims to transform India into a digitally empowered society and knowledge economy through infrastructural reforms such as high -speed internet in all Gram Panchayats, life long digital identification of all citizens by linking them with AADHAR, mobile banking to all, easy access to common services centres (CSCs) etc. The programme is to wipe out the digital divide between rural and urban India, connecting and empowering 130 crores Indians with offering them a number of digital solutions in almost every sector whether it is education, health, agriculture, administration and so on while generating huge employment through CSCs and IT jobs. In this paper, we will discuss the various purposes of initiating digital economy and its overall effects within the country's economy.

Literature Review

Gupta and Arora (Gupta N. &., 2021) in their study found the impact of Digital India programme on India's rural sector. They found that many schemes have been launched in Digital India to boost agriculture sector and entrepreneurship development in rural areas that will also led a stage for rural women empowerment.

Rani (Rani, 2020) concluded that the Digital India programme provides a huge opportunity to use the latest technology to redefine India but many projects require some transformational process, reengineering, refinements to achieve the desired service level objectives.

Jamshed Alam Ansari (Ansari, June 2019) in his study dreamt a rural India 2019 where villages have been converted into a knowledge economy and all services are available to villagers either on mobile or tablet or common service centre of the village.

Tukesh Kumar et. Al (Kumar Tukesh, 2017) in their study found digital India programme very useful not only in empowering rural entrepreneurs but also empowering rural India Women.

Components of digital economy / Digital India Programme Pillars

Pillar – 1 : Broadband Highway

Pillar -2 : Universal Access to Phones/Mobiles

Pillar -3 : Public internet Access

Pillar - 4 :E-governance

Pillar-5: E-Kranti – Electronic Delivery of services

Pillar -6 : Information to All

Pillar – 7 : Electronic manufacturing

Pillar -8 : IT for Jobs

Pillar – 9: Early Harvest Programmes

Key Projects under Digital India

To empower rural India Many key projects have been started till now under Digital India.

1. Digital Locker System – for paperless governance To minimise the usage of physical documents and enable sharing of e-documents across agencies Digi Locker facility has been launched to store crucial documents like Voter ID Card, Pan Card, BPL card, Driving License, education certificates etc. This will also help to check fraud or duplicate documents.

2. E-sign Framework – to allow people to digitally sign documents online using AADHAR authentication

3. My Gov.in – a platform provided to people for citizen engagement in governance through a Discuss Do and Disseminate approach. It can be accessed through at <https://mygov.in/>

4. Common Service Centres (CSCs) – are information and communication technology enabled service delivery points at every place for delivery of government financial, social and private services such as applying online passports, land record, digital locker, Aadhar Card, health and financial services to rural India.

5. Swachh Bharat Mission (SBM) – mobile app to be used by people to achieve targets of Swachh Bharat Mission.

6. National Scholarship Portal – is a one step solution for all scholarships provided by government of India right from submission of student application, verification, sanction and disbursement to end beneficiary

7. E-hospital – online registration under e-hospital initiative enables people to avail services like online registration, payment of fees and appointment, online diagnostic reports, consultation with doctors etc. **AROGYASHAKTI** a mobile application that helps rural women entrepreneurs deliver preventive healthcare at rural doorsteps.

8. Digital Agriculture – Farmers can interact with agriculture experts on digital platform and learn about new techniques and methods. For eg. **Digital Green** uses participatory videos to explain farmer's best management practices under similar circumstances. A virtual platform called **NAM (National Agriculture Market)** is launched to inter connects Mandis in various states electronically to ensure maximum price for farmers for their produce.

9. Digitize India Platform (DIP) – undertaken by Deity for large scale digitisation of records in the country to facilitate easy and efficient delivery of services to citizens.

10. Bharat NET - a high speed digital highway to connect all 2.5 lakh Gram Panchayats of the country to benefit rural India.

11. Wi- Fi Spots - development of high speed Wi-Fi networks throughout the country to improve digital connectivity.

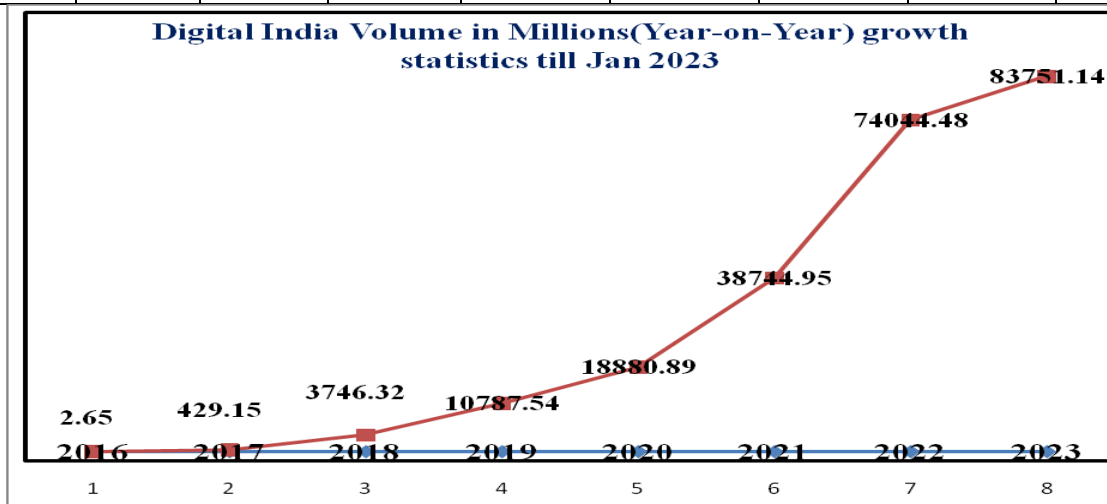
12. Direct Benefit Transfer (DBT) scheme to deposit money directly to beneficiary account for all government schemes.

Digital Payments driving the growth of Digital Economy

The demonetization policy in India had a significant impact on the country’s economy, but it also accelerated the growth of digital payments in India. Prior to demonetization, digital payments accounted for only about 10% of all transactions in India, but that number has grown to over 20% in the years since. On November 8th, 2016, the Prime Minister of India, Sh. Narendra Modi, announced that all 500- and 1,000-rupee notes, which accounted for 86% of the cash in circulation, would be demonetized.

UPI (Unified Payments Interface) has seen significant growth in India since its launch in 2016 by National Payments Corporation of India (NPCI). Here are some highlights of the UPI journey in India with YoY (Year-on-Year) growth statistics till Jan 2023.

Year	2016	2017	2018	2019	2020	2021	2022	2023
Vol.in.Million	2.65	429.15	3746.32	10787.54	18880.89	38744.95	74044.48	83751.14



This strategic movement actually led to aggressive promotion and adoption of digital ecosystem in India. The Indian government has been actively promoting the use of digital technologies through various initiatives such as Digital India, Make in India, and Startup India. These initiatives aim to increase the use of digital technologies in various sectors such as healthcare, education, and agriculture, and also to create a conducive environment for start-ups to flourish. The increase in internet and smartphone penetration in India has also played a major role in the growth of the digital ecosystem. According to a report by the Internet and Mobile Association of India, the number of internet users in

India is expected to reach 800 million by 2023. This increase in internet users has also led to an increase in the number of mobile wallet users in India, which is expected to reach 900 million by 2025.

In 2017, UPI recorded a YoY growth of 900%, processing over 100 million transactions worth INR 67 billion. In 2018, the YoY growth was 246% with transactions worth over INR 1.5 trillion processed. In 2019, the YoY growth was 67% with transactions worth over INR 2.9 trillion processed. In 2020, UPI recorded an YoY growth of 63% with transactions worth over INR 4.3 trillion processed in December 2020. In 2021, the YoY growth was 72% with over 1.49 billion transactions worth INR 5.6 trillion processed in June 2021. At the end of the calendar year 2022, UPI's total transaction value stood at INR 125.95 trillion, up 1.75 X year-on-year (YoY), as per the NPCI. Interestingly, the total UPI transaction value accounted for nearly 86% of India's GDP in FY22. At the end of the calendar year 2023, UPI's total transaction volume stands on 83.75 Billion. These statistics showcase the increasing popularity and adoption of UPI as a convenient and secure platform for digital transactions in India.

The increase in internet and smartphone penetration in India has also played a major role in the growth of the digital payments ecosystem. E-commerce has also been a major driver of the growth of the digital payments ecosystem in India. The e-commerce market in India is expected to grow at a CAGR of 31% and reach \$200 billion by 2026. The growth of the e-commerce market has led to an increase in the number of online shoppers in India, which is expected to reach 220 million by 2025. The digital payments ecosystem in India is also supported by a number of other private players as well. These players offer a range of digital payment services such as mobile wallets, UPI payments, and QR code-based payments.

Government of India is committed to expand digital transactions in the Indian economy, and thereby enhance the quality and strength of the financial sector, as well as ease of living for citizens. Digital payment transactions have significantly increased as a result of coordinated efforts of the Government as a whole, along with all stake holders concerned, from 2,071 crore transactions in FY 2017-18 to 8,840 crore transactions in FY 2021-22 (Source: RBI, NPCI and banks). During last five years, various easy and convenient modes of digital payments, including Bharat Interface for Money-Unified Payments Interface (BHIM-UPI), Immediate Payment Service (IMPS), and National Electronic Toll Collection (NETC) have registered substantial growth and have transformed digital payment ecosystem by increasing person-to-person (P2P) as well as person-to-merchant (P2M) payments. BHIM UPI has emerged as the preferred payment mode of the citizens and has recorded 803.6 crore digital payment transactions with the value of Rs.12.98 lakh crore in January 2023. The total number of digital payment transactions undertaken during the last five financial years and the current financial year are as under: and Information Technology, Shri Rajeev Chandrasekhar in a written reply to a question in Lok Sabha.

Financial Year(FY)	Total number of digital transactions (in crore) #
2017-18	2,071
2018-19	3,134
2019-20	4,572
2020-21	5,554
2021-22	8,840
2022-23	9,192*

* Data till 31st December 2022 , **Source:** RBI, NPCI and banks



Conclusion

In conclusion, the digital payments ecosystem in India has grown significantly in recent years, driven by government initiatives, an increase in internet and smart phone penetration, and the rise of e-commerce. The digital payment ecosystem is supported by private players who offer a range of digital payment services. The future of digital payments in India looks bright with the expected growth in the number of internet users and e-commerce market size.

References

1. Ansari, J. A., June 2016. Dreaming A Digital Rural India. *Kurushetra*, 64(8), pp. 18-22
2. DJ April 26, 2., 2018. Digital Yug ki chunauti. New Delhi: Dainik Jagran.
3. DJ April 8, 2., 2018. prati vaycti data upyog teji se bada. New Delhi: Dainik Jagran.
4. DJ April 9, 2., 2018. Dakgharo Me Milegi Digital banking Ki Puri Suvidha. New Delhi: Dainik Jagran.
5. DJ July 3, 2., 2018. BuJurgo ki Duyay le rahi ATM Didi. New Delhi: Dainik Jagran.
6. DJ June 16, 2., 2018. Digital India se desh me aaye bde badlav. New Delhi: Dainik jagran.
7. Financial Express Aug 9, 2., 2018. Big Boost to Modi's Digital India; E-payments surge over 8
8. fold in 5 years 20170 crore. New Delhi: Financial Express.
9. Gupta, N. & A. K., 2015. Digital India: A Roadmap for the development of Rural India.
10. *International journal of Business Management*, 2(2), pp. 1332-1342.
11. HT Feb 28, 2., 2016. Kerela is India's first state to do everything online. Triruvananthapuram: Hindustan Times.
12. HT November 20, 2., 2017. Ministry of Electronics and Information. English ed. New delhi:
13. Hindustan Times.
14. <https://www.bbc.com/news/world-asia-india-37974423>.
15. Ministry of Electronics & IT , Digital Transactions in India, Posted On: 08 FEB 2023 1:44PM by PIB Delhi.