

Conceptual Analysis: Scenario of Indian Economy After Few Years Due to Digitization

Paper Submission: 10/10/2021, Date of Acceptance: 24/10/2021, Date of Publication: 25/10/2021

Abstract

Digitization has been playing a vivacious part in booming the Indian economy. One of the major cases in point is the employment openings generated in the nation for the young generation. Digitalization will reach cost savings, output optimization, improvised jobs, enriched efficiency & literateness, etc. Global world will surely benefit from digital payments. Money concealment and funding of terrorism is mainly take place in the form of cash transactions as it is the primary source & innovative world of digitization would depress such terrorism and laundering. The accessibility of high-speed internet is the vital backbone of Digital infrastructure. The regime on its part is loudmouthed and inspires the Indian community to make payments which are made or accepted without the use of hard cash and diminish belief on cash dealings. In the agricultural and Industrial sector, digitalization will support in advancement of all the practices, be it, procuring, retailing, roster control, occupation dealings, occupation, merchandise revolution & enlargement, etc. The resolution is to create a new world by gripping with digital payments. To nurture the economy, we have to follow a legal path by doing online or digital payments. Digital money or plastic money gives liberty as well as safety to pupils of India as it works on technical dregs. The services through Digitalization have been carried in a well-organized mode to the people of our nation after the start of superior and quicker mobile internet networks.

Keywords: Digitization, Terrorism, Backbone, Loudmouth,

Introduction

India, legitimately the Republic of India, the second-most crowded nation (with 135.26 crores individuals as per 2018) after China, seventh-biggest nation by territory, , and the heavily populated country on the globe is a nation in South Asia. It is escalating as one of the toughest economies among the International boards and it has continuously shown significant up gradation in the field of science and innovation. It has been observed in some countries that digital platforms have gained importance in past times as a key economic driver as it facilitates economic growth by creating a huge amount of job openings. If we look back to when the whole world was slow moving, boosted by the new concept Digitization & it was able to create an output of \$193 billion & generate more than 6 million jobs across the world. According to the citation of the World Economic Forum, if any country increases its score of digitization by 10% only then it would lead to 0.75% growth in its GDP per capita. Honourable Prime Minister Mr Narendra Modi had taken an initiative of Digital India program with an idea to figure out a transparent, interactive and receptive system of supremacy.

Digital applications are the deliberate part of modernisation and digitalisation of commercial processes. These are online facilities and applications via combining data, functions and recent user edge to serve customers – at the place they desire. This might become the main platform to do the work or these can counterpart the existing services. Latest innovations are gradually utilized as it never occurred formerly from individual level to government workstations. This will lead to sharing information with no concerns & worries at first glimpse. The basic idea of digitisation is to full fledged use of ICT facilities to gain access to all-inclusive resources and proved to be beneficial for society at similar time. It is the need of an hour to go digital to stay healthy & harmless. The assistance of well-designed and instigated digital applications are modified end-user satisfaction with low cost of customer service.

Komal Sharma

Research Scholar &
Assistant Professor,
Dept. of Commerce
MIET Meerut, Uttar
Pradesh, India

Brijesh Kumar Agarwal

Associate Professor,
Dept. of Commerce
DN PG College,
Meerut, Uttar
Pradesh, India

Vikas Kumar

Assistant Professor,
Dept. of Commerce,
S.M.P. Govt. Girls
P.G. College,
Meerut, Uttar
Pradesh, India

Digital Applications

From ancient Greece, origins of digital applications can be found as Greeks called them *aplicatusdigitalius*. Applications which can be accessed from any computer with the use of the internet are digital applications. Digital actually means that the work is flowing automatically, faster & transparently.

These are influential means of communication as they permit different brands to reach their global communication goals. Any software that can be used by mobile or computer to do important tasks is application software, and one of its special parts is known as software application or application program or simply app. System software is different from digital application as system software assists the application software by managing & incorporating computers capabilities.

Various Digital Applications

1. Brand Awareness digital applications It aims to draw the attention of a large number of users or fans or followers. Various organizations introduced new brands by managing to grasp their prospective consumers that will lead to business growth as this is the task of brand awareness digital application.
2. Performance digital applications Its aims are different from brand awareness applications as this app works for the needs of clients as they want to increase their return on investment & sales with higher pace.
3. Mixed digital applications.
4. This app simply works on both of the above concepts as it attracts users as well as provides good business results.
5. India is at second position with a digitizing growth rate of 90% after Indonesia which has growth rate of 99%. Total contribution towards the country's GDP could result in \$435 billion with the digitization of the Indian Economy. In recent eras, it has reformed nearly each & every area such as tourism, shopping, entertainment & many more. Every piece of machinery or an electronic device incorporates digital features in it in several ways. India can achieve the first position globally by adopting digital applications at the fullest.

Objective of the Study

The paper has the following objectives:

1. To study the challenges in adopting digital applications
2. To study the opportunities after adopting digital applications
3. To study the impact of digital applications on the Indian Economy.

Research Methodology

This research paper deals with the impacts of digital application on the Indian Economy by using secondary data analysis via journals, articles, research papers or the internet.

Review of Literature

Paper Name	Author/ Year	Description
Impact of Digitalization on Economy in India: a Review	Bhajneet Kaur, R. Mohan Kumar (2019)	Both technology & Innovation are required to acquire the benefits from digital applications to have control over the economy.
Impact of Digital India by 2019	Luvy, Societal Blogger for Social Change and Impact & Researcher (2018)	Along with financial services, providing education & health, digitally empowered India through the development of non-agricultural activities can restore the social & economic condition of people.
Impact of digitalization on the Indian economy and requirement of financial literacy	Mrinalini Kaul, Purvi Mathur (2017)	Digitalization helps to bring liquidity in the system with the effect of which system is able to solve the issues related to tax evasion, parallel economy.

Shrinkhla Ek Shodhparak Vaicharik Patrika

Digital India- opportunities and Challenges	Vanita, Karuna Sachdeva (2017)	Digital technologies transform the lives of citizens by providing significant job opportunities, increase pace & quality of service & also enhance financial conditions.
Digitization and its impact on economy	Saima Khan, Dr.Shazia Khan, Mohsina Aftab	To create process, segment & achieve digital platform, Digitalization is focussed area which transforms social aspects by large acceptance of digital applications. Due to this, a lot of opportunities are there for contents to be saved & accessed anytime.
Digitization of India- Impact on the BOP sector	Keerthan Raj and P.S Aithal	With the acceptance of digitalization, India can take advantages by gaining knowledge from its practices, emerging technologies and markets.
Challenges & Opportunities Of Digitalization India	Prakash Y and Sagarika Y	India has taken several steps for the adoption of Digital Platform to maintain transparency, maintain record & prevent corruption at reasonable cost. It provides sound opportunities Banking, agriculture, Financial Services & Insurance.

Challenges in Adopting Digital Applications

Digital India is facing multiple footprints in implementing as there are infrastructural bottlenecks as well as policies that are not transparent. Some of them are-

1. India is still facing the problem of internet speed. India is now at 68th rank globally according to Speed test Global Index fixed broadband. Online delivery of various services is not possible with this lowest internet speed.
2. As the illiteracy rate is still 25%, one of the biggest challenges is to target a high level of digital literacy. A report by ASSOCHAM-Deloitte on Digital India published in November, 2016, says that around 950million Indians are still not using the internet.
3. Lengthy & Complex nature of regulatory process makes the participation of private players in government projects lesser.
4. Next challenge in front of India is its inadequate infrastructure to face the pace of increasing digital transactions.
5. It is a gigantic task to devise a plan to have connectivity with all village, town and city. To ensure that each one of the panchayat broadband points is in working condition is also a biggest challenge.
6. Another big challenge is to create attentiveness among large masses.
7. Last but not least, one more challenge is data security with which it becomes the necessity to implement fool proof security systems.

Opportunities in Adopting Digital Applications

The "digital phase" is affecting everything, from economy to innovation, science to education, sustainability to well-being, and lifestyles to governance.

This paper discusses various opportunities in different fields as follows:-

1. With the advancement of digital applications, new heights of education can be achieved as it melts social and physical barriers due to the great pace & low cost of communication. Digital education apps may help to solve the problem of every scale, provide quality education & increase the

Shrinkhla Ek Shodhparak Vaicharik Patrika

learnability of students. It assists the teachers to reach the bulk of students through online screens at one time.

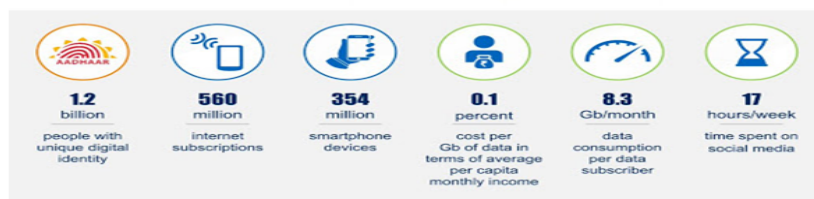
2. New jobs would be created because it has the potential to unlock productivity & create 60-65 million new jobs by 2025 as per the McKinsey Global Institute.
3. By the e-hospital program & mobile applications of health facilities, India is able to find effective solutions for some crucial problems in medical sector such as poor doctor patient ratio, unsatisfactory healthcare arrangement, lesser quality physician, low access to healthcare facilities & advice etc. as it shows promptness towards health care delivery facilities by taking appointment online. Government must assist private organizations so that they would successfully offer Health Services.
4. Digital applications offer the opportunities for the telecom industry to restructure their market conditions, to rebuild their business systems & can create multiple offerings for subscribers. More advancement in the telecommunication sector creates a lot of operative things to do.
5. Digitalisation is a demanding subject for business tycoons, social companions and political figures. It creates ample opportunities for them to be successful in their respective field as digital applications can be utilised anywhere either sitting at home or while working in an office.
6. Digital applications can work on the entertainment more as consumers are demanding a lot from entertainment providers such as their personalised & customised desires & that with less advertisement & in the most secure way.
7. Digital applications make the whole country feel atomised, independent not wanting to have any mediator & also vibrant. They show their will towards the delivery of products & services. As compared to the earlier ones, where consumers get satisfied with just a stream of T.V on numerous devices but now they feel a new experience due to this changing era of entertainment & communication.

Conclusion

The aspects associated with adoption and practice of digital applications, like Pricing, consistency, promptness, and promptness to govern the adaptability of digitization, which in turn has a verified power on tumbling unemployment, enlightening quality of life, and heightening citizens' admittance to public services. Digital applications allow governments to work with better reliability and effectiveness, and it has a vivid effect on economic progress, but not all simultaneously.

In recent years, digital applications have played a significant role in stimulating the pace of economic growth of India. It assists in upholding the balance between social & economic equity by augmenting quick access to entire information, public services & markets & help in surpassing the infrastructure shortages. Indians should be proud of the fact that their country becomes one of the rapidly digitizing realms across the globe; determined with the advent of mobile applications, marvelous growth of data consumption & emerging business in transforming life digitally that will create a source of income.

India is among the top countries globally on key aspects of digital adoption



Currently, 1.2 billion Indians hold digital uniqueness in the form of Aadhaar cards, while there are over 354 million mobile gadgets and 560 million internet contacts.

Digital India program was initiated by Prime Minister Narendra Modi Ji on July 1, 2015 & on the fifth anniversary, we can rejoice that there is dramatic progress in all of three factors i.e. creating persistent national digital ground work, delivery of public facilities & financial aid to nation & also increase digital awareness & literacy.

Shrinkhla Ek Shodhparak Vaicharik Patrika

India has fixed that one aspiring national target of doubling its economic condition in next five years to \$5 trillion by 2025. World-wide macroeconomic dynamics coupled with a vigilant outlook and muted native consumption poses a severe challenge to accomplishing that goal. This reveals that it would generate noteworthy economic value for business, farmers, workers, consumers & all other persons. Till now digital adoption has been uneven but new digital models for business could flourish in many sectors. Main digital sectors like digital communication services, IT & Business process management (IT-BPM) & electronics manufacturing could increase their GDP up to \$350 billion by 2025, while recently digitized sectors for example education, financial services, agriculture, energy, logistics & retail including applications used in labor markets & government services could increase its incremental economic value by \$150 billion in the same period.



As per Report by the Ministry of Electronics and Information Technology, India can generate over \$1 trillion of financial value from digital applications in 2025, with half the prospect initiating new digital ecologies that can spring up in varied sectors.

At present, India is generating from prevailing digital platforms such as IT-BPM, Digital payment gateways, Digitized Communication services, E-commerce & Direct subsidy the economic value of around \$200 billion which is 8% of India's Gross Value Added (GVA) in 2017-18. Most of this economic value, near about \$170 billion arises from IT-BPM, Digitized communication service contributes \$75 billion excluding telecommunications which solely contribute \$45 billion & electronic gadgets (including cell phones) contribute \$10 billion. Remaining economic value generates from emerging digitalized sectors & applications such as direct benefit transfer & e-commerce.

India aims to create economic value from digital applications of \$800 billion to around \$1 trillion which is approximately 18%-23% of the country's GDP by 2025.

If digital world work to reveal its productivity & efficiency, also increase its savings through more assorted sectors such as education, energy, agriculture, financial services, healthcare, transportation, manufacturing, logistics, trade & also government services, then the targeted economic value from digital platform could be as much as double of existing one i.e. \$500 billion.

As per the projections, the Telecom sector will contribute to the economic growth of India by a sharp rise in the number of internet subscriptions & mobile phones in the next five years. India has the capacity to reach a total of around 840 million internet subscribers by 2025. This will lead to an increase the economic value by \$50 billion to \$55 billion. Initiation of 5G technology would solely have the power to impact the Indian economy by \$800 billion to \$ 1 trillion. This can prove to be a real game changer for the Fifth generation of mobile devices.

Apart from the above, one of the countries which shows a good pace of growth is India and it needs to generate 8.1 million jobs yearly to achieve its growth goals. Although 40-45 million workers would be relocated by the changing world of digitalization but productivity rush will lead to the creation of 60-65 million job opportunities. Machine learning, Big Data analytics, Block chain & AI trained executives are the demand of emerging fields as they can work by using Digital techniques of marketing & are trained to interpret digital statistics.

In the case of agriculture, a farmer can learn anything by using the internet or by entering into digital worlds to improve their yields, raise the value of their production, tracking loan status, enhancing all inputs of agriculture & attaining direct access to markets.

Shrinkhla Ek Shodhparak Vaicharik Patrika

India still has profusely a scope to nurture in digital means. Indeed, the mission is challenging for India. Of course, the Indian government has shown an alarming & urgent face in managing the wide section of non-digitized nations.

In conclusion, India's determination of achieving the \$1 trillion economy by 2025 will hinge on India's acceptance of digital expertise in every sector and makeover into a digital economy.

This paper considers the impact of increasing digitization on the Indian economy through three sorts of sectors. Firstly, main digitized sectors, such as digital communication services, IT-BPM, manufacturing of electronics items, and telecom services. Secondly, emerging digitized sectors which are not usually reflected the part of India's digital economy but have the prospective to revolutionize and implement digital applications rapidly like healthcare, agriculture, financial services, retailing and logistics. Last but not the least, accomplishments related to labor markets and government services that can be intervened via digital applications platforms in new-fangled ways.

References

1. Kaur Bhajneet and Kumar R. Mohan "Impact of Digitalization on Economy in India: a Review", *IJEAM*, ISSN 2320-6608, Special Issue- CIMAESS 2019
2. Kaul Mrinalini and Mathur Purvi "Impact of digitalization on the Indian economy and requirement of financial literacy" ISBN: 978-93-86291-63-9, 18th - 19th Feb'2017.
3. Luvy, *International Journal of Scientific & Engineering Research* Volume 9, Issue 4, April-2018, ISSN 2229-5518.
4. Y. Prakash and Y. Sagarika, "Challenges and Opportunities of Digitalization of India".
5. Khan Saima, Khan Dr, Shazia and Aftab Mohsina, "Digitization and its impact on economy", *International Journal of Digital Library Services*, ISSN: 2250-1142 (Online), ISSN 2349-302X (Print), Vol. 5, Issue-2, and April-June 2015.
6. Raj Keerthan and Aithal P.S, "Digitization of India- Impact on the BOP sector", *International Journal Management, Technology and Social Sciences*, ISSN; Applied, Vol. 3, No. 1, April 2018
7. Vanita, Sachdeva Karuna, "Digital India- opportunities and Challenges", *International Journal of Engineering Research & Technology*, ISSN: 2278-0181, NCIETM-2017, Conference Proceedings.