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## **OPPORTUNITIES FOR INDIA IN THE DIGITAL ECONOMY**

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### **Abstract**

India's internet user base has grown rapidly in recent years, propelled by the decreasing cost and increasing availability of smart phones and high-speed connectivity, and is now one of the largest in the world. India too has started experiencing this digital transformation. However, it may still take some time for India to feel the full impact of this change. Although the use of digital technology is on the rise in India, there still exists a wide 'digital divide' between urban and rural India which needs to be bridged urgently. Digital India holds the potential to truly transform India from a developing into a developed economy. ICT infrastructure lies at the very foundation of the success of Digital India. I believe that as a nation we should allocate a fixed percentage of our GDP to be invested exclusively on creating, upgrading and maintaining digital infrastructure. This paper has dealt with opportunities for India in the digital economy

### **Introduction**

With the Digital Transformation, in all sectors across the world has taken over the process of accumulation, transactions, decision making, marketing and dissemination of knowledge with ease and accuracy. Today, Digital Transformation is no more a concept in incubating stage, but a reality with cutting edge precision. Digitization and the digital transformation have taken proactive steps to transform the economy into the digital domain bringing revolution into business decisions, policy-making and become iconic in accelerating the on-going global processes of change in society. Digital transformation can involve many different technologies, but the hottest topics right now are the Internet of Things, cloud computing, big data, and artificial intelligence. Digitization – going paperless — can save money, boost productivity, save space, make documentation and information sharing easier, keep personal information more secure, and also help agriculture and the environment..

**Digital:** Digital is a new way of engaging with customers. And for others still, it represents an entirely new way of doing business. India performed well on e-governance and digital identity, the growth rate of mobile internet access, and the uptake of digital media by online consumers.

**Digital Economy:** "Digital economy" is intertwined with the traditional economy making a clear delineation harder. Economy refers to an economy that is base computing technologies. The digital economy is also sometimes called the Internet Economy, the New Economy, or Web Economy. Abraham Lincoln rightly said, "Government of the people, by the people, for the people, shall not perish from the earth. Whatever the government benefits from digital economy, directly have a positive impact on every citizen's life."

### **Digital Economy in India**

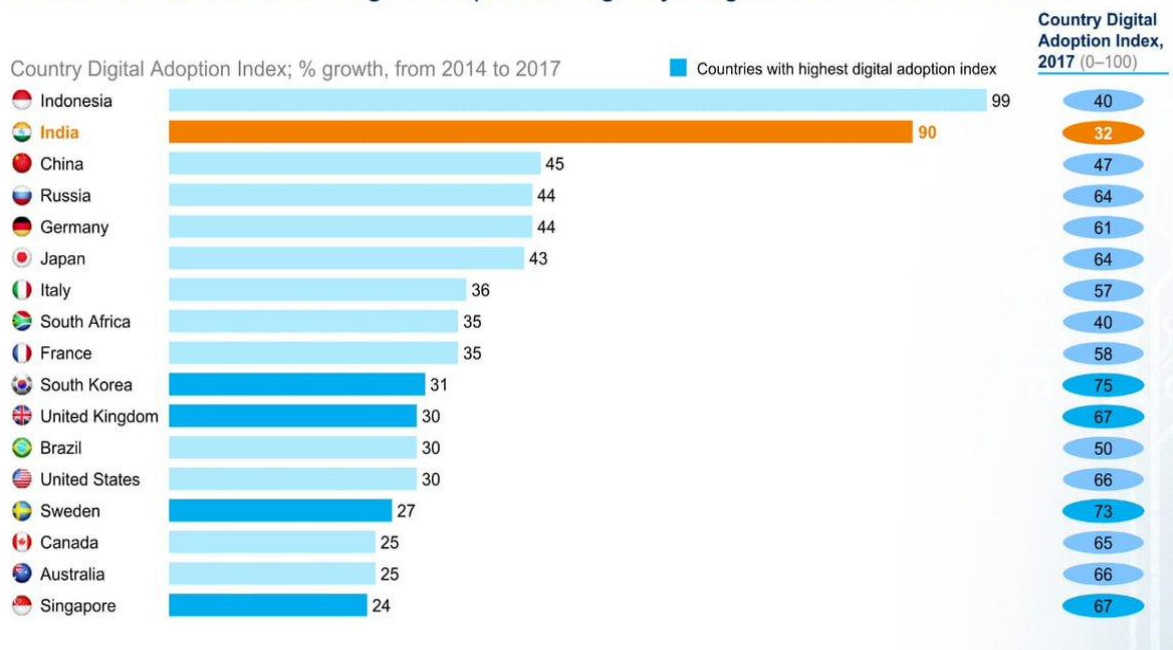
In the 21<sup>st</sup> Century, the digital economy has emerged as a key driver for global economic growth, and will also effectively address common global challenges including energy, environment and inequality. However, due to uneven distribution of digital resources including access to internet has posed challenges with regard to outreach of the benefits to all sections and regions globally. India need to harness the digital technologies and the internet to bridge the digital divide, empowering and improving the quality of life of our citizens.

Our Digital India programme has shown that digitalisation has enormous power to address many of the socio economic challenges leading to a more equitable society. Whereas we are in midst of massive digitalisation but at the same time adequate steps are being taken to ensure security and privacy of personnel data. We believe that the advantages of digital technologies through harnessing data can be through providing the anonymity of such data.

Digital Economy refers to a broad range of economic activities that include using digitised information, effective use of information and communication technology (ICT) as an important driver of productivity growth and economic structural optimisation. Internet, cloud computing, big data, Internet of Things (IoT), fin-tech and other new digital technologies are used to collect, store, analyze, and share information digitally and transform social interactions.

The following chart has explained the digital adopter among various countries in the world (Source:<https://pib.gov.in/PressReleasePage.aspx?PRID=1565669>)

India is the second-fastest digital adopter among major digital economies in the world



### Recent Changes in Digital Economy

1. Decreasing share of traditional desktop, laptop, computers.
2. Growing importance of mobile equipment and services.
3. Smart phones, tablets, wireless data service, wifi.
4. Growing importance of computing services.
5. “Cloud” services, distributed computing
6. Growing importance of other “tech” equipment.
7. Communications equipment, electro-medical equipment, instruments.

### Opportunities for the Digital Economy

- India is trying to address the problem of Internet Access through a megaproject namely "Bharatnet", where a GB connectivity is proposed to be operationalised soon in all our 2.5 lakhs panchayats with over 2 lakh Kms network.
- More than 2.5 lakh Common Service Centres (CSCs) as digital kiosks to provide services to citizens in rural areas is being implemented through public-private partnership. CSC is a unique PPP model where micro-entrepreneurs are creating sustainable livelihoods and bringing digital revolution in the villages of India.
- Mobile penetration has now crossed one billion Indian residents and nearly 450 million citizens have Internet connectivity.

- India has identified Digital Payments, Make In India, Start-Up India, Skill India, 100 Smart Cities, 50 Metro Projects and Swachh Bharat to be the key drivers of the Digital Economy.
- India's digital consumer base is the second largest in the world and growing at the second-fastest rate amongst major economies. India's inclusive digital model is narrowing the digital divide within the country and bringing benefits of technology to all segments of people.
- Capturing the potential value of a \$1 trillion digital economy will require concerted action and extensive collaboration between government and business entities. For India to achieve its full digital potential and become the digital factory of the world, cross-cutting enablers are needed, like improving ease of operations for digital businesses and unlocking the flow of capital to them, facilitating a booming open-API ecosystem, supporting digital innovators through government procurement, and strengthening centres of higher education and innovation in new and emerging technologies like AI.

## **Conclusion**

Digital India has the potential to create a 1 trillion USD digital economy in the next few years. Special emphasis is placed on agriculture, health, education and skilling. The United Nations has adopted 17 goals for Sustainable Development of the world by 2030. Digital India is a live and working example to the world on how these goals can be realized using digital technologies. Digital India is enabling technological empowerment that is bridging the gap between haves and have not's. India's digital story is the story of a low-cost world-class technology that is being hailed across the globe.

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