



DIGITIZATION AND REDEFINING FUTURE GROWTH OF INDIAN ECONOMY

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Abstract

Digital India is a flagship programme of the Govt. of India with a vision to transform India into a digitally empowered society and knowledge economy. This programme was launched on 1st July 2015 by Hon'ble Prime Minister Shri. Narendra Modi. India is already the fastest growing economy in the world, with an average gross domestic product growth of 5.5% over the past decade. According to the World GDP Ranking 2023 list, India is the fifth largest economy in the world. Other major countries like the United States of America, China, Japan, Germany etc. have significant presence in this GDP ranking. India is on track to become the world's third largest economy by 2027, surpassing Japan and Germany, and will have the third largest stock market by 2030, driven by global trends and the country's significant investments in technology and energy. The scope of the Indian economy is huge and it includes various components. After globalization, the Indian economy is rapidly changing its shape. Just as other factors contribute to the growth of the economy, the 'Digital India' initiative is also playing an important role. The economy will definitely see better days in the future, but for that it is imperative to fix the flaws in the economy. The concept of economy needs to be redefined. If this is done, there is no doubt that the Indian economy will be ready to lead the world in the future.

Keywords: *Knowledge, Economy, Globalization, Technology, Society*

I) Introduction

Digitization is a major technological change that is underway and how countries adopt this technology will be evident in the coming time. It will increase economic efficiency and competitiveness, create products with new businesses and address challenges related to increasing financial inclusion, improving governance and reducing inequality. Digitization is particularly important for India given its large population with over 70% living in rural areas. By connecting all parts of the country together, the benefits and opportunities of a modern economy can be extended to citizens, which can reduce the economic gap in society and help bring everyone on a level playing field. India is rapidly digitizing due to many factors including technological advancement, government's emphasis on building digital infrastructure. This is leading to large scale adoption of digital technology by encouraging start up and entrepreneurship among the young population. This initiative is very fundamental for the success of Digital India.

II) Digital Growth of Indian Economy

After the independence of India in 1947, radical changes in the economy started. In 1969, Hon'ble Prime Minister Indira Gandhi took revolutionary decisions to strengthen the Indian economy by nationalizing 14 banks and freezing the salaries of institutions. Eventually, in 1991, India created a milestone in the economy by adopting the LPG policy. Due to globalization, India adopted many new things and worked to modernize the economy. Efforts are being made by the government to increase digital literacy. After the demonetization in India in 2016, the importance of digital payment increased. The launch of digital payment apps like UPI, BHIM, Aadhaar Pay, Paytm, Mobikwik, HDFC, PayZapp, SBI Buddy, PayU, Tez has made transactions easier. Therefore, there is a satisfactory picture of the adoption of this digital lifestyle by the middle-aged as well as the elderly.

III) Development of Economy with Sustainable Development

There are many types of opportunities available in a developing country like India. For example, the service sector, business, education, etc. But because all those things are not planned systematically, many problems are faced. India is blessed with abundant reserves of natural resources. But instead of strict government control, private monopoly and ownership has been established. This violates the principle of sustainable development. The development of the economy is important, but for that, it is expected to keep the environment and sustainable development at the forefront. There is a need to make as many people aware about this through digital technology. Employment generation should be the target while implementing different projects; but the environment should not be degraded. In this way, the development of the economy through the middle path will last forever, that much is for sure!

IV) Need and Significance of Restructure of the Indian Economy

It is the need of the hour not only to digitize the Indian economy but also to restructure it. Although India got independence from the British in 1947, even today their influence is strongly felt on many things in India, especially on law and economy. Therefore, it is essential to change the economy with time. The top five economies of the world include the United States, China, Japan, Germany along with India. Therefore, it is important to reorganize our world-class economy. So that after realizing the various sides and errors in it, work can be done on reducing them in priority order. Digitization of the Indian economy is one of them. Which has brought flexibility to the economy. It is seen that the citizens are taking advantage of the facilities in the banking sector. There is no doubt that the changing nature of the economy will further contribute to India's growth.

V) Historical Context of Rural Economy

Since the real India is seen in the village, Gandhiji called 'Go to the village'. Empowerment of the village was an important purpose in it. Of course, Gandhi knew the importance of villages in the economy then. He also expressed his views on economics. Today the rural economy contributes more than 45% of the national income and 30-32% of India's GDP. The role of the rural economy is also important in terms of employment. Currently, digitization is also happening in rural areas and new ideas are emerging. The contribution of rural areas to the Indian economy is unique; because most of India's land is covered by rural areas. Therefore, this historical reference from centuries is still visible to us today.

VI) Importance of Education for Economic Growth

Education is something that makes a person cultured and wise. To understand the economy requires a certain type of study. But the standard of education in India seems to be not very satisfactory. So, the general public is ignorant of the affairs of the economy; and this is very dangerous. In order for the economy to grow, the citizens of the country should at least be educated. Because we are now successfully moving towards the digital economy. The importance of the economy has been debated since ancient times. Nelson Mandela says, "Education is the most powerful weapon which you can use to change the world." As per this quote, we must become more financially literate for the progress of the Indian economy.

VII) Conclusion

The future growth of the Indian economy is going to be very promising. Many factors are involved in this economy. Digitization of the economy is also encouraging maximum employment generation. Times will certainly be challenging in the future but due to the strengthening of the economy that is



happening now, India will easily pass that phase too. Education of technological change like digitization should be imparted to students from school level. So that students can grasp the basic concepts. Serious steps should be taken to transform the economy from the government level and should be sustained. It is imperative that there is no rural-urban divide and integration of the economy. There is no doubt that only then India can progress rapidly and achieve certain goals.

VIII) Analysis

Paper discusses about the digitization and its impact on Indian economy. The manufacturing sector has moved towards complete digitization. Agriculture is one sector that is capable of implementing this. Smart phones have impacted digital transactions and increased transparency and accountability. In an emerging economy like India, the importance of financial literacy is necessary. If digitization is properly implemented then Indian economy will definitely emerge as the best economy in future.

IX) References

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