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ICSI-NIRC NEWSLETTER

INSIGHT

DIGITAL ECONOMY

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NIRC-ICSI NEWSLETTER

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FROM THE CHAIRMAN

FROM THE CHAIRMAN

Dear Professional Colleagues,

Greetings from ICSI-NIRC!

Friends, I am writing this communique with a lot of hope and prayer for the safety of all. The 2nd wave of Covid has taken us by storm and this unprecedented crisis has claimed the lives of millions across India. My prayers are with family members of deceased. But the good thing is that we are coming to the end of 2nd wave. Although, many media houses are already talking about 3rd wave, but I believe that if we take the necessary precautions with full sincerity and get vaccinated, we may avoid the impact of 3rd wave. Fingers crossed, we at NIRC-ICSI continue our duty of development of members and students.

With a view to commemorate PCS Day on 15th June, NIRC of ICSI as part of PCS Day celebrations is organizing a series of Programs for members including Master Classes, Webinars etc. at Regional and Chapter level with overwhelming response from members.I am happy to share that there is no participation fee in most of these events and further Institute is also awarding CPE to members.

ICSI smoothly organized the CSEET examinations on 8th& 10th May, 2021. Further, CS Examinations for Foundation Programme, Executive Programme (Old and New Syllabus) and Professional Programme (Old and New Syllabus) will now be held from 10th August, 2021 to 20th August, 2021.

The theme of this edition of Newsletter is 'Digital Economy'. With rise in strict social distancing norms and self-discipline implemented by most of the Indians, I am sure that more and more people are using various digital platforms in day to day life. We all are using mobile/digital wallets to purchase vegetables, fruits, milk etc..India is growing fast in the field of Digital Economy. But be sure that you are using the right platform & doing every possible thing for security of data and further taking all measures to save yourself against Cyber Crime. For more information and knowledge on the subject, please read the articles written by our learned members.

Friends, it has been continuous endeavor of the NIRC to support all its stakeholders; I take this opportunity to briefly highlight some of the major activities / developments that have taken place during the month of May & June, 2021:

FROM THE CHAIRMAN

Covid-19 Vaccination Drive for Members of ICSI & their Family Members

I am happy and content to share that Northern India Regional Council organized a Covid-19 Vaccination Drive for Members of ICSI & their family members in association with ICAI & ICMAI on 31st May 2021 at Anuvrat Bhawan, Deendyal Upadhaya Marg, ITO, New Delhi from 10:00 AM to 01:00 PM.

We are hearing that the 3rd wave of Covid-19 may hit the Nation in the month of August, 2021, I believe that the only way to avoid or face the 3rd wave is by increase in the Vaccination. If more individuals are vaccinated only then there is a possibility that 3rd wave may not be to be as severe as 2nd wave was.

Webinar on Covid 19 Prevention and Control on 29th May, 2021

NIRC organized a Webinar on theme 'Covid -19 Prevention and Control' on Saturday, the 29thMay, 2021. Dr. Satish Poonia, Hon'ble Member, Rajasthan Legislative Assembly was the Chief Guest. CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI was the special invitee. CS Kumar Gaurav Dhawan, IRS, Deputy Director (Administration), PGIMER, Chandigarh was the Distinguished Guest. Dr. Mini P Singh, Professor, Department of Virology, PGIMER, Chandigarh and Dr. Pankaj Malhotra, Professor In charge Clinical Hematology Department of Internal Medicine, PGI, Chandigarh were the Guest Speakers during the webinar. CS GS Sarin, Past Chairman, NIRC-ICSI was the Program Director. The webinar was attended by large number of participants. I wish to place on record my sincere thanks and gratitude to the Chief Guest, Special Invitee, Distinguished Speaker and Guest Speakers for sparing their time & sharing their words of wisdom with the participants.

Webinar on Covid & Wellness – Pre, During & Post Covid on 31stmay, 2021

NIRC organized a Webinar on theme 'Covid & Wellness – Pre, During & Post Covid' on Monday, the 31st May, 2021. CS Preeti Malhotra, Chairman, Smart Bharat Group & Past President, ICSI was Moderator cum Panelist. CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI graced the occasion as Special Invitee. Dr. Anjali Hooda Sangwan, MBBS, MD(USA), Medicinal Director at Live Nutri Fit Wellness Pvt. Ltd., Specializes in Internal medicine, functional medicine and obesity medicine, Dr Sudhir Bhandari, (MD, DNB, MNAMS,FRCP (London), FRCP (Edinburgh), Member, State Advisory Board, Covid Management, Government of Rajasthan & Principal and controller SMS Medical College and Attached Group of Hospitals , Jaipur, Dr Kalpana Shekhawat, MBBS, M.D. (CNCB Texas USA), Chairperson Functional & Metabolic Medicine Academy and Dr. Bhagat S. Rajput, MBBS, D. Ortho., M. Ch,orth (Reg. Can.), Consultant Orthopaedic & Stem cell Transplant Surgeon, Criticare Hospital & Research Centre, Juhu, Mumbai were the Guest Speakers. The webinar was really enlightening and beneficial for all.

I am thankful to all the dignitaries for sparing their time & sharing their rich experience with the delegates present.

Webinar on Legal and Practical Aspect of CSR & New MCA Version 3.0 On 4th June, 2021

NIRC organized a Webinaron Legal and Practical Aspect of CSR & New MCA Version 3.0 on Friday, the 4th June, 2021. CS Vinod Kothari, Director, Vinod Kothari Consultants P. Ltd and CS Nitu Poddar, Senior Associate, Vinod Kothari and Company were the Guest Speakers. CS Suresh Pandey, Immediate Past Chairman, NIRC-ICSI was the Program Director. The webinar was attended by around 500 Participants. I am thankful to both the speakers for their time and efforts.

FROM THE CHAIRMAN

4 Days Online Master Class on Insight of Corporate Laws - Recent Changes & Challenges (20th Edition)

NIRC organized 4 Days Online Master Class on theme 'Insight of Corporate Laws - Recent Changes & Challenges' from Monday, 7th June, 2021 to Thursday, 10th June, 2021. The Master Class is 1st program in the series of celebrations of PCS Day. CS Sameet Gambhir, Jt. Vice President & Company Secretary –DCM Shriram Ltd. was the Guest Speaker on 7th June, 2021. He spoke on the topic 'Discussion on amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)'. CS Deepak Sharma, Practicing Company Secretary took session on 8th June, 2021 on topic 'Amendments in Companies Act 2013 and Rules thereon'. CS Vikram Bajaj, Insolvency Professional was the Guest Speaker on 9th June, 2021. He spoke on the topic 'Discussion on recent changes under IBC 2016 and challenges faced by IRP, IP and Liquidators' and CS Susshil Daga, Vice-Chairman, NIRC-ICSI was the Guest Speaker on 10th June, 2021. His coverage included 'MSME Laws and Procedures'. CS GS Sarin, Chairman PCS Committee and Past Chairman, NIRC-ICSI was the Program Director. The Master Class was attended by around 400 Participants. I am thankful to all the speakers for sparing their valuable time and guiding the members on different topics.

Webinar on Covid Infections In Children on 9thjune, 2021

NIRC organized a Webinar on theme 'Covid Infections in Children' on Wednesday, the 9thJune, 2021. Dr. Sankalp Dudeja, MBBS (AIIMS, New Delhi), MD Pediatrics, DM Neonatology (PGIMER, Chandigarh), currently working as Pediatrician in Sitaram Bhartia Institute, South Delhi was the Guest Speaker during the webinar. CS Surya Kant Gupta, Regional Council Member, NIRC-ICSI was the Program Director. The webinar was attended by good number of participants and many quires of participants got resolved.

Webinar on Practical Aspects of Corporate Restructuring and Stamp Duty on 12th June, 2021

NIRC organized a Webinar on theme 'Practical Aspects of Corporate Restructuring and Stamp Duty' on Saturday, the 12thJune, 2021. CS Satwinder Singh, Partner Vaish Associates & Past Central Council Member, ICSI was the Guest Speaker during the webinar. CS GS Sarin, Chairman PCS Committee and Past Chairman, NIRC-ICSI was the Program Director. The webinar was attended by good number of participants. I am thankful to CS Satwinder Singh ji for sparing his valuable time and sharing of his expertise with the participants.

Webinar on Insight of GST Laws - Recent Changes & Challenges on 14th June, 2021

NIRC organized a Webinar on theme 'Insight of GST Laws - Recent Changes & Challenges' on Monday, the 14th June, 2021.CS Bimal Kumar Jain, Eminent Tax Expert was the Guest Speaker during the webinar. CS GS Sarin, Chairman PCS Committee and Past Chairman, NIRC-ICSI was the Program Director. The webinar was attended by more than 500 participants. It was one of the most interactive sessions in recent times. I am thankful to CS Bimal Kumar Jain ji for sparing his valuable time and encouraging the participants to come forward in GST field.

Webinar on Saathi Haath Badana on 15th June, 2021

NIRC organized a Webinar on theme 'Saathi Haath Badana' on Tuesday, the 15th June, 2021. CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI, CS Ranjeet Pandey, Past President & Central Council Member, ICSI, CS Ashish Garg, Immediate Past President, ICSI & President, CSIA, Hongkong, CS Manish Gupta, Chairman PCS Committee & Central Council Member, ICSI were the Guest Speakers. The webinar was attended by around 600 participants. I am thankful to all the dignitaries for sparing their valuable time and guiding the participants.

FROM THE CHAIRMAN

Management Skill Orientation Programme (MSOP)

Valedictory of 320th Batch of MSOP

The Valedictory function of 320th Batch of MSOP held on 27th May, 2021. CS Sheetal Periwal, Executive Vice President, DB (International) Stock Brokers Limited was the Chief Guest of the occasion. We distributed the MSOP Completion certificates and awards to the participants.

Inauguration of 321st Batch of MSOP

We inaugurated 321st Batch of MSOP through online mode on 1st June, 2021.CS Vijay Mathur, Joint Director (Corporate Affairs) cum Company Secretary, Rajasthan Rajya Vidyut Prasaran Nigam Ltd. graced the Inaugural function as the Chief Guest.

Online Mega Career Awareness Program for Students and Teachers

NIRC organized Online Mega Career Awareness Program for Students and Teachers of Kendriya Vidyalayaand Public Schools from different Part of Northern Region on 6th June, 2021. The students were apprised about the Role of Company Secretary, Company Secretary in Employment, Company Secretary in Practice and Eligibility, Validity and Cut-off Dates for Registration in CS. Many queries from Teachers and students were also replied appropriately. The Program is viewed by more than 1500 students and Teachers on youtube.

19th All India Moot Court Competition –Regional Round, 2021

NIRC –ICSI organised the Regional Round of 19th All India Moot Court Competition – 2021 for Students of Northern Region on 06th June 2021. The winners of Delhi Round and Chapter Level Round Participated in Regional Round of 19th All India Moot Court Competition – 2021. The Winners of Regional Round will participate in National Round of 19th All India Moot Court Competition – 2021

Online Oral Tuition Classes for Students

Virtual classes are the new normal. Keeping the same in mind NIRC is organizing New Batches of Online Oral Tuition Classes for students of Executive Level for December, 2021 Examinations. All students may take advantage of online oral tuition classes of NIRC covering complete syllabus with best and experienced faculties. The last date for registrations of Online OTC is 30th June, 2021.

CSBF

Ionce again appeal to all the members, who have not yet enrolled for the Company Secretaries Benevolent Fund, to become member of the Benevolent Fund.Keeping in view of the present situation it is most appropriate time to become member of CSBF. The detail of CSBF is published elsewhere in the newsletter for your reference.

I look forward to your valuable suggestions and feedback. Feel free to interact with me at chairman.nirc@icsi.edu.

Stay Safe, Stay Healthy, take care!

With best regards,

CS Vimal Gupta
Chairman, NIRC-ICSI
Mob. 9983324282, 9314324282

GLIMPSES

Webinar on Covid & Wellness – Pre, During & Post Covid

CS Preeti Malhotra, Chairman, Smart Bharat Group & Past President, ICSI, CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI, CS Vimal Gupta, Chairman, NIRC-ICSI, Dr. Anjali Hooda Sangwan, MBBS, MD (USA), Medicial Director at Live Nutri Fit Wellness Pvt. Ltd., Dr Sudhir Bhandari, (MD, DNB, MNAMS, FRCP (London), FRCP (Edinburgh), Member, State Advisory Board, Covid Management, Government of Rajasthan & Principal and controller SMS Medical College and Attached Group of Hospitals , Jaipur, Dr Kalpana Shekhawat, MBBS, M.D. (CNCB Texas USA), Chairperson Functional & Metabolic Medicine Academy, Dr. Bhagat S. Rajput, MBBS, D. Ortho., M. Ch,orth (Reg. Can.), Consultant Orthopaedic & Stem cell Transplant Surgeon, Criticare Hospital & Research Centre, Juhu, Mumbai, CS Suresh Pandey, Immediate Past Chairman, NIRC-ICSI, CS Surya Kant Gupta, Regional Council Member, NIRC-ICSI and CS Sonia Baijal, Regional Director, NIRC-ICSI.

Webinar on Covid 19 Prevention and Control

Dr. Satish Poonia, Hon'ble Member, Rajasthan Legislative Assembly, CS (Dr.) Shyam Agrawal, CS Vimal Gupta, CS Kumar Gaurav Dhawan, IRS, Deputy Director (Administration), PGIMER, Chandigarh, Dr. Mini P Singh, Professor, Department of Virology, PGIMER, Chandigarh, Dr. Pankaj Malhotra, Professor Incharge Clinical Hematology Department of Internal Medicine, PGI, Chandigarh, CS GS Sarin, Past Chairman, NIRC-ICSIand CS Sonia Baijal.

Online Conference of ICSI, ICAI and ICoAI on COVID-19 Vaccination Drive

CS Nagendra D Rao, President, ICSI, CMA Biswarup Basu, President CMA, CS Vimal Gupta, CMA Harkesh Tara, Chairman NIRC of ICAI CMA, CS Suresh Pandey, CMA Santosh Pant, Treasurer NIRC of ICAI CMA and CMA Sandeep Geol, RCM NIRC of ICAI CMA addressed the online conference organized jointly by ICSI, ICAI and ICoAI.

COVID-19 Vaccination Drive jointly by ICSI, ICAI and ICoAI for Members & their Family Members of all three Institutes

Webinar on Covid Infections in Children

Dr. Sankalp Dudeja, MBBS (AIIMS, New Delhi), MD Pediatrics, DM Neonatalogy (PGIMER, Chandigarh), Currently working as Pediatrician in Sitaram Bhartia Institute, South Delhi addressing the Participants. Also seen CS Vimal Gupta and CS Surya Kant Gupta.

PCS Day Celebrations – 15th June, 2021
Webinar on Saathi Haath Badana

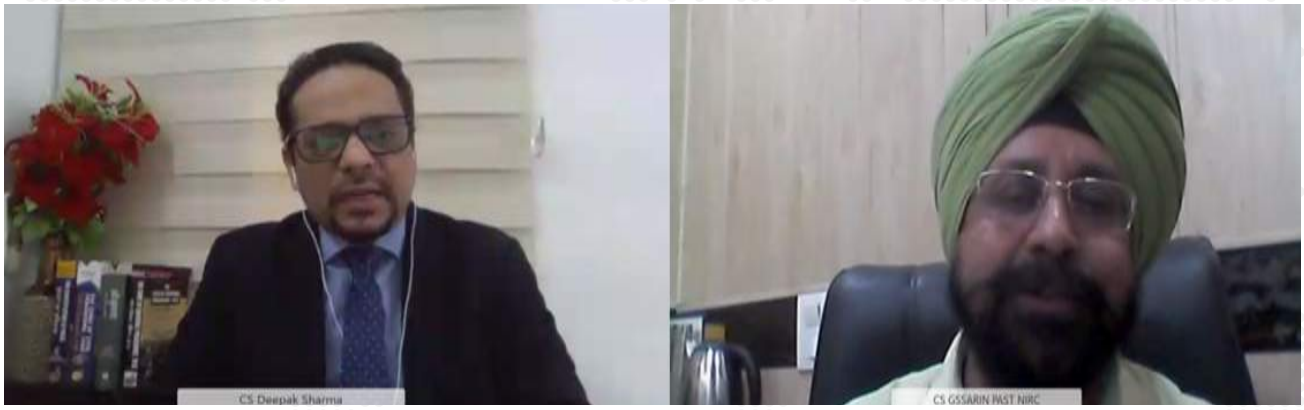
CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI, CS Ranjeet Pandey, Past President & Central Council Member, ICSI, CS Ashish Garg, Immediate Past President, ICSI & President, CSIA, Hongkong, CS Manish Gupta, Chairman PCS Committee & Central Council Member, ICSI, CS Vimal Gupta, CS Susshil Daga, Vice-Chairman, NIRC-ICSI, CS Devender Suhag, Secretary, NIRC-ICSI, CS Saurabh Kalia, Regional Council Member, NIRC-ICSI, CS Bhupesh Gupta, Regional Council Member, NIRC-ICSI and CS Sonia Baijal.

04 Days Online Master Class on Insight of Corporate Laws - Recent Changes & Challenges (20th Edition) from 7th June, 2021 to 10th June, 2021

Day 1: 7.6.2021

CS Sameet Gambhir, Jt. Vice President & Company Secretary –DCM Shriram Ltd. addressing the Participants. Also seen CS Vimal Gupta, CS GS Sarin and CS Suresh Pandey.

Day 2: 8.6.2021



CS Deepak Sharma, Practicing Company Secretary addressing the Participants. Also seen CS GS Sarin.

Day 3: 9.6.2021

CS Vikram Bajaj, Insolvency Professional addressing the Participants. Also seen CS Susshil Daga and CS GS Sarin.

Day 4: 10.6.2021

CS Susshil Daga, Vice-Chairman, NIRC-ICSI addressing the Participants. Also seen CS GS Sarin.

Webinar on Legal and Practical Aspect of CSR & New MCA VERSION 3.0

CS Vinod Kothari, Director, Vinod Kothari Consultants P. Ltd. and CS Nitu Poddar, Senior Associate, Vinod Kothari and Company addressing the Participants. Also seen CS Vimal Gupta and CS Suresh Pandey.

Webinar on Practical Aspects of Corporate Restructuring and Stamp Duty

CS Satwinder Singh, Partner Vaish Associates & Past Central Council Member, ICSI addressing the Participants. Also seen CS Vimal Gupta, CS Satwinder Singh and CS Sonia Baijal.

Webinar on Insight of GST Laws - Recent Changes & Challenges

CS Bimal Jain, Eminent Tax Expertad dressing the Participants. Also seen CS Vimal Gupta, CS GS Sarin, CS Suresh Pandey and CS Sonia Baijal.

Valedictory Function – 320th MSOP

CS Sheetal Periwal, Executive Vice President, DB (International) Stock Brokers Limited, CS Vimal Gupta, CS Susshil Daga, Vice-Chairman, NIRC-ICSI, CS Devender Suhag, CS Himanshu Harbola, Treasurer, NIRC-ICSI, CS Suresh Pandey,CS GS Sarin and CS Surya Kant Gupta addressing the Participants.

Inauguration Function – 321st MSOP

CS Vijay Mathur, Joint Director (Corporate Affairs) cum Company Secretary , Rajasthan Rajya Vidyut Prasaran Nigam Ltd.,CS Vimal Gupta, CS Hitender Mehta, Central Council Member, ICSI, CS Suresh Pandey and CS Surya Kant Gupta addressing the Participants.

A LIFE SKILL TRAINER & MOTIVATIONAL SPEAKER

CS Yashita Jain
manralbisht@gmail.com

She has been carrying her passion of spreading positive vibes amongst all specially the students so that no effect of negative attitude & depression etc. can prevail in our country.

She has trained and motivate people from different fields and various students. Her Sessions help the students to explore their areas of expertise and help them to identify and explore their hidden qualities end capabilities.

During Covid & lockdown, she uses her singing skill just to spread positive vibes amongst all via her own Classical Bhajan compositions, the compositions in which she prayed the God to keep his blessings on each one of us.

List of Awards (a short one) -

1. Women Recognition Award 2021 by Patrika & 95 FM Tadka
2. Awarded & Titled as "Swar Bhramnaad 2021" from all over India by Sangeet Kisley Sansthan, Jodhpur
3. Awarded by Rotary International in Women conference 2021
4. Interview with Aakashvaani Udaipur in Jan. 2021
5. Best BETI AWARD 2020
6. She is Udaipur Award 2019

ARTICLES

PARADIGM SHIFT FROM "BUSINESS RESPONSIBILITY REPORTING" TO "BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING"

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SEBI has recently issued a Circular dated May 10, 2021, on "Business Responsibility and Sustainability Reporting by listed entities" therein introducing new sustainability related reporting requirements. Business Responsibility and Sustainability Reporting (BRSR) is a new reporting format for the listed entities that shall replace the existing Business Responsibility Reporting (BRR). SEBI has, vide this Circular, issued a comprehensive format of BRSR along with a Guidance Note to define the meaning and scope of various disclosures included in BRSR and to enable the corporates to report better.

This shift from BRR to BRSR is of paramount importance that aims at improving and enhancing reporting levels and disclosure requirement by an organisation at a small scale but simultaneously maps a larger objective of aligning globally raising concerns over climatic change and sustainable development with the existing reporting framework.

BRSR seeks disclosures which are from Environmental, Social and Governance ("ESG") perspective, intended to enable businesses to engage more meaningfully with their stakeholders by bringing in better transparency in disclosures and encourage them to go beyond regulatory financial compliance by reporting on their social and environmental impacts.

What is Business Responsibility?

A business holds accountability towards all its stakeholders and responsibility towards environment to be sustainable. A business holds its foundation on the objective of earning profits i.e. Bottom Line but to grow and develop, it must drive its goals towards Triple Bottom Line, i.e. People, Profit and Planet. Profits can help a business run in short term but to achieve longevity, responsibility must be taken up to uplift people i.e. human resources and planet i.e. environmental resources.

With this idea gaining more and more attention and acceptability all over the globe, the idea of a responsible business has taken over the minds of owners and other stakeholders and they have been demanding reporting over an organisation's measures towards these factors apart from the financial parameters. The investors have become more aware and alert that the need of the hour is to conserve the planet and resources and a business that has the goal of sustainable development embedded in its core objectives can survive the long run in the market.

What is Sustainability Reporting?

Sustainable development as understood in general parlance is described as 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs." Every Organisation, irrespective of its size, operates in a society where all the factors i.e. economic, social and environmental factors are inter-linked and inter-dependent and thus an organisation while using societal resources in the due course of its business, pose an impact, positive or negative on the sustainable development. Therefore, an organisation being a corporate citizen has a key role to play in achieving the ultimate goal of sustainable development.

* The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI

Sustainability Reporting is a non-financial Reporting on the environmental and social performance of an organisation. It takes into account **Environmental, Social and Governance** aspects of a business, more commonly referred to as **ESG Parameters**.It goes beyond the traditional concept of merely focusing on figures and financial parameters for making business decisions and has evolved as a modern concept where an organisation is able to measure and quantify its environmental and social performance and is able to report in a given standardised format which helps the stakeholders to analyse an organisation's commitment towards sustainable development and helps itgain goodwill and stakeholders' confidence.

Brief Background

- With its Circular dated August 13, 2012, SEBI mandated a Business Responsibility Reporting (BRR) requirement for the **top 100 listed entities**, based on market capitalization, as a part of their Annual Report. This reporting requirement was in line with the **'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)'** notified by the Ministry of Corporate Affairs, Government of India, in 2011.
- Later, via its Circular dated November 30, 2015, SEBI extended the BRR mandate to the **top 500 listed entities**, based on market capitalization, as of March 31st of every year.
- In 2019, on account of increasing global concerns on sustainable goals and role of businesses in the achievement of such goals, NVGs were revised and released as the **National Guidelines on Responsible Business Conduct("NGRBCs")** in March 2019.
- Thereafter, with a view to align the reporting requirements by listed entities with revised guidelines i.e. NGRBCs, a Committeeon Business Responsibility Reporting ('Committee') was formed by the Ministry of Corporate Affairs, of which SEBI was also a part and worked along with the Committee on the format of BRR.
- The Committee, on August 11, 2020, released its Report and recommended that the Business Responsibility Report may be called the Business Responsibility and Sustainability Report to better reflect the scope of the reporting requirements and in furtherance, SEBI published its Consultation Paper on August 18, 2020 inviting the comments of the public.
- On March 25, 2021, SEBI decidedto make the BRSR applicable to top 1000 listed entities (on the basis of market capitalisation), for reporting on a voluntary basis for Financial Year 2021-22 and on a mandatory basis from Financial Year 2022-23.
- On May 10, 2021, SEBI issued an Official Circular for top 1000 listed entities mandating BRSR from financial year 2022-23 and voluntary from financial year 2021-22 and enclosed therein a comprehensive format of BRSR along with a Guidance Note to enable better reporting.

Change in Framework

The requirements under the BRR framework correspond to **GRI Sustainability Reporting Standards** which are globally accepted standards, providing a common language and credible set of disclosures for organizations to communicate about their impacts on the economy, the environment and society. These were mandated as per the disclosure requirements emanating from the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs).

Now, after extensive study of internationally accepted disclosure frameworks and to bring sustainability reporting at par with financial reporting more significantly, disclosures under the new framework of BRSR lays more considerable emphasis on measurement and comparability across companies, sectors and time periods.

BRSR seeks disclosures under the **nine principles** of the 'National Guidelines on Responsible Business Conduct'(NGBRCs) and reporting under each principle is divided into essential and leadership indicators. The essential indicators are required to be reported on a mandatory basis while the reporting of leadership indicators is on a voluntary basis.

Disclosures under the BRSR format

A few of the key disclosures sought in the BRSR are highlighted below:

a. An overview of the entity's material ESG risks and opportunities, approach to mitigate or adapt to the risks alongwith financial implications of the same

b. Sustainability related goals & targets and performance against the same.

c. Environment related disclosures covering aspects such as resource usage (energy and water), air pollutant emissions, greenhouse (GHG) emissions, transitioning to circular economy, waste generated and waste management practices, bio-diversity etc.

d. Social related disclosures covering the workforce, value chain, communities and consumers, as given below:

   i. Employees / workers: Gender and social diversity including measures for differently abled employees and workers, turnover rates, median wages, welfare benefits to permanent and contractual employees / workers, occupational health and safety, trainings etc.

   ii. Communities: disclosures on Social Impact Assessments (SIA), Rehabilitation and Resettlement, Corporate Social Responsibility etc.

   iii. Consumers: disclosures on product labelling, product recall, consumer complaints in respect of data privacy, cyber security etc.

Conclusion

Though the Ministry of Corporate Affairs and SEBI had been working in this direction for a long period and the introduction of sustainability reporting dates back to 2012, somehow COVID-19 pandemic has accelerated its implementation. COVID has made the investors all around the globe more cautious and alert while making an investment decision. Investors are more inclined towards making sustainable investments and prefer organisations that have corporate sustainability embed in the roots of its objectives and strategies and thus the relevance of Environmental, Social and Governance considerations have grown multi-fold recently.

Thus, a Company, while making disclosures under the Business Responsibility and Sustainability Report can fulfil its responsibility and upheld its accountability towards its various stakeholders. The enhanced disclosures under BRSR are eminent in view of globally changing scenario and raising demand for more information on sustainability performance.

INDIA : GLOBAL PLAYER IN DIGITAL ECONOMY

CS Rahul Singh Rathore, ACS
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"India will be a Global player in the Digital Economy, and it will be competitive with any country in the world." These words were very well quoted by Google CEO Sundar Pichai. Considering India as a major player in the field of Digital economy he said, over time the world will see more Global Products that are developed in India First.

Global Economy is undergoing rapid Digital transformation as the Internet has changed the way people communicate, purchase or sell products. Rapid adoption of new technologies and the way market is regulated has transformed the lives of rapidly growing Indian population. Our Country is the largest data consumer and second largest smartphone market in the world. Amongst other countries India is the fastest for Digital adoption and according to a KPMG report by the year 2025, India is expected to grow into a trillion-dollar Digital Economy.

To realize this mission Government has undertaken a series of Pro-growth reforms in the past few years that have paved the way for digital economy on upward trajectory.

Let us all take a view of the steps that have been taken by Government to uplift Indian Economy more towards Digital Economy. How is Digital transformation providing empowerment to the unserved segments of the society? The backbone of Digital economy is hyper connectivity that is the growing connectedness among people, organisations and machines.

Prime Minister NarendraModi's launch of Digital India has played a pivotal role in this direction. The main objective behind the launch of this program was to connect the rural areas with high speed internet and to spread digital literacy towards all corners of India. It has already bought growth in the areas of manufacturing electronic services and job opportunities. Many sectors such as MSMEs, Education and Health sector has benefited after being linked to the Digital economy apps like BHIM payment and platforms such as UPI integration are making it easier to transfer money. Indian economy is rapidaly converting into Digital economy. Startups are playing a huge role in addressing areas such as preventive healthcare, analytics and emergency services etc.

A large part of India's Digital journey is now being driven by latest trends of Artificial intelligence, machine learning and growth of Start-ups in India is also playing pivotal role in Digital economy making the country World's third largest startup ecosystem. Digital up gradation now acquires a major place in Budget.

Growth in the internet penetration across the country along with the rise in the number of people who shop using mobile devices have been instrumental in spearheading the rise of e-commerce and consumer internet companies in India.

According to IBEF, the total contribution by the travel and tourism sector to India's GDP is expected to increase from USD 234 billion in 2017 to USD 492.21 billion in 2028. Today India is making progress in the field of digital infrastructure. Broadband connectivity is reaching villages.

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Digital India program is centered on three key visions:

- Digital Infrastructure;
- Digital Empowerment of Citizens;
- Governance and Services on demand.

Digital India Program was a key initiative towards Digital Economy that made progress and impact in the following manner:

- Rural Post office branches linked digitally;
- India Post Payments Bank has taken banking at doorstep of every citizen;
- Increase in electronic transactions related to e-governance;
- Gram Panchayats connected by optical fiber;
- Rapid expansion in network of Common Service Centres for delivery of electronic services;
- Citizens can avail various e-services in DigiGaon or Digital Village;
- DigiGaons promote rural entrepreneurship; build rural capacities, livelihoods through community participation.

The process is going forward towards achieving a full digitization of the economy so that cash transactions are minimized and digital transactions are maximized.

Government has also introduced DigiLockers to share documents and store them electronically on cloud based app, BHIM app for successful digital payments, Pradhan MantriGramin Digital Saksharta Abhiyan to make citizens Digitally literate. India is not only becoming digitally empowered but also digitally literate.

Recent initiatives of Government of India to make India a global player in Digital Economy:

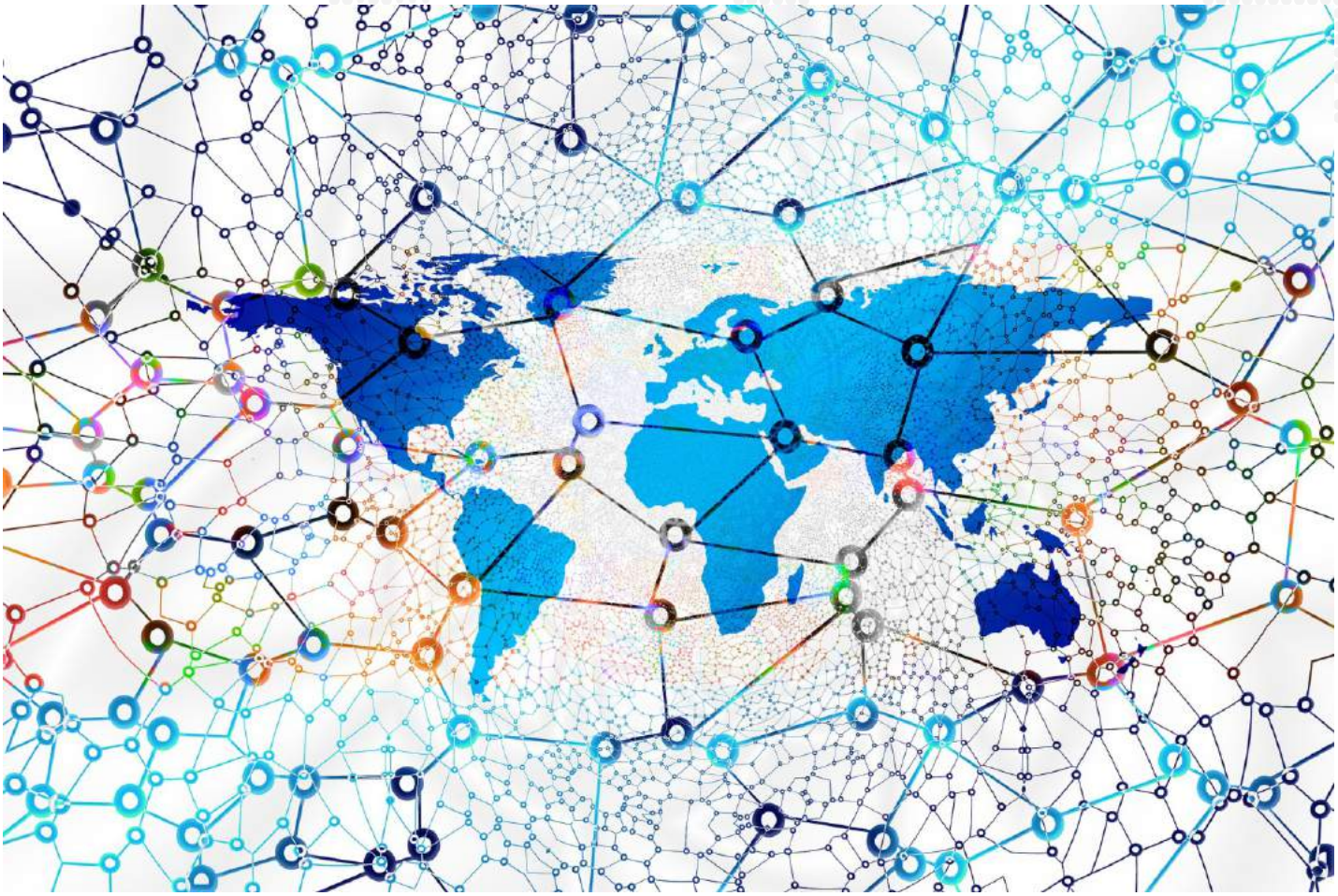
- **AADHAAR Enabled Payment System(AEPS)**: AEPS is a bank led model which allows online interoperable financial inclusion transaction at PoS (MicroATM) through the Business correspondent of any bank using the Aadhaar authentication.
- **Digidhan Abhiyaan**: The initiative plans to enable citizens and merchants to undertake real time digital transactions through the DIGIDHAN Bazaar.
- **MYGOV** : MyGov platform is a unique path breaking initiative which was launched by the Hon'ble Prime Minister of India, Shri Narendra Modi. It is a unique first-of-its-kind participatory governance initiative involving the common citizen at large. The idea of My Gov brings the government closer to the common man by the use of online platform creating an interface for healthy exchange of ideas and views involving the common citizen and experts with the ultimate goal to contribute to the social and economic transformation of India.
- **Nrega-Soft:** Nrega-soft envisions implementing e-Governance across State, District and three tiers of Panchayati Raj Institutions. It empowers the common man using the information technology as a facilitator.
- **Open Forge:** Open Forge is the Government of India's platform for open collaborative development of e-governance applications. Through this platform, the government wants to promote the use of open source software and promote sharing and reuse of e-governance related source code.

- **PayGov India:** A National Payment Service platform has been envisaged for a common e-Governance infrastructure that will offer end-to-end transactional experience for a citizen which includes accessing various services through internet with payment gateway interface for online payments.
- **Accessible India Campaign and Mobile App:** Sugamya Bharat Abhiyaan or Accessible India Campaign is a nation-wide flagship campaign for achieving universal accessibility that enables people with disabilities to gain access for equal opportunity, live independently and participate fully in all aspects of life in an inclusive society.The mobile application is available on IOS, Android and Windows platform.
- **AgriMarket app:** The mobile application has been developed with an aim to keep farmers abreast with the crop prices and discourage them to carry-out distress sale. Farmers can get information related to prices of crops in markets within 50km of their own device location using the Agri Market Mobile App.

Indian Digital Economy journey is facing a few challenges also:

- Entry level smartphones have limited capabilities to allow smooth internet access.
- Slow roll out of Wi-Fi hotspots.
- Most MSMEs are struggling to adopt to modern technology.

Thus, coming back to where we had started in the beginning, India will not only be a global player in Digital Economy but a day will come where India will stand as the global developer of Digital products and that day Indian Digital Economy will stand at the Global Heights.



GLOBAL DIGITAL ECONOMY- INDIA PLAYING PIVOTAL ROLE TOWARDS PATH OF EVOLUTION

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The current COVID-19 pandemic has accelerated the rate of technology adoption across sectors, including in high involvement services such as education and healthcare. From the consumer perspective, there is a behavioural shift in using digital as the primary channel, even for high velocity everyday purchases. Domestic and global investors are actively participating in building digital infrastructure — communication networks, data centre and cloud services, and electronics manufacturing — to support India's fast-growing digital economy.

The world is in flux – but it's a paradoxical flux. Millions of people around the world have contracted the COVID-19 virus, seen their world turned upside down and lost loved ones. The world has been turned on its axis by this virus, and it will take a long time for people, communities and businesses to recover. During disasters, they say you should look for the positives and we are starting to see the positives that will come out of the pandemic. The collective healthcare efforts and government cooperation have been unprecedented. It's brought humanity together.

Government incentives such as Production Linked Incentives (PLI), Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS), and Modified Electronics Manufacturing Clusters Scheme (EMC 2.0) under the aegis of 'Atmanirbhar Bharat' generated significant interest from global investors in setting up manufacturing and supply chains in India.

COVID-19 has brought significant shifts in technology consumption for enterprises, governments, and consumers alike, and 2020 has been the inflexion point in that transformation journey. As we look into the future, mass digitisation is a reality, across sectors and across the world, and a range of enterprise and consumer technologies — from 5G to the cloud to virtual reality and edge computing — will continue to offer opportunities to global enterprises. There is greater market potential, shorter adoption cycles, and possibly lower costs for next generation tools and technologies, and it's imperative for organisations to reimagine customer experience and business processes for a digital first world.

Digital technologies fundamentally change work and create demand for new types of skills and job roles. Apart from digital coders and solution providers, many types of work will become digitally-enabled and necessitate workers to be trained in IT skills. For example, delivery personnel and drivers in the logistics and transportation sectors, healthcare workers, or advisory service agents in areas such as financing and agriculture, will all need retraining.

It's no secret that modern technologies like digital platforms are reshaping how businesses today operate. Every time a new technology enters the market, various companies rush to become early adopters so that they can outrun competitors and gain a significant advantage.

Needless to say, every technology a business adopts is disruptive at first. After a while, this new technology starts to yield great benefits. A good example of this is a digital transformation. A great many companies are currently going through this.

The term “platform” we use today, in a digital sense, became uniform back in the late 1990s – early 2000s. Back then, the first platforms, such as Wikipedia, eBay, and Myspace, technically started the trend that's been ongoing for decades.

So, what exactly are digital platforms? Technically, digital platforms are matchmakers of various technology and frameworks that facilitate the modern platform economy.

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Generally, the most common models are transaction platforms that connect sellers and buyers. These include Amazon, Airbnb, and so on. But, there are also "innovation platforms" that provide technological frameworks upon which others can build on. For instance, the Microsoft platform.

Believe it or not, platforms were used as a business model even before the Internet was invented. A perfect example is newspapers with a classified ads section. In other words, a platform as a business model is actually a collaboration between two or more groups of users that profit from a single platform.

During the digital age, the concept was improved upon and propelled significantly. The most common example of platform business models is in collaboration between consumers, e-commerce stores, and financial institutions.

Regardless, there's no denying the fact that a digital platform can open doors and bring vast opportunities to any company. Essentially, implementing the platform must accompany careful consideration to begin with. The platform should revolve around three types of innovative technology, cloud computing, social and mobile. These are:

- Cloud computing – The global infrastructure enables the creation of apps and content for any audience.
- Social – This technology enables platforms to connect people on a global scale and identify their presence.
- Mobile – This technology provides access to global infrastructure from anywhere in the world at any time.

The online market grows every year. And, it becomes more and more competitive as time goes by. Moreover, modern technology disrupts business every time a new one enters the market creating new shifts that others must adapt to.

In addition, consumers feel the impact of such trends. Also, they tend to switch preferences and purchasing habits practically overnight. By operating in such a dynamic environment, companies will inevitably have to switch to digital platforms. This is so that they can keep up with shifts in consumer behaviour. And, create solid digital strategies that will encompass consumer interactions.

Now, it's no secret that consumers hold more power when it comes to making decisions about what to buy, when, and from whom, than ever before. That's why it's of vital importance for companies to be able to cater to consumer needs and meet their expectations. This is where digital platforms will be of great help. They create an omnichannel approach for marketing, sales, and overall customer experience.

After all, digital platforms are now powered by other technologies, such as artificial intelligence (AI), blockchain, and enhanced cybersecurity. Essentially, these create virtually limitless opportunities for the future of digital platform implementation and development.

Every day people, businesses, organizations, communities and the Government use digital technology to make decisions, to make goods and to deliver services more efficiently and more quickly. The 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. 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 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. Digital revolution, also known as The Internet Economy or Internet of Everything is expected to generate new market growth opportunities.

Digital economy describes 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 is not separate to the economy. It impacts all industries and business types and influences the 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. To move towards a digital India and achieve a better growing economy.

We are moving from an experience economy to an imagination economy – if youcan imagine it, you can deliver it. And India plays a very critical role in supplyingthe right digital talent to our new world.

We're in a position now where a five trillion-dollar digital global economy looksnot just aspirational, but very doable. If you look at the scope, it's easy to beoptimistic about the future of India's digital economy. What comes next iscreating new talent to support this economy.

We know the talent we require today is very different from what we needed justfive or 10 years ago. Our workforce in India is no longer about execution butrather pockets of expertise, which will only increase as we become more and morereliant on digital technologies to shape our business models.

A press release said that India has nearly half a billion Internet users. This will create a huge market for digital services, platforms, applications, content, and solutions.

Essentially, India could see a five-fold increase in economic value through digital transformation in 2025, by representing opportunities for global and local businesses, start-ups, and innovators to invest in emerging technologies (like AI, blockchain, or drones) in ways that are customised to the country's needs.

India is the second-fastest digitising economy among the leading economies of the world, according to the report's Country Digital Index, which is based on 30 metrics to measure digital adoption in 17 mature and emerging digital economies (Brazil, China, Indonesia, Russia, South Korea, Sweden, and the United States).

The report identified “thirty digital themes” that can be scaled up nationally to accelerate progress in nine priority areas. For progress in the same, the country needs to create robust IT infrastructures and software capabilities, and use technology to serve key national priorities, like healthcare, education, energy, next-gen financial services, and e-governance.

Further, the report said that India's future digital economy could generate productivity and output enough to support 55 to 60 million workers in 2025. To achieve this, “concerted action is required in a 'Team India' spirit with collaboration between government, private, and social sectors” the report said.

While there has been progress, the industry has also faced several challenges such as limited skilled labour, lack of exposure to certain global tech innovations among many others. However, the government has continually worked towards overcoming these by fostering industrial development, improving trade relations with all major countries, and providing incentives and infrastructure to SEZ units to enable brands to set-up manufacturing units. The most recent example of how dynamic India's tech industry is can be seen in its smooth transition to work from home. When the entire country was forced to shut down due to the pandemic, the tech industry came out on top by staying productive and efficiently reinventing itself.

With more government initiatives like Make in India, Vocal for Local, Digital India coupled with more investments from global brands, India can achieve a lot more for this sunshine industry. The country needs to focus on transforming its strategy towards encouraging more foreign investment, offering tailored programmes for Indian talent, and building the right infrastructure to make India an innovation-led economy.

The journey to India becoming an innovation hub is surely exciting and the right policies, right players, right platforms and boost from the government, will shape the forward path for the country's long-term prosperity.

India's farms are small, averaging a little more than one hectare in size, with yields ranging from 50 to 90 percent of those in Brazil, China, and other developing economies. Many factors contribute to this. Indian farmers have a dearth of farm machinery and relatively little data on soil, weather, and other variables. Poor storage and logistics allows produce to go to waste before reaching consumers.

Digital technology can alter this ecosystem in several ways. Precision advisory services—using real-time granular data to optimize inputs such as fertilizer and pesticides—can increase yields by 15 percent or more. After harvest, farmers could use online marketplaces to transact with a larger pool of potential buyers. One such platform, the government's electronic National Agriculture Market, has helped farmers increase revenue by up to 15 percent. Furthermore, online banking can provide the financial data farmers need to qualify for cheaper bank credit. Digital land records can make crop insurance more available.

India has too few doctors, not enough hospital beds, and a low share of state spending on healthcare relative to GDP. Digital solutions can help alleviate the shortage of medical professionals by making doctors and nurses more productive. Telemedicine, for example, enables doctors to consult with patients over a digital voice or video link rather in person; this could allow them to see more patients overall and permit doctors in cities to serve patients in rural areas. Telemedicine could also be more cost effective: in trials and pilots, it cut consultation costs by about 30 percent.

More than 80 percent of all retail outlets in India—most of them sole proprietors or mom-and-pop shops—operate in the cash-driven informal economy. These businesses do not generate the financial records needed to apply for bank loans, limiting their growth potential. Large retailers have their own sets of challenges. Their reliance on manual store operations and high inventory levels is capital heavy. In many cases, their marketing practices are ineffective, and their prices are static regardless of inventory or demand.

Digital solutions could reshape much of the sector. E-commerce enables retailers to expand without capital-intensive physical stores. Some do not even bother with their own website, relying instead on third-party sites such as Amazon, which offer large, ready pools of shoppers along with logistics, inventory, and payment services, and customer data analytics. E-commerce creates financial records that attest to the creditworthiness of both buyers and sellers, making it cheaper to borrow. Digital marketing can inexpensively engage customers and build brand loyalty. We estimate e-commerce in India will grow faster than sales at brick-and-mortar outlets, allowing digital retail to increase its share of trade from 5 percent now to about 15 percent by 2025.

India's digital talent market initially flourished out of necessity. Now we have matured and have the expertise to answer the question “what next?” We know innovation is no longer just about marginal improvements and cost efficiencies. It's about digital transformation, and we see that happening at an unprecedented pace on our home soil. A lot of the work we do directly impacts customers, companies and industries all over the globe.

There's no doubt our continued transformation to digital is bringing with it exciting new possibilities for business and the economy. What we mustn't lose sight of is the human aspect. Even with the capabilities technology offers us, we must remain human-centred in our approach – continually upskilling and reskilling our people, and finding ways to stay connected in a distributed workforce.

Talent, Technology and Tools (infrastructure) are going to be three pivotal ingredients that will usher in a sustainable and growth-oriented digital economy. The fertile minds of the millennials and GenZ, who are now driving the economy, offer a huge repository of talent which needs to be complimented by empowering technology and tools. This cannot happen only through internal resources of India. The collaboration and partnerships will be cardinal in complimenting the growth-oriented positioning of India on the global economic map. This will lead to rapid growth in innovation, making the fundamentals stronger and stronger.

Navigating the emerging digital landscape will not be easy, but it is one of the golden keys to India's future growth and prosperity. Unlocking the opportunities will be a challenge for the government, for businesses large and small, and for individual Indians, and there will be pain along with gains. But if India can accelerate its digital growth trajectory, the rewards will be palpable to millions of businesses and hundreds of millions of its citizens.

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DIGITAL ECONOMY

"At least 40% of all businesses will die in the next 10 years... If they don't figure out how to change their entire company to accommodate new technologies."

—John Chambers, Executive Chairman, CISCO System

Introduction

The digital economy consists of various components, key among which include government; policy and regulation; internet, the world wide web (WWW) and electricity infrastructure; telecommunication industry; digital service providers; e-business and e-commerce industry; information and knowledge management systems; intellectual property rights; human capital and knowledge workers; research and development; and emerging technologies.

Evolving definitions and concepts of the digital economy

SOURCE	DEFINITION	FOCUS
The Digital Economy: Promise and Peril in the Age of Networked Intelligence	No direct definition but called it the "Age of Networked Intelligence" where it is "not only about the networking of technology... smart machines... but about the networking of humans through technology" that "combine intelligence, knowledge, and creativity for breakthroughs in the creation of wealth and social development".	Said to have first coined the term "digital economy". Emphasized that the digital economy explains the relationship between the new economy, new business and new technology, and how they enable one another.
Advancing the Digital Economy into the 21st Century (Assistant to the US President for Science and Technology)	"...the convergence of computing and communication technologies in the Internet and the resulting flow of information and technology that is stimulating all of electronic commerce and vast organizational changes".	Focused on e-commerce and the wider ramifications of the digital economy around issues such as privacy, innovation, standards, and the digital divide.
The Emerging Digital Economy (US Commerce Department)	No explicit definition but identified four drivers: "Building out the Internet ... Electronic commerce among businesses ... Digital delivery of goods and services ... Retail sale of tangible goods".	First clear segmentation of the digital economy. Emphasized foundations of digital economy more than economy itself.

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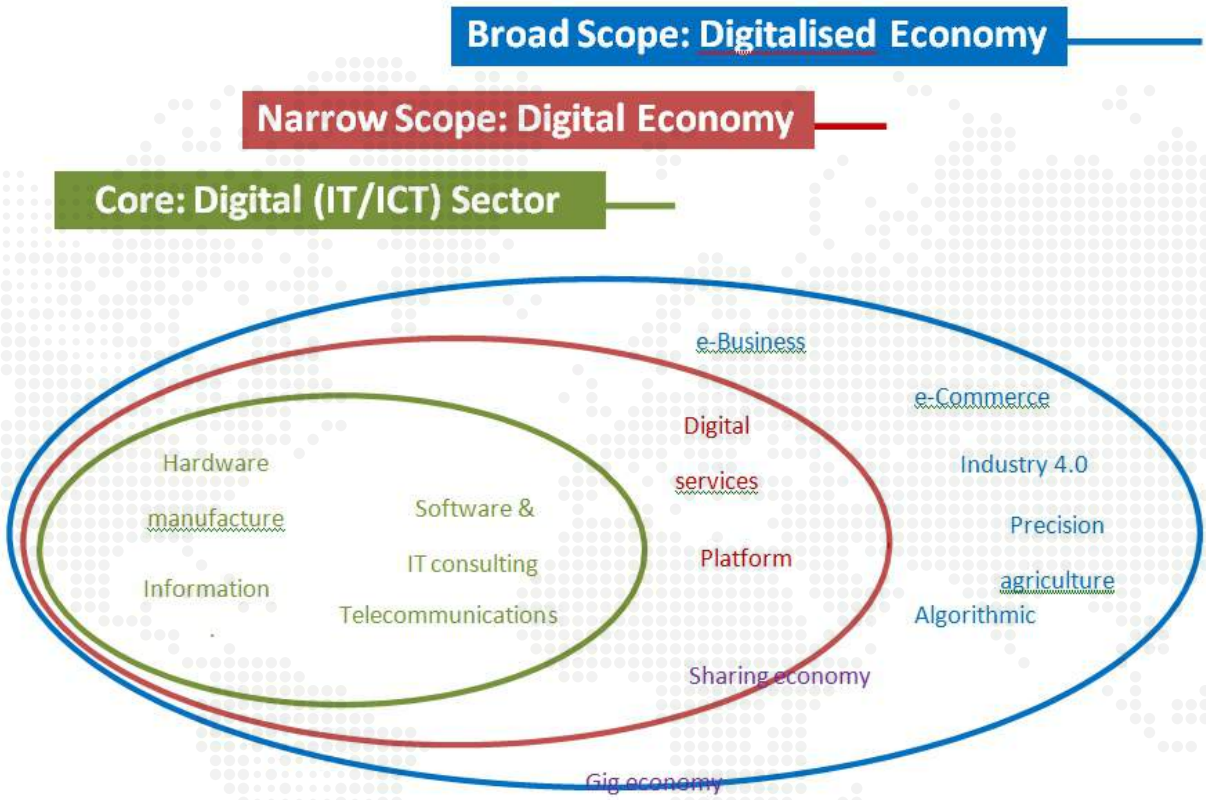
Measuring the Digital Economy (US Bureau of the Census)	Defined the digital economy as "Having three primary components": - "E-business infrastructure is the share of total economic infrastructure used to support electronic business processes and conduct electronic commerce" - "Electronic business (e-business) is any process that a business organization conducts over computer-mediated networks" - "Electronic commerce (e-commerce) is the value of goods and services sold over computer-mediated networks".	Focused on how to measure the emerging phenomena of e-business and e-commerce.
OECD 2013: The Digital Economy	"The digital economy enables and executes the trade of goods and services through electronic commerce on the Internet".	Main content relates to competition and regulation in digital markets, with additional discussion of network effects, interoperability, and open vs. closed platforms.
Department of Broadband Communications and the Digital Economy (DBCDE), Australia 2013: Advancing Australia as a Digital Economy: An Update to the National Digital Economy Strategy.	"The global network of economic and social activities that are enabled by digital technology, such as the internet and mobile networks".	Key elements seen as readiness, environment and usage, and focus on policy measures to enhance the digital economy.
European Commission 2013: Expert Group on Taxation of the Digital Economy	"...an economy based on digital technologies (sometimes called the internet economy)".	Identifies characteristics of digital economy companies: • Innovation through new sources of finance (venture capital) • Importance of intangible assets • New business models based on network effects cross-border e-commerce

SCOPE OF DIGITAL ECONOMY



Summary

Economic and political imperatives are combining with technological innovation to spur growth of the digital economy, with growth levels particularly high in developing countries. This growth must be strategized by the private sector, guided by government, and analyzed by civil society and academe. Yet the foundations for these actions are missing with definitions, concepts and measures of the digital economy currently in rather a mess.

This paper has charted different definitions of the digital economy – including their development over time – to provide a three-scope model. The digital (IT/ICT) sector is the core of the digital economy but the scope of the digital economy is argued to stretch beyond this, encompassing a set of emerging digital business models. Though included by many digital economy definitions, we differentiate wider applications of digital technologies in existing businesses; seeing these as within scope of the broader "digitalized economy".

Measuring the digital economy faces challenges of fuzzy boundaries, poor data quality, pricing problems, and invisibility of much digital activity. Acknowledging many caveats, we see the digital economy as defined here probably making up around 5% of global GDP and 3% of global employment.

Overall measures hide significant unevenness: the global North has had the lion's share of the digital economy to date, but growth rates are fastest in the global South. Potential growth rates in the global South – if barriers could be overcome – are even higher. Separate investigation will be required of opportunities, barriers, and good-practice interventions that are required to realize this potential of the digital economy to deliver significant development impacts.

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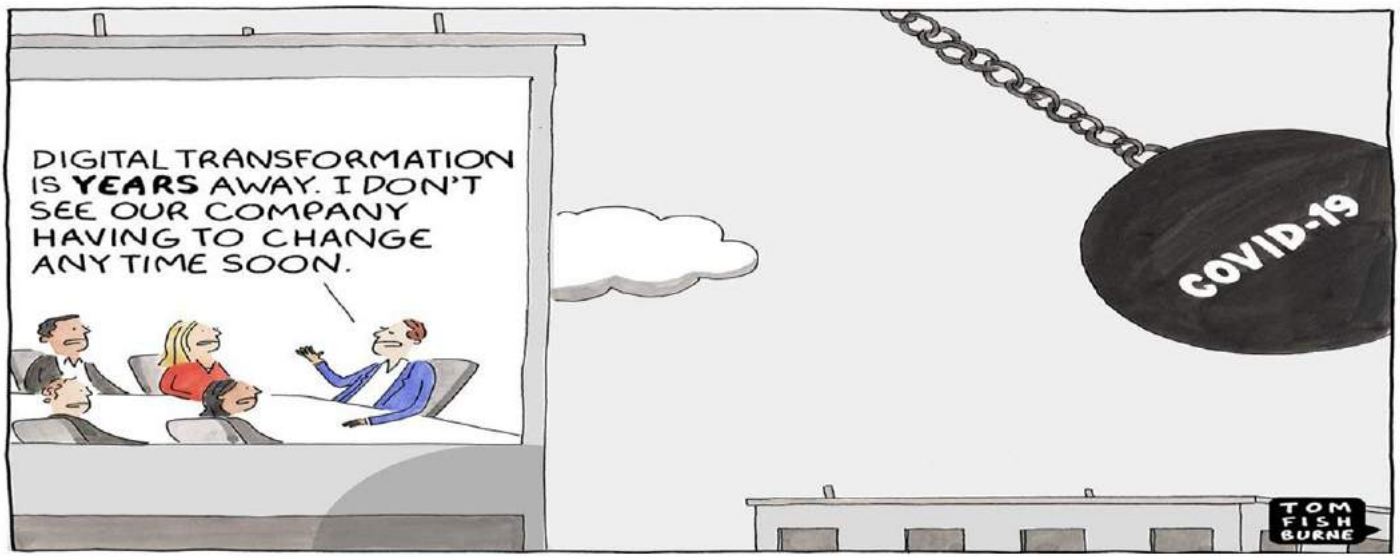
DIGITAL ECONOMY

COVID-19: A Boon for the Digital Economy?



Abstract

In years to follow, 2020 will be remembered as the year that transformed everything. Amid slowing economic activity, COVID-19 is accelerating the rise in e-commerce and digital transformation due to the social distancing norms and statewide lockdowns. An increase in digitalization is leading firms and educational institutions to shift to work-from-home (WFH) policies.

Since the first lockdown was imposed across the country, life as we knew it has come to a halt. Businesses and customers progressively "went digital" as lockdowns became the new normal, providing and purchasing more goods and services online. As a result, the majority of people now use the internet and internet-based services to communicate, connect, and continue their jobs from home. COVID-19 has given our digital life a huge boost in the previous few months. Although subsequent 'unlocks' have improved life significantly, people continue to restrict their freedom of movement.

Introduction

The digital economy, also known as the New Economy, is based on digital tools that are widely used in today's economic world. The “digital economy” is a term for all those economic processes, transactions, interactions, and activities that are based on digital technologies. It is a type of economy in which economic activities are carried out using digital computing technologies.

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This digital mandate isn't new; it's simply been brought into sharp focus. Prior to the pandemic, a paradigm shift towards digitization and servitization of the economy was already underway. Digitization has stepped in to bridge the gaps left by mandated shutdowns and social distancing measures. Without digital tools and technologies, we would have no way to work, shop, and go to school, and more.

Digital technology has played a critical role in facilitating pandemic prevention, in resuming, and in the expansion of consumption. Digital technology-empowered new products, new services, new forms of business and new business models in various industries such as education, health care and smart-homing sectors. Technology symbolizes innovation, growth, and markets. These important factors boosted economic growth and circular economy in a country.

Let's take a closer look at how digitization is keeping society–and businesses–afloat during the pandemic:

- **Remote Work:** A significant, long-term increase in remote work. A growing percentage of organizations believe that remote work will become the new standard. Perhaps the biggest impact of the accelerated shift to remote work is the growing willingness of employers to hire workers outside office commuting zones.
- **Omni channel Commerce:** As many physical business locations are shut down, consumers are turning to online shopping to meet their needs, in particular, grocery delivery services. Consumers can choose their groceries, pay online, and leave feedback all on one convenient app.
- **Digital Content Consumption:** Homebound consumers are turning to digital content providers to meet their entertainment needs. Internet users worldwide are watching more shows on streaming services due to the coronavirus.
- **Platformification:** During the pandemic, institutions and organizations of all kinds are experimenting with digital platforms. Holding virtual classes on streaming services both live and pre-recorded. Almost every school, from elementary schools through graduate programs, have shifted to online courses. Large-scale conferences and events are being held virtually.

- **Digital Health Solutions:** According to WHO, "COVID-19 has underlined the need for adequate digital health applications." Patients can get medical advice and diagnoses at home via telemedicine and remote diagnostics, eliminating the need to visit a doctor's office or hospital.

Turning point in the Digital Payments Industry

With more and more businesses using digital ways of payment processing, the virus has only added fuel to the flames. Since the currency notes have been labelled as one of the prime sources of transmission of infection, the country has witnessed a major rise in the usage of online modes of payments to conduct business.

Campaigns like 'India Pay Safe' from National Payments Corporation of India are undeniably the stepping stones towards boosting and acquainting larger population. Authorities around the world have moved to encourage the use of digital payments in response to Covid-19.

If the virus's impact is measured in terms of industries, it might be tremendously variable. On the one hand, it has had a negative impact on most industries such as travel and tourism, food and hospitality, retail, and so on, but it has also proven to be a profitable investment for the digital streaming industry, Ed-Tech, and gaming. Nonetheless, businesses across the country have partnered with digital payment service providers to ensure their smooth operation, which has resulted in a bonanza for the digital payments industry.

Conclusion

COVID-19 gave a phenomenal fillip to our digital lives over the last couple of months. Borne out of necessity - it would not be an exaggeration to say that this pandemic achieved a level of digital adoption in a matter of a couple of months that would otherwise have taken several years. There is a dramatic shift in digital usage with impacts on all aspects of work and life. The key is continuing to experiment and innovate with digital solutions front and centre. To increase their effect, these moves should include measures to combat financial crime and protect consumers.

The debate around Coronavirus being a boon or a bane will probably encircle us for some time now. Although, it has become evident that the Digital Economy is here to grow and snowball in the coming years, as more and more business has realized to integrate themselves with online platforms and are making the switch, insignificantly.

How this transformation unfolds is mainly determined by our reactions to and shaping of emerging trends. There's only one certainty: there's no turning back now. The move to the digital economy will trigger a massive cycle of consumption and growth, as well as new demand and development space. To summarise, India's human-centered digital economy appears to have a promising future. With the right approach, businesses can come out of the fray stronger, more agile, and more customer-centric than before.

TECHNOLOGY AS AN ENHANCER OF THE COMPANY SECRETARIAL ROLE

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The Perspective

No matter the field you are in, technology has touched everyone's life and transformed it for greater efficiency and automation, where Company secretary is no exception. As the role of company secretaries is mutating and becoming more challenging, technology has the power to change these challenges into opportunities through the transformative changes in productivity. Digital transformation and new technology is rapidly changing each aspect of an organization which is greatly impacting how boards of directors operate. For corporate boards, understanding how to use technology to drive more benefit to an organization is of the utmost importance. With the pace of change in digital technology, almost every aspect of the working world is changing to some degree and businesses need to adapt to keep up. Ask almost any major business and investing in technology is likely to be one of its key strategic priorities in the coming year. In this context, it is interesting to examine the changing role of the corporate secretary.

With globalization of the economies world over, it would be imperative to understand the role of Digitization in the development of the country. The Government of India has launched the Digital India program with the vision to transform India into a digitally empowered society and knowledge economy. This underpinnings make it imperative for professionals to have an understanding and appreciation for cyber security and e-governance, and digital empowerment of the citizens.

The role of the corporate secretary, especially in listed companies, has increased and become more complex in recent years. As demands for better corporate governance have increased, so have the challenges and responsibilities of the corporate secretary who has traditionally been responsible for regulatory compliance and advising on corporate governance. The challenge is to create and embrace a mutually beneficial relationship with technology which automates routine tasks, while allowing the corporate secretary time to add more value to the increasingly complex regulatory compliance and corporate governance challenges which their organizations are facing.

The roles of the company secretary and compliance officers have become more challenging due to the increase in the complexity of the regulatory legislation and the pace that it is changing. Staying on top of these changes and initiatives requires much more time, work and money and is affecting every business around the world. Advances in technology can help in all aspects of running a business and the corporate compliance is no exception. Incorporating technology into this increasingly complex and changing activity is imperative and should be part of your business' key strategies.

Technology as an enabler

For corporate secretaries, the introduction of digital technologies provides increased capacities in performing their secretarial duties. For instance, digital meeting solutions give secretaries the ability to track and archive all leadership activities and decisions, making them available for review in the future. These digital meeting solutions come with strong security models for document management which allows for defining permissions-based access, together with a fine-grained audit trail to track who initiates and carries out every action within the system. These features help ensure that the integrity and reliability of critical board information are maintained.

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Technology is becoming very important when it comes to corporate compliance. E-signature systems are an example of a technology that can aid a business' corporate secretarial operations. Using this technology, where the local legislation allows, removes the need for a face-to-face meeting in order to sign documents. This can make the corporate filings faster and bring efficiency to your legal department.

Entity management systems are one of the most valuable tools to multinational companies, as they allow for a single way of viewing the legal operations of international subsidiaries and therefore, it becomes less challenging to identify areas of non-compliance. In addition to that, entity management systems offer instant access to corporate information and relevant documents, which can help general counsels to report discrepancies to top management, and support their strategic decisions when it comes to advising where to invest or close operations.

Secure communications should also come on top of the corporate secretary's priority list. Traditional board communication channels, especially e-mail, are proven to be more prone to breaches. Sensitive and critical information such as financial documents may be compromised with device loss or a malware attack. It is therefore important to ensure that all documents are encrypted prior to distribution.

Nevertheless, technology is not yet replacing the need for local knowledge, as most countries demand that records are kept locally and on paper, or that signatures of the original minutes or resolutions have to be in the company's statutory records

Technology Risks and Mitigation

Rapid digital transformation has encouraged companies to move critical aspects of their business onto electronic platforms. Adopting these new technologies may mean more efficient business processes and an increased operational productivity, but these transformations do not come without risks. In dealing with the advanced technologies of today, traditional security standards may no longer be enough.

While the implementation of technology has many benefits, it also opens your business to cybersecurity threats. Companies must make sure that they are doing everything they can to keep customer and client data protected and safe. The types and severity of cybersecurity risks depend on where the entity management system is set up and this varies per vendor. The information could be held in the public cloud, private cloud, on the vendors' servers, on the clients' servers or in other areas. The risks can also depend on the sophistication of the security model of the system, which can vary.

There isn't a one-size fits-all solution, however, the cooperation between legal, risk and IT is necessary to assess the risks of rolling out the technology based systems. The digitization and sharing of information across borders means that companies must have clear business recovery and remediation plans for the event of a cyber-attack. The repercussions can include reputational damage, as well as loss of revenue.

How can company secretaries make the most of technology

With a role steeped in tradition, the company secretary may not be the first person you think of when you consider the adoption of technology. A recent survey supported this, with technology take-up among company secretaries shown as being inconsistent. While 62% use it for admin (board packs or electronic filing), just 14% make use of available innovation for other tasks, as we reported in a recent blog.

There are a number of ways in which technology has helped to make the role of the corporate secretary more efficient in terms of both time and cost. In an increasingly competitive market, clients expect high-quality work for relatively low fees. This expectation extends not just to external corporate secretarial service providers but also to internal corporate secretaries who are expected by their organizations to be able to take advantage of increased efficiencies to free up their time to provide additional value in other areas.

The automation of routine work has generally changed the nature of the global workforce. The ever-increasing ability to effectively use technology to conduct routine work can reduce the administrative burden, allowing corporate secretaries to focus their attention on more value-add matters. While the resulting work must still be checked and overseen, the increased use of technology should overall reduce the risk of human error that may occur, improve the overall quality of the work and speed up the process.

For company secretaries, technology has the potential to make transformative changes in efficiency. This is important in a role where expectations are changing and responsibilities increasing .The company secretary is 'responsible for advising the board on all governance matters'. This advisory role extends the frequently-held view of the Company Secretary as a largely administrative resource, although, as a recent report from Grant Thornton notes, 'there remains a legacy perception of the role…as one associated with company law and administration, rather than a key shaper of an organization's governance framework'. With expectations of the company secretary growing and shifting in line with changing business and regulatory priorities, Company Secretaries can Embrace technology to support their evolving role.

Growing pressure on efficiency

As with all areas of the business, there is a constant emphasis on making company secretarial processes more efficient and effective – and of course, the way you prepare for and manage board meetings has a direct impact on the efficiency of some of your firm's most expensive assets; your board members. Technology can also help here. Our blog on briefing your members effectively for meetings has tips on ensuring your directors get what they need to make meetings as good a use of time as possible.

Many boards, and the Company Secretaries who support them, have found that using board portal technology helps to streamline the board pack production process, as well as producing a more professional end result. If you go down this route, make sure you choose a solution that will make your life easier. Select a user-friendly technology and identify a board portal provider that will invest in your future.

The increase in the use of instant messaging platforms, emails and group chat amongst others have put increase pressure on the company secretary for a quicker decision-making process. In this regard, the company secretary should take on an advisory role to ensure that the organization has appropriately evaluated its risk appetite and IT risk management systems when managing the demands of operating in a digital world. Furthermore, internal controls and procedures should be in place to ensure that not only the company secretary, but all organization staff are aware of the immediate steps to be taken in the event of a data breach and the responsibility to notify the regulator as may be applicable by law

Using technology to support governance

This governance aspect of the role of Company Secretaries is one that can particularly benefit from innovative approaches. Compliance technologies can help to create regulator-approved audit trails, ensure non-approved materials aren't issued in error, and enable accurate, up-to-date content to be lifted into compliant document templates. Good information governance enables organizations to maximize the value of information as a business asset while minimizing risks and costs, particularly those associated with data breach.

Enterprise Governance Management (EGM) is an emerging corporate discipline that utilizes modern technology to deliver the right tools to support the board and its activities. With effective board management software, boards will become more engaged and will more effectively be able to cover more issues with increased agility and quicker reactions. The right boardroom technology provides boards with the ability to improve governance and overall board performance.

An innovative and a learning culture is another challenge which the company secretary has to face. It is important that the company secretary keeps abreast of digital skills by undertaking training through appropriate sources. The company secretary must also assist board members and other stakeholders to engage with the opportunities provided by technological advancements and ensure that relevant training on the use of innovative IT systems is provided to board members.

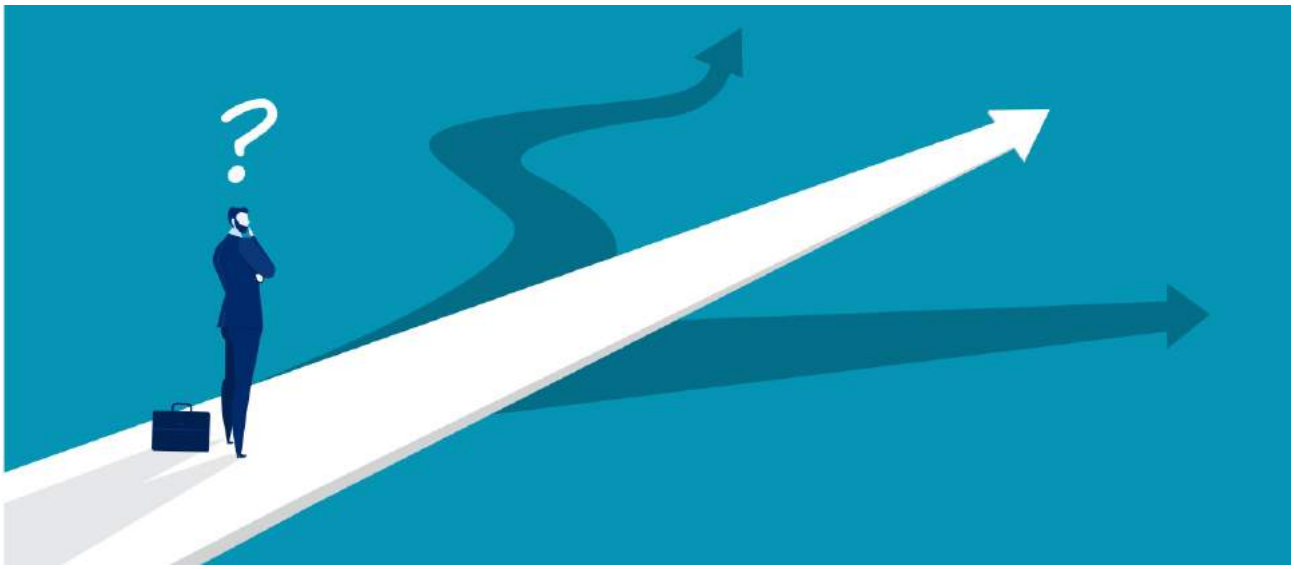
Ensuring the highest levels of security

Of course, greater use of technology brings its own challenges, not least the need for cyber-vigilance. We've explored before the fact that embracing portal technology for your board packs can improve corporate governance – for instance, by avoiding the need for sensitive corporate information to be sent in the post or over insecure email servers. If you are moving towards a digital boardroom, there are many steps you can take to make sure your approach is secure. The best providers will have highly-secure solutions that harness the latest innovations to ensure the safety of your information.

The growing implications of cyberattacks on companies make cybersecurity appear more frequently in the boardroom agenda. Companies are becoming more aware of the possible repercussions of taking cybersecurity lightly, which may include revenue loss, reputational damage, data breach, and consequently, lawsuits. As an advisor to the board on compliance, the corporate secretary plays a critical role in ensuring cybersecurity across the organization. The digital landscape constantly evolves, and so does the role of a corporate secretary. A robust data and business recovery plan need also to be in place to counteract the eventuality of a loss of data through breaches in information security governance.

The future role of the Company Secretary in digital era

Business leaders are under the constant pressure to deliver market-leading results. As an independent bridge between the executive management and the board, the corporate secretary acts as a strategic partner in delivering sustainable business performance while ensuring good governance. As digital transformation shapes the new ways businesses work, corporate secretaries are expected to play an even more dynamic role in the coming years. The 21st century corporate secretary has to be one who can adapt to new technologies to sustain in dynamic environment and ever increasing expectations from the stakeholders. The company secretary cannot ignore technological advancements as these offer innovative tools which do add value to the role. Moreover, automation offers a good opportunity to change the perception of the role from an administrative one to a more important advisory and technical role for the benefit of the wider business of the organization.



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DIGITAL ECONOMY

Introduction

- Digital Economy refers to the full range of economic, social and cultural activities supported by the Internet and related information and communications technologies. Some experts regard it as the third industrial revolution.
- Some people consider the digital economy as a major growth enabler.
- Digital payments, Make in India, Start-Up India, and Skill India are among the key drivers of the digital economy.

Opportunities in India

- Digital economy has the power to change the lives of millions of people in India.
- In the next three years, India will add more than 300 million new mobile subscribers
- By 2025, it is highly likely that India will be the largest mobile market in the world.
- India is developing a "mobile-first" digital culture, with smart phones fuelling a boom in ecommerce and other forms of business.
- With a rapidly growing middle class, and a young, tech-savvy population, online personal services are about to take a big jump.
- International companies are looking to increase their investment in India's digital economy.
- Improved telecom infrastructure as well as affordable smart phones now gives the opportunity to benefit from services such as banking and retail.
- According to industry experts, India has the potential to grow to USD 2 to 3 to 4 trillion digital economy by 2022.
- Digital economy has the potential to generate huge employment opportunities
- Digital skilling has lot of potential as India has rich talent pool that can be used to meet global demand.

Concerns/Challenges

- Key challenge is unequal access to the internet.
- The gender gap in mobile ownership
- Mumbai and Delhi still rank behind Jakarta and Manila in the most networked cities in the world
- Cyber security is a serious challenge. Cybercrimes and cyber terrorism has grown more rampant.
- Service charges remain a challenge for people at the bottom of the digital pyramid
- Uninterrupted access to power is essential. However, around 22% of rural households across the country still do not have access to electricity.
- A recent study shows that 19% of the Indian population remains unbanked or financially excluded.

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Way Forward

- Digital revolution must include communities and regions that were previously not part of information and communication technology (ICT) advancement.
- Sectors must be opened to new digital business models through reductions in regulatory restrictiveness.
- For countries to reap the digital dividend, there must be space for new digital competition, experimentation and entrepreneurship.
- Removing red tape that burdens digital entrepreneurs with unnecessary costs
- Technological innovation is a boon for India, the only thing that matters is how much it is allowed to change the economy.
- Government must formulate new electronics policy, software product policy and a framework for data security and protection.
- The focus needs to be on creating technology that is affordable, developmental and digitally inclusive.
- The idea of setting up special innovative zones for start-ups must be explored.
- Ensure simpler tax compliance regime in order to further India's Global ranking in ease of doing business.
- The need for internet and mobile application training aimed at less educated and the low-income groups.

International Examples

- Estonia is now Europe's digital leader.
- The country has succeeded in building high-tech infrastructure, and a regulatory culture that encouraged new digital competition.
- However there are some countries in Europe that have protected markets from digitization because of fear of new competition.
- But that misconception has blocked the economic renewal in many European countries.
- India should adopt policies that serve the interest of the entire economy and avoid repeating the mistakes of some European countries.

Conclusion

The digital economy could be an important vehicle for change and could dramatically expand India's role and influence in the global economy and become a powerhouse of digital innovation.

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DIGITAL ECONOMY

Introduction

The economy of a country means a combination of all the activities like production, consumption, import- export of goods and services that lead to the progress of not only the country but also of its citizens as a whole. The development of an economy depends upon an individual to a corporation to a big multi-national Company to the government of that country. No economy is static, it keeps on evolving with the changes in culture, lifestyle, policies and laws that are framed.

For this reason, no two economies in the world are the same, all try to adapt to the on going changes, nationality as well as internationally. Being present in this global competitive scenario, all nations try to boost their respective economies to a level of success stage and beat the other one. This race has become more evident and substantial after the advent of various new technologies. Especially, with growing importance of the digital era, countries have to become a part of it to sustain itself in the competition. It has become important for a nation that wants to grow and adapt the essential features of this era to survive.

When a traditional economy transfer to a digital one, it may bring a lot of resistance and challenges but the digital economy also brings with it lot of opportunities and new aspects that leads not only to the revival of the set-backed economies but also enhance the structure of the evolved economies from better to best.

Digital Economy Meaning

Digital economy refers to an economy that is based on digital computing technologies, although we increasingly perceive this as conducting business through markets based on the internet and the World Wide Web. The digital economy is also referred to as the Internet Economy / New Economy / Web Economy.

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What is the Digital Economy and its Components

The digital economy consists of various components, key among which include government, policy and regulation, internet, the World Wide Web (WWW) and electricity infrastructure, telecommunication industry, digital service providers, e-business and e-commerce industry, information and knowledge management systems

Some Examples of Digital Economy

The best example of this is the rise of digital platforms such as Amazon, Uber and Flipkart. These companies connect market participants together in a virtual world. They reveal optimal prices and generate trust between strangers in new ways.

Opportunities and Challenges

The digital global economy will continue to expand and diversify in 2021. New technologies, Indian digital economy – opportunities and challenges with new habits and global threats will open opportunities and threats for businesses in different sectors. This article summarizes some of them.

Importance and Benefit from Digital Economy

The digital economy has brought many new services which were inconceivable before, such as online home deliveries for grocery to dating apps. Creates significant data which can give new insights. The mass production of data can help inform governments and others desired about what is happening in the economy. By Implementing digital payment methods, like Digital Point of Sale (Digital POS), Unified Payments Interface (UPI), mobile wallets, Mobile Point of Sale (MPOS), etc., our country is moving towards creating a digital economy that will benefit the people and the government in various ways. Some of the primary advantages that government witnesses from the digital economy are:-

Removal of Black Economy:

When the transactions are made digitally, they can be easily monitored. Any payment made by any customer to any merchant will be recorded. This way, there will be no means for illegal transactions to occur. By restricting the cash-based transactions and using only digital payments, the government can efficiently expel the black economy.

Increase in Revenues:

This is one of the most obvious and common benefits of the digital economy. When the transactions are digitized, monitoring sales and taxes becomes convenient. Since each transaction is recorded, the customers will get a bill for their purchase, and the merchants are bound to pay the GST to the government. This, in turn, increases the revenue of the government – thus resulting in growth of the overall financial status of the country.

Empowerment to People:

One of the biggest advantages of moving towards digital economy is that it gives an empowerment to the citizens. When the payments move digital, each and every individual is bound to have a bank account, a mobile phone, etc. This way, the government can easily transfer the subsidies directly to Aadhaar-linked bank accounts of people. In short, people no longer have to wait to receive the incentives and subsidies that they are bound to receive from the government.

Paves the way to E-governance:

The quicker, safer, and more efficient alternative to traditional governance, e-governance will be the ultimate outcome of the digital economy. From birth certificate to death certificate, everything is available online – thus it is convenient for people to access the information they need on the go. Digital economy will definitely pave a way to e-governance, where delivery of all government services would be done electronically.

Creation of new jobs:

The digital economy has a lot of potentials to enhance job opportunities in new markets as well as increasing employment opportunities in some of the existing occupations in the government. This way, the unemployment rate in the country is bound to decrease.

Challenges:

Technologies

In the next couple of years, Block chain technologies will consolidate and be applied to different and innovative uses increasing transparency and decentralization of information. New models will challenge how organizations store and manage data transactions and enable internet based companies develop new financial products and services. The expansion of internet of things will create zillions of data sources capable of measuring and combining physical and digital data to create and expand products and services, such as Biometrics authentication. Quantum computing will open new opportunities for a real-time based economy and mobile devices will have computing power.

New competitors

After an early and atomized stage of fin techs entering the financial market, new large competitors will form digital banks and challenge conventional industries. Smaller fin techs will probably specialize in specific sectors and will concede space to large corporations such as Apple, Google and Facebook which will focus on online payments and general financial services to their clients.

New regulations

New regulations such as the second version of Payments Service Directive (PSD2) and the General Data Protection Directive aim to transform the financial industry and stimulate competition in the financial sector and provide more security against fraud. In a more competitive, diversified and open market, companies will struggle to offer services at lower rates.

New customers

Millennial and following native digital generations will tackle current digital challenges differently. The Robotization of the economy and new measures like the universal income become a reality. Citizens spend less time working and increase their capacity to consume. The debate about privacy will enter in a new phase and individual users will count on newer resources to exploit their personal data, such as personal data lockers. On the one hand, individuals will be less afraid of trading their data, and data collectors will have to pay more for the personal data they can collect.

New business models

A world without cash will become a reality soon. All transactions being digital will help companies gather a complete picture of their market and understand more clearly market opportunities. A completely digital world will make financial services more transparent and accessible, and will create opportunities for a multimodal explosion like augmented reality, will allow customers to analyze the value of a building or calculate the cost of a mortgage for a specific car. Data marketplaces will enable new business to acquire data they do not produce and generate new products and services. Crowd funding will leave space for crowd lending.

New global threats

New global threats will continue to expand and transform the economy. The sharing economy will find a better legal framework and continue to advance. Massive hacking will force countries and companies to heavily invest in security and political systems will suffer recurring crisis derived from the persistent security crisis.

CONCLUSION

India will be the largest consumer of digital technologies in times to come. Another reason is that the world-over, there are several channels of communication to access goods and services and digital channel happens to be the latest and the most convenient. The private sector and government, working together, must address these problems in ways that make the Internet a safe environment while not impeding its commercial development. Digital revolution, also known as 'The Internet Economy' or Internet of Everything (IoE) is expected to generate new market growth opportunities, jobs and become the biggest business opportunity of mankind in the next 30 to 40 years.

We need to be ready, as an economy and a community, to respond to change and to grasp the opportunities of the digital economy. New and emerging digital technologies are changing the way industries and business work. There are many instances where the market is adjusting well to digital transformation. The long term effects of Demonetization are yet to be ascertained. It is expected that it can improve the Indian economy in the long run by increasing tax compliance, financial inclusion, consequently improving the state of the economy. It can boost the GDP by increasing the availability of funds for lending and also by reducing transaction costs if the economy moves to digital modes of payments.

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DIGITAL ECONOMY

This year has been different in several ways. While the pandemic has left the world reeling from its impact, it has also shown the opportunity for a digital revolution. Right from our day-to-day lives to the way businesses are run, technology has taken the center stage.

Technology has revolutionized the way we communicate, traversing physical, geographical and socio-economical barriers, with data positioning itself as the oxygen essential for survival. Broadband connectivity has become an essential component of our daily lives during this global COVID-19 pandemic when digital connectivity and services helped sustain the working of the global economy.

India has been gradually adopting digital services in the last five years, but the COVID-19 has made it mandatory to go digital 'fast and furiously'. There is a demand for digital avenues even for services which were earlier presumed to be only personal in nature. The digitalization brings innovation, easy operating, new job opportunities and growth within the economy. It helps to bring transparency within the system

We are seeing some significant technological progress that is connecting businesses together better than ever before. The IT industry is playing a striking role in perking-up the efficiency of nearly all the sectors in the country like education, healthcare, logistics, retail and many more.

If we look at the future digital economy, then we should look at India, given our demographics, our workforce, the talent we have in our country and the new aspiring entrepreneurs. We know innovation is no longer just about marginal improvements and cost efficiencies, It's about digital transformation, and we see that happening at an unprecedented pace in India. Now a five trillion-dollar digital economy looks not just aspirational, but very doable. If you look at the scope, it's easy to be optimistic about the future of India's digital economy.

It is widely recognized that digitalization has unleashed a new wave of innovation that will have profound implications for humanity, changing relationships between citizens, Governments and businesses, and that will alter the structure of societies and economies. Growth, productivity and human development will increasingly be determined by the level of integration into the digital economy.

We have seen the growth of Indian startups and the country has added 24 unicorns between 2020 to 2021 and most of them are In the E-Commerce, Payments, Edtech, Payments (B2B) to E-Pharmacies and API - Financial Services – Banking.We are in the information age and the world is changing vary fast and most of the things if not everything is going digital whether it's buying medicines or procuring of loan to consulting doctors and e-classes.

The pandemic has shown the way that some of the traditional industries can also be digitalized i.e. health sector and education sector. This was bound to happen sooner or later but it happened sooner due to the pandemic. The world is now adopting it and providing number of opportunities in the process to the entrepreneurs.

While the people are forced to be at home due to the pandemic there are number of opportunities have emerged and entrepreneurs have taken full advantage of the situation and India has added to its Billionaire's list and now India is ranked at number 3 in the list of Billionaires surpassing Germany and Russia.

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Here are some of the examples of growth in different sectors due to the digitalization.

GROWTH IN DIFFERENT SECTORS

1. Digital Payment

According to the study the digital payments in India to grow to approximately 71 % of all the payments by 2025 and India alone reported 25.5 billion real time payments in 2020.

2. Healthcare

The spread of the novel corona virus has changed the landscape of healthcare consumerism, with patients embracing & engaging with the medical industry via new channels of communication. According to the reports healthcare teleconsultation in India has increased by 500 % during April 2020 to May 2021.

3. Education

The impact of this rapid and sudden shift due to the spread of the novel corona virus is visible in almost every industry and the education sector is no exception. While the institutions are closed due to the pandemic for the past one year or so, the industry has shifted from the traditional classroom based learning to the digital. The country has become the second largest market for E-learning after the US. The sector is expected to reach US$ 1.96 billion by the end of 2021 with around 9.5 million users. In India, the online education market is forecasted to reach US$ 11.6 billion by 2026.

The concept of digital economy is built on the foundation of robust information technologies. As IT continues to innovate and evolve to serve the needs of the humans, the digital economy will always be growing.

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DIGITAL ECONOMY

The "digital economy" is a term for all of those economic processes, transactions, interactions and activities that are based on digital technologies. The digital economy is different from the internet economy in that the internet economy is based on internet connectivity, whereas the digital economy is more broadly based on any of the many digital tools used in today's economic world.

Digital economy is one collective term for all economic transactions that occur on the internet. It is also known as the Web Economy or the Internet Economy. With the advent of technology and the process of globalization, the digital and traditional economies are merging into one.

"Digital transformation is a fundamental reality for businesses today."– Warren Buffett,

Digital transformation is defined as the **changes taking place within an industry or organization** whereby the whole set of activities, models, processes, and marketing among other factors are being transformed by the adoption of digital technology with the aim of creating value for their customers, users, and citizens while at the same time expecting to out their competitors.

"You can't delegate Digital Transformation for your company... you and your executives have to own it! Executives need to engage, embrace and adopt new ways of working with the latest and emerging technologies"

Barry Ross, CEO and Co-Founder, Ross & Ross International

What is Digital Economy?

Digital economy is defined as an economy that focuses on digital technologies, i.e. it is based on digital and computing technologies. It essentially covers all business, economic, social, cultural etc. activities that are supported by the web and other digital communication technologies.

The term was first coined in a book "The Digital Economy: Promise and Peril in the Age of Networked Intelligence" by author Don Tapscott in 1995.

There are three main components of this economy, namely,

- e-business
- e-business infrastructure
- e-commerce

In the last 15 years, we have seen the tremendous growth of digital platforms and their influence on our lives. Now consumers are influenced by things they see on social media (Facebook, Twitter, Instagram) and other such popular websites (youtube etc).

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So this economy is a way to exploit this opportunity. Now it is integrated into every aspect of the user's life – healthcare, education, banking, entertainment etc.

"When digital transformation is done right, it's like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar."

George Westerman, MIT Sloan Initiative on the Digital Economy

Merits of Digital Economy

Digital economy has given rise to many new trends and start-up ideas. Almost all of the biggest companies in the world (Google, Apple, Microsoft, Amazon) are from the digital world. Let us look at some important merits of the digital economy.

1. Promotes Use of the Internet

If you think about it, most of your daily work can today be done on the internet. The massive growth of technology and the internet that began in the USA is now a worldwide network. So there is a dramatic rise in the investment on all things related – hardware, technological research, software, services, digital communication etc. And so this economy has ensured that the internet is here to stay and so are web-based businesses.

2. Rise in E-Commerce

The businesses that adapted and adopted the internet and embraced online business in the last decade have flourished. The digital economy has pushed the e-commerce sector into overdrive. Not just direct selling but buying, distribution, marketing, creating, selling have all become easier due to the digital economy.

3. Digital Goods and Services

Gone are the days of Movie DVD and Music CD's or records. Now, these goods are available to us digitally. There is no need for any tangible products anymore. Same is true for services like banking, insurance etc. There is no need to visit your bank if you can do every transaction online. So certain goods and services have been completely digitized in this digital economy.

4. Transparency

Most transactions and their payment in the digital economy happen online. Cash transactions are becoming rare. This helps reduce the black money and corruption in the market and make the economy more transparent. In fact, during the demonetization, the government made a push for online transactions to promote the web economy.

The digital revolution is far more significant than the invention of writing or even of printing.

Douglas Engelbart

Demerits of Digital Economy

1. Loss in Employment

The more we depend on technology, the less we depend on human resources. The advancement of the digital economy may lead to the loss of many jobs. As the processes get more automated, the requirement for human resources reduces. Take the example of online banking itself.

2. Lack of Experts

Digital economy requires complex processes and technologies. To build the platforms and their upkeep require experts and trained professionals. These are not readily available, especially in rural and semi-rural areas.

3. Heavy Investment

Digital economy requires a strong infrastructure, high functioning Internet, strong mobile networks and telecommunication. All of this is a time consuming and investment heavy process. In a developing country like ours, development of the infrastructure and network is a very slow, tedious and costly process.

"In Today's era of volatility, there is no other way but to re-invent. The only sustainable advantage you can have over others is agility, that's it. Because nothing else is sustainable, everything else you create, somebody else will replicate."

— Jeff Bezos, Founder, Amazon

Digital Economy during COVID-19:

Under COVID-19, the world has, by necessity, gone into isolation. Social distancing is currently the most effective way to slow the spread of the virus and to protect the population. As a result, anything that relies on human-to-human contact–which is to say, most aspects of our lives–must be amended to account for the dangers of the virus. Digitization has stepped in to bridge the gaps left by mandated shutdowns and social distancing measures. Without digital tools and technologies, we would have no way to work, shop, go to school, and more.

Let's take a closer look at how digitization is keeping society–and businesses–afloat during the pandemic:

- **Remote Work:** Before the pandemic, only 30% of U.S. employees worked remotely 100% of the time, according to Owl Labs. For the other 70%--including the 38% of the total U.S. workforce that only worked on-site—the transition to working remote full-time has been a shock to the system—figuratively, and in some cases, quite literally, when user demand has exceeded system bandwidth. But the silver lining is that with such a high percentage of the working population now remote, digital collaboration is improving in leaps and bounds, both in terms of the sophistication of the tools to facilitate it and workers' level of comfort with it.
- **Omni channel Commerce:** As many physical business locations are shut down, consumers are turning to online shopping to meet their needs, even those who had historically been reluctant to do so. In particular, grocery delivery services, such as Instacart, have been in high demand. Consumers can choose their groceries, pay online, and leave feedback all on one convenient app. Businesses are blending the physical and the digital to provide for their customers through delivery methods such as curbside pickup and contact less delivery. Physical-digital integration is more important now than ever before.
- **Digital Content Consumption:** Homebound consumers are turning to digital content providers to meet their entertainment needs. 51% of internet users worldwide are watching more shows on streaming services due to the coronavirus, according to data from Statista. Netflix alone saw 16 million new signups for its service in the first three months of 2020. Meanwhile, many film studios have been pushing new releases to streaming services early to captive audiences.
- **Platformification:** Institutions and organizations of all types are trying out digital platforms to stay above water during the pandemic. The fitness industry has shifted to holding virtual classes on streaming services, both live and pre-recorded. Almost every school, from elementary schools through graduate programs, have shifted to online courses. Large-scale conferences and events are being held virtually. The NYSE has moved entirely to online trading. While some businesses will revert to their traditional models when the crisis abates, others may opt for a hybrid approach as they recognize the benefits of recurring revenues.

- **Digital Health Solutions:** Much of America's healthcare system has gone digital to alleviate some of the strain imposed by the coronavirus. Telemedicine and remote diagnostics are helping patients get medical advice and diagnoses at home so they don't need to come in to the doctor's office or hospital, and 3D printing is being used to expedite the production of critical medical supplies, such as PPE. In the absence of a vaccine or proven treatment, the best preventative medicine is information-sharing. Digital contact tracing has already been used to effectively slow the spread of COVID-19 in East Asia. The technology itself is at least a decade old but has struggled to gain traction in the Western world where views on privacy have been prohibitive. Whether American citizens (and those that govern them) will be willing to trade individual privacy rights for the greater public good remains to be seen, but there may be more leniency around data collection going forward.

The pandemic serves as a widespread test case for the effectiveness of these digital solutions, many of which will be permanent fixtures and lead to long-term changes for many businesses.

Conclusion

Digital transformation is more necessary during this crisis. But that doesn't mean it will look the same as it did before the pandemic. Resources—both in terms of talent and money—will likely be constrained. Digital initiatives may need to be reprioritized based on relevance in the current environment. New problems and opportunities may come to light with greater urgency. For some businesses, the forces of disruption may be so great that the long-term strategic vision will need to be overhauled. And any digital transformation roadmap that does not deliver value at every increment will need to be reimagined. The key is continuing to experiment and innovate with digital solutions front and center. With the right approach, businesses can come out of the fray stronger, more agile, and more customer-centric than before. We can simply say Digital transformation is need of the hour.

"**The biggest part of our digital transformation is changing the way we think**."

— Simeon Preston, Bupa

DIGITAL ECONOMY

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As the world is changing, digital transformation is taking place at a very fast pace in order to bring a drastic change in people and services through technologies. DIGITAL ECONOMY as the name suggests refers to a number of digital computing technologies which enables commercial activities beyond national boundaries . It is an economic activity which comes into being from multiple online activities involving internet and world wide web.

The term was first coined in a book "The Digital Economy: Promise and Peril in the Age of Networked Intelligence" by author Don Tapscott in 1995.

According to Thomas Mesenbourg, there are three concepts of Digital Economy:

- E –Business
- E-Business Infrastructure
- E-Commerce

We are seeing a tremendous growth of digital economy in the last few years and the influence of this are huge in our lives. The best example is facebook, whatsapp, instagram, linkedin, twitter, you-tube which has actually changed peoples lives a lot. Companies like Flipkart, Amazon, Ola Cabs, Uber have addressed the most basic issues of common people and in turn revolutionized buying experience to a totally different level. Few services which was not accessible digitally before like grooming services, online tutoring, online yoga classes, online groceries, digital payment is the new normal. Now it has entered into every sphere of our life be it education, healthcare, banking, travel or entertainment.

Advantages:

- Promotes Use of Connectivity : Gone are the days when during crisis people had to reach that location physically. Instead money gets credited to the account of people within minutes. In fact in case of need credit card has also come to help of so many people without waiting for bank loan or other overdraft options.
- Rise in E-Commerce : E-commerce industry has flourished like anything. Selling, buying, distribution, marketing, creating demand for newly launched products and services have all become easier with the use of digital technology.
- Digital Goods & Services: These days everything is available digitally. Every service including banking, grooming service, online education has become easily accessible to people which in turn is helping the economy a lot.
- Transparency: Gone are the days when people used to prefer cash transactions. Payment through digital gateways helps reduce the black money and corruption in the market to a great extent.
- E-Learning : These days students and other professional people can learn a lot from the internet without depending on their teachers. Learning has been redefined by the use of digital technology which has helped even people with special needs to be accommodated in the organization.
- Understanding the consumer pattern: Manufacturers get ready data of upcoming consumption pattern making it easier to analyse budgetary bandwidth and correlated preferences. Government is also better equipped to develop policies based on consumer behavior.

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- Reduction of Cost: By reducing the distribution channels, products and services have become more accessible to the middle class people. Owing to multiple online platforms hiring and renting out properties have eliminated the requirement to pay big amount to brokers to a great extent.
- Lesser challenges in entry to market: Now people having innovative ideas can enter the market easily which can create a challenge to the existing business in the same industry which in turn is creating opportunities for people with less experience.
- Fading monopoly of the cartels: Government contracts in the form of tenders and auctions earlier used to be taken by cartels owing to their physical presence. But with increase in use of e-auction and e-tendering these cartels have started facing challenges from unknown competitors. However execution of the contracts still remains a challenge for these new players. Flexing muscle for getting a contract has lost a lot of its relevance in the era of digital economy.
- Saves time: Bureaucratic practice have been reduced to a great extent by eliminating the requirement of physical presence of an individual for execution of business contracts which in turn is saving production cost to a huge extent.
- Creation of job opportunities: New job opportunities are created for people to a large extent. A broadband enabled internet drives innovation thereby fueling new job opportunities and economic growth. We have reached a phase where digital economy have reached a stage of more skill based jobs than education based jobs.
- International Trade in Digital Era: In the digital era of International trade, major developments have occurred in production, supply chain and logistics network, financial payment systems. This in turn changed the production structure of countries and companies which affect their logistic processes thereby enabling the use of block chain mechanism in International trade making international payment faster, hassle free and more secure.

Shortcomings of Digital Economy:

- Data Security: As these days people are using digital processes to store data online, security of these data is a big question. BOT attacks, ransom ware, social engineering and phishing, usage of malware- injecting devices, spoofing, chargeback frauds, data breaches is increasing in a geometric progression and law enforcement agencies are finding the sheer volume of crime difficult to handle. While most of the crimes are happening at such small denominations that often the victim and the cyber crime officers stop following up the cases as they fall below the economy of effort.
- Loss of Business Opportunities for many small traders with low understanding of digital space especially from rural area has increased the economic disparity in the society even further. E Commerce companies have been monopolizing their business in the market thereby undercutting traditional sellers. While they keep selling 24/7, traditional sellers during lockdown have to keep away from market thereby losing their importance and thereby forced out of business. With non negotiable fixed overheads they continue to suffer losses in the hands of these tech giants.
- With so many small scale frauds and payment failures it is mostly the marginally educated people who are more vulnerable than others. Moreover volume of frauds happening from other countries outside the jurisdiction of law enforcement agencies of the victim's country can get poorest of the poor people go bankrupt overnight.

- Online gambling, poker gaming, intra-day share trading without adequate knowledge have caused substantial loss to the otherwise unemployed middle class and lower middle class.
- Digital platform has changed the consumption pattern and there has been a behavioral change in the middle class and lower middle class thereby opening a spending trap for many.

Digital Economy in Covid Era:

Covid 19, had undoubtedly been the most impactful event affecting economies across the world since the World War II. Lockdowns and other preventive measures have been put in place to curb the spread of the virus which have in turn disrupted economic activity to a huge extent. While half the world was under lockdown since many months now it set the ball rolling for what we know today as Digital Economy. As social distancing became the new normal businesses and consumers went "digital" on a large scale which have helped mitigate the economic downturn.

Indian startups are going global owing to the optimum exploitation of local capabilities and home grown talents. With the kind of talent demonstrated by Indian Population so far, the dependency to obtain work permit in other flourishing geo markets has decreased manifolds. Technology transfer had happened online from the smallest towns of India to the fortune 500 companies.

While the economy continued getting setbacks, but still the stock market rallied several times to all time high owing to digitization and the performance of the IT power houses.

But most of the e-commerce services are being provided by small number of large companies. Therefore, many of the world's poorest economies were not able to capitalize on the new e-commerce technologies due to persistent bottlenecks and barriers due to lack of digital skills, expensive internet services, immature government policies.

Maximum deliberations by Governments of various countries and investment banks had happened over Crypto currencies in last one year of the Pandemic compared to any other year. However detailed discussion on this particular topic is not being done in this article owing to the vastness, inconsistencies and complexities involved.

Digital Economy & Work from home

With the impact of Covid 19 over a year now, Work from home has become the new normal. With the help of digital tools such as virtual working environments, virtual meetings and virtual video conferences the number of people now working from home has rapidly grown. Working from home has actually slowed down the collapse of the economy which actually has acted as a buffer. It is not only economically essential but it is a weapon to fight this deadly virus. The companies are saving on office space, office supplies, utility bills and other facilities thus resulting in cost optimization at a time when these small savings helps a business survive.

However most of the people do not have the option of working from home and thereby joblessness is further increasing the economic disparity in the society.

Policies towards building an enabling digital economy

Government needs to come up with strong data fraud prevention policies so that more local businesses can become producers in the digital economy, not just consumers. There is enough room for developing smart security policies and establish suitable legal and regulatory frameworks for digital transactions. Government needs to strengthen their collaboration with other governments and the private sector to leverage the opportunities and minimize the risk of participating countries and businesses.

Opportunities including studying digital economy as part of studies in graduation and post graduation may be the need of the hour. Further, a new section of cyber legal experts have started emerging owing to the nature of new generation crime cases being filed. Cyber laws needs to be taught at greater depth to the law school owing to the new emerging legal threats. Cyber security is part of education for security professional including Police and Military is the areas untouched with immense potential as well as high vulnerability.

TECHNOLOGY DRIVEN ECONOMY

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Digital Economy is a fusion of Internet, Technology and Economy which refers to an Economy based on digital technologies. There is no specific definition of digital economy, this term is used when the digital access of goods and services and the use of digital technology is combined to help the corporates and citizens. Precisely, it means economic value derived from the internet / web. Digital Economy is combination of many key components which includes economic activities, commercial transactions and professional interactions that are enabled by information and communications technologies.

As we all know that the whole world is hit by COVID-19 virus and millions of people around the world have been infected with this deadly virus in first and second wave. In order to curb the situation, most of the counties imposed complete Lockdown and all activities / services have been closed by the government except for essential services related to Food / Water / Medicines / Hospital etc. The economic impact of the COVID-19 pandemic in India has been largely disruptive.

During this tough situation when the entire country is closed due to nationwide lockdown and social distancing norms, this Covid-19 pandemic has led to an inevitable surge in the use of digital technologies as people and organizations all over the world have had to adjust to new ways of managing work life with the use of technology and follow their routine activities with the help of technology. All the organizations, leading firms and educational institutions shifted to work-from-home which now new normal for citizens.

Government and Leaders are taking strong steps to tackle challenges from the Covid-19 pandemic as the local / nationwide lockdowns during the second Covid-19 wave have hit the livelihoods of millions of families across the country. Covid - 19 outbreak / wave has had a devastating impact on India's economy, especially on poorer citizens and smaller businesses. Even rural areas that were a saving grace during the first wave have been deeply affected this time.

Presently, technology and internet have become an important and essential part of daily life style, personal and professional both. The lockdown has resulted in most people taking to the internet and internet-based services to communicate, interact, and continue with their job responsibilities from home. It seems the Covid-19 pandemic is reshaping the global business environment with the help of technology. The lockdowns across countries have entailed a rise in the use of information systems and networks and Artificial intelligence (AI) based tools and software's.

In any economy, the production and consumption of goods and services are used to fulfill the needs of those living and operating within it. Due to Covid -19 outbreak, almost all regions have implemented lockdowns, shutting down activities that require human gathering and interactions - including colleges, schools, malls, temples, offices, airports, and railway stations. The production / manufacturing has been stopped except for some essential goods and services. Almost all the sectors have been adversely affected as domestic demand and exports sharply plummeted with some notable exceptions where high growth was observed.

The IMF Managing Director K Georgieva has acknowledged "World economy is in a recession and way worse than the global financial crisis of 2008. It is a crisis like no other & never in the history of IMF, we have seen the world economy coming to a standstill". IMF has announced that it will be willing to use its War chest funds of US$ 1 trillion to support the global economy's revival.

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Inevitable surge in Technology to shield the Economy from Covid-19 Pandemic

Almost all the sectors have been adversely affected due to rise in Covid-19 cases which lead to recession and economic collapse and nationwide lockdown. This has resulted in most people taking to the internet and internet-based services to communicate, interact, and continue with their job responsibilities from home Internet and Technology has stared supporting almost all sectors of our economy including Manufacturing, Production, Organizations, Service Sector, Healthcare, Primary / Agricultural Sector, Monitory Support for farmers / poor families and small businesses.

The Indian government has taken several steps during Covid-19 pandemic to ensure a hassle-free delivery of services goods and services to people, several useful application have been launched as part of the Digital India initiative based on Artificial Intelligence by Indian Government:

1. Aarogya Setu App - It connects Indian citizens with essential health-related information. The app is developed to fight the ongoing pandemic and help the Department of Health to reach out to more people.
2. Aaykar Setu App – An app brought by the Income Tax department which offers an entry point to the different services offered by the department.
3. BHIM UPI App - It can be viewed as a digital wallet. You can use this app to transfer money or receive money from one bank account to another. Vision is to "Making India Cashless."
4. DigiLocker App – An app introduced as a part of Digital India Initiative and same shall be use to store digital documents. It propagates the idea of paperless governance.
5. ePathshala App – User can access textbooks and periodicals via this app. It works on different devices such as mobile phones, tablets, and laptops. This educational app is offered by the National Council of Educational Research and Training.
6. GST Rate Finder App – to help the business ministry has launched this app which offers a simplified representation of GST-related information.
7. Indian Police at Your Call App – An app designed for the citizen's safety and security. You can use this app to find the nearest police station to your location.
8. mAadhaar App - The app can be used to store a digital version or a soft copy of your Aadhaar card, which can be used for verification.
9. MADAD App - The app can be used to launch grievances regarding a situation that involves imprisonment in a foreign land, worker abuse, repatriation, etc. Note that issues related to passport and visa will not be handled by the app.
10. mParivahan App – This app can be used to access information concerning Regional Transport Offices (RTO) and vehicles. This app comes in handy to locate the nearest RTO or the nearest Pollution Checking Centre.
11. mPassport Seva App - It is a part of the Passport Seva Project that helps to provide passport-related services to the general public in a convenient manner.
12. MyGov App - It encourages direct citizen participation by offering an avenue for posting comments related to policies and other initiatives.
13. PMO India App - The app is available in 13 languages and can be used to know updates from the PMO.
14. UMANG App - UMANG stands for Unified Mobile Application for New-age Governance. You this app can be used to access government services. This app brings different government services under one umbrella.
15. CoWin: The Union Health Ministry has developed a digital platform, including an application CoWin, for real-time monitoring of Covid-19 vaccine delivery, recording data and to enable people to get themselves registered for vaccination.

In order to tackle the coronavirus outbreak, both central and state governments have ramped up their efforts, which includes launching smart phone applications. These applications (apps) are very effective and beneficial in this Lockdown situation, social distancing norms etc.

Apart from government, the companies from private sectors had also launched online grocery apps in India before Covid -19 pandemic and the use of these apps have been increased rapidly during pandemic for ordering services and goods keeping the social distancing norms in consideration. The following apps have been used considerably during pandemic:

1. Big basket: Big basket brings the whole supermarket at your fingertips. The products are made available directly from the farmers for the user to choose from.
2. Flipkart Supermarket: Flipkart Supermarket has a large variety of products, from spices to grains to dairy products, which makes it the one-stop for all your daily essential shopping needs. It offers home delivery as well as pick up options in all the available cities.
3. Nature's Basket: Nature's basket aims at bringing the freshest and finest food and staples to its customers across India.As one of the best food delivery apps in India, Nature's basket is trusted and relied on by many Indians for easy shopping.

Covid-19 is a pandemic but still it is **ACCELERATING THE RISE OF THE DIGITAL ECONOMY.** This digital mandate isn't new; it's simply been brought into sharp focus. Prior to the pandemic, a paradigm shift towards digitization of the economy was already underway. Current events have accelerated the paradigm, as evidenced by the marked shift in spending towards digital businesses.

Businesses that had not only developed digital strategies but executed on them prior to the pandemic are now in a position to leapfrog their less nimble competitors. Organizations that embrace digital solutions have greater resiliency in the face of adversity—and a leg up on the competition that will enable them to recover faster and pivot from playing defense to chasing growth.

Digital Advantages to an Organization using Technology:

- Efficiency advantage:
- Productivity advantage:
- Security advantage:
- Customer advantage
- Agility advantage

During Covid-19, the digitization has bridged the gaps between citizens, corporate and government. We would have not able to manage work, education, daily need without digital tools and technologies during pandemic which has given new vision to the country. Due to growing digitations, the corporate have started exploring options to offer permanent work from home facilities which is beneficial from social and environmental perspective.

In view of the scale of disruption caused by the pandemic, it is evident that the current downturn is fundamentally different from recessions. In 2020, the global economy shrank by 4.3% – over two and half times more than during the 2008-2009 global financial crisis. Adopting new principles like bringing Technology and Internet in the Economy will help businesses in treading a new path in this uncertain environment.

Digital transformation powers the backbone of the economy and county. Technology is transforming virtually all aspects of the economy and society. The digital economy is the new productivity platform that have proven beneficial for the society. This year has proven one of the biggest and fastest-growing technology markets in the world. Digital and technology adoption in India has been increasing at a steady rate over the last few years, and the current COVID-19 pandemic has accelerated the rate of technology adoption across sectors, including in high involvement services such as education and healthcare. Considering the growth of Indian digital economy, it is likely to play an important role in the transformation journey of the global digital economy in the years to come.

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DIGITAL ECONOMY

What is Digital Economy?

Digital economy refers to an economy that is based on digital computing technologies, although we increasingly perceive this as conducting business through markets based on the internet and the World Wide Web. The digital economy is also referred to as the **Internet Economy**, **New Economy**, or **Web Economy.**

The digital economy is the worldwide network of economic activities, commercial transactions and professional interactions that are enabled by information and communications technologies (ICT).

It can be succinctly summed up as the economy based on digital technologies.

Don Tapscott first coined the term digital economy in his 1995 best-selling book **The Digital Economy**: Promise and Peril in the Age of Networked Intelligence.

Nicholas Negroponte, founder of the Massachusetts Institute of Technology's Media Lab and author of the 1995 book Being Digital, has described the digital economy as using "bits instead of atoms."

There are three main components of this economy, namely,

- e-business
- e-business infrastructure
- e-commerce

In the last 15 years, we have seen the tremendous growth of digital platforms and their influence on our lives. Now consumers are influenced by things they see on **social media** (Facebook, Twitter, Instagram) and other such popular websites (Youtube etc).

So this **economy** is a way to exploit this opportunity. Now it is integrated into every aspect of the user's life – healthcare, education, banking, entertainment etc.

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Digital Economy Vs. Internet Economy

In its earliest days, the digital economy was sometimes called the internet economy, the new economy or the web economy due to its reliance on internet connectivity.

However, economists and business leaders assert that the digital economy is more advanced and complex than the internet economy, which, under one definition, simply means economic value derived from the internet.

The digital economy reflects the move from the **third industrial revolution** to the **fourth industrial revolution**. The third industrial revolution, sometimes called the digital revolution, refers to the changes that happened in the late 20th century with the transition from analog electronic and mechanical devices to digital technologies. The fourth industrial revolution builds on the digital revolution as technologies today continue to bridge the physical and cyberworlds.

Importance of Digital Economy

Although some organizations and individuals use technologies to simply execute existing tasks on the computer, the digital economy is more advanced than that. It is not simply using a computer to perform tasks traditionally done manually or on analog devices.

Instead, the digital economy highlights the opportunity and the need for organizations and individuals to use technologies to execute those tasks better, faster and often differently than before.

Moreover, the term reflects the ability to leverage technologies to execute tasks and engage in activities that weren't possible in the past. Such opportunities for existing entities to do better, to do more, to do things differently and to do new things is encompassed in the related concept of digital transformation.

Digital Technologies

The digital economy extends well beyond digitization and automation.

Instead, this new paradigm harnesses multiple advanced technologies and new technology platforms. Those technologies and platforms include but aren't limited to: hyperconnectivity, the internet of things (IoT), big data, advanced analytics, wireless networks, mobile devices and social media.

The digital economy uses these technologies, both individually and in concert, to rework traditional exchanges and enable new ones.

Entrepreneurs in the Digital Economy

Numerous entrepreneurs seized on the technologies that fuel the digital economy to create new companies and new business models that could not have existed, or existed at the size and scale they do today, in past generations.

These new companies include the ride-sharing platforms ***Uber*** and ***Lyft***; the home rental platform *Airbnb* and content-on-demand services, such as *Netflix* and *Spotify*.

Digital Transformation Examples

There are numerous examples of traditional companies transforming to succeed in the digital economy as well.

Take retailers ***for example*** most retailers initially developed websites to enable online sales. As the world moves more fully into the digital economy, forward-thinking retailers now leverage technologies to reach and serve customers through a variety of channels. These retailers use online sales and mobile apps to identify buyers, whether they're shopping via the internet or in person. They can collect and analyze each customer's browsing and sales data to better understand their interests. And they can use that data to reach out to customers via social media, allowing for better service and ultimately higher sales and increased brand loyalty.

The idea of utilizing technology to unify the customer experience across different real-world and cyberspaces is often called an omnichannel or multichannel approach.

Another example of digital transformation is **John Deere**, the 179-year-old company built on making farm equipment that now also includes data-driven platforms to help farmers optimize production.

Vehicle manufacturers that offer telematics solutions to pinpoint and communicate maintenance requirements, such as *Daimler Trucks North America* and its *Detroit Connect Virtual Technician*, which provides remote diagnostic service for select trucks, also illustrate the digital transformation needed to compete in the digital economy.

Merits of Digital Economy

Digital economy has given rise to many new trends and start-up ideas. Almost all of the biggest companies in the world (*Google, Apple, Microsoft, Amazon*) are from the digital world.

Let us look at some important **merits** of the digital economy.

1. Promotes Use of the Internet

If you think about it, most of your daily work can today be done on the internet. The massive growth of technology and the internet that began in the USA is now a worldwide network. So there is a dramatic rise in the investment on all things related – hardware, technological research, software, services, digital communication etc. And so this economy has ensured that the internet is here to stay and so are web-based businesses.

2. Rise in E-Commerce

The businesses that adapted and adopted the internet and embraced online business in the last decade have flourished. The digital economy has pushed the e-commerce sector into overdrive. Not just direct selling but buying, distribution, marketing, creating, selling have all become easier due to the digital economy.

3. Digital Goods and Services

Gone are the days of Movie DVD and Music CD's or records. Now, these goods are available to us digitally. There is no need for any tangible products anymore. Same is true for services like banking, insurance etc. There is no need to visit your bank if you can do every transaction online. So certain goods and services have been completely digitized in this digital economy.

4. Transparency

Most transactions and their payment in the digital economy happen online. Cash transactions are becoming rare. This helps reduce the black money and corruption in the market and make the economy more transparent. In fact, during the demonetization, the government made a push for online transactions to promote the web economy.

Demerits of Digital Economy

1] Loss in Employment

The more we depend on technology, the less we depend on human resources. The advancement of the digital economy may lead to the loss of many jobs. As the processes get more automated, the requirement for human resources reduces. Take the example of online banking itself.

2] Lack of Experts

Digital economy requires complex processes and technologies. To build the platforms and their upkeep require experts and trained professionals. These are not readily available, especially in rural and semi-rural areas.

3] Heavy Investment

Digital economy requires a strong infrastructure, high functioning Internet, strong mobile networks and telecommunication. All of this is a time consuming and investment heavy process. In a developing country like ours, development of the infrastructure and network is a very slow, tedious and costly process.

Waves of Disruption

The digital economy has created waves of disruption. New companies and new ways of interacting have emerged. However, many companies and industries that did not or could not capitalize on the technologies to change their operations have faced declining sales, falling market share and even complete collapse.

Blockbuster and other content rental shops that did not adopt streaming technologies quickly enough shuttered their operations. The taxi industry is now struggling to compete for customers who find *Uber* and *Lyft* easier to use. Kodak and other camera equipment companies that didn't move to digital formats and online sharing platforms drastically shrank their product offerings as smart phones and social media platforms replaced film and photo albums.

Digital Economy in the Pandemic Era

Digital technology has played a critical role in facilitating pandemic prevention, in resuming, and in the expansion of consumption. In the post-pandemic era, digital technology- empowered new products, new services, new forms of business and new business models in various industries such as education, health care and smart-homing sectors will become important factors that will impact on economic growth and boost circular economy in a country. The digital economy will be a vital force to drive such sustainable economic recovery, and facilitate disruptive change in production activities, accelerating the shift of digital technology application from consumption to the production side. India in 2020 has been one of the biggest and fastest-growing technology markets in the world. Digital and technology adoption in India has been increasing at a steady rate over the last few years, and the current COVID-19 pandemic has accelerated the rate of technology adoption across sectors, including in high involvement services such as education and healthcare.

From the consumer perspective, there is a behavioural shift in using digital as the primary channel, even for high velocity everyday purchases. Domestic and global investors are actively participating in building digital infrastructure - communication networks, data centre and cloud services, and electronics manufacturing- to support India's fast-growing digital economy.

Specifically, 2020 has been a breakout year for the electronics manufacturing industry. Government incentives such as Production Linked Incentives (PLI), Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS), and Modified Electronics Manufacturing Clusters Scheme (EMC 2.0) under the aegis of 'Atmanirbhar Bharat' generated significant interest from global investors in setting up manufacturing and supply chains in India. In October, the government approved applications of 16 electronics companies under the PLI scheme, and the scheme is now also being extended to 10 other sectors, including telecom and networking components.

A strong manufacturing ecosystem complements scientific and industrial research, and the developments in the electronics manufacturing industry in 2020 are likely to boost the overall technology manufacturing in India in the years to come. This will enable a self-sustaining ecosystem for research & development in advanced technologies, leveraging India's cost- effective science and engineering talent.

In the export markets, India's tier-1 technology services companies have shown resilience in not only revenue performance, but also in margin performance during this pandemic, and also stepped up hiring activity during the year. There has also been significant interest from tier-1 and tier-2 technology services companies to establish strategic partnerships with their MNC clients with respect to their captive technology and business operations, including acquisition and business transfer of certain assets.

For the MNCs, exiting sub-scale captive operations through strategic sale and business transfer helps unlock value, while ensuring business continuity. For service providers, such deals tend to strengthen client relationships and also provide revenue stability in the medium term along with skilled employees and capabilities. This year witnessed a few strategic transactions of this nature, and this trend is likely to continue into the future, as MNCs streamline their global product development and service delivery strategies in the post COVID-19 world.

From the demand side, digital transformation deals continue to gain momentum as enterprises invest in cloud based infrastructure for digitising their customer channels and business operations. Technologies such as artificial intelligence and edge computing are gaining momentum in designing next generation cloud-to-edge architecture and services. Workforce transformation in a work-from-anywhere environment has witnessed significant developments during the year, and also fundamentally transformed the way global delivery models are executed.

As we look into the future, global delivery models in technology services industry could witness a significant redesign, in the technology enabled world of work. Client project delivery would shift from mobilizing resources to mobilizing skills in a fully distributed workforce spread across multiple geographies, collaborating seamlessly for client projects delivered using cloud-based environments.

COVID-19 has brought significant shifts in technology consumption for enterprises, governments, and consumers alike, and 2020 has been the inflexion point in that transformation journey. As we look into the future, mass digitization is a reality, across sectors and across the world, and a range of enterprise and consumer technologies — from 5G to the cloud to virtual reality and edge computing — will continue to offer opportunities to global enterprises. There is greater market potential, shorter adoption cycles, and possibly lower costs for next generation tools and technologies, and it's imperative for organizations to reimaging customer experience and business processes for a digital first world.

Workforce transformation has proved to be one of the significant developments across industries. What started out as necessity in 2020 is likely to find a new equilibrium in 2021, as organizations reimagine workforce and workplaces at a more fundamental level keeping in mind long-term transitions in their business. Successful organizations will be those that are able to redesign their approach towards workforce management, in attracting, engaging, and retaining talent in a wholly different, technologically-enabled world of work.

The learnings on workforce transformation from the technology industry, which is one of the earliest to adapt to this phenomena would have relevance and resonance across the broader knowledge industries. The Indian technology industry's talent machine coupled with fully distributed global delivery models is likely to play an important role in the transformation journey of the global digital economy in the years to come.

The Future of the Digital Economy

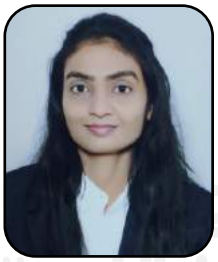
Leading business experts agree that the digital economy is at its start.

To compete in the years ahead, organizations - whether they are for-profit businesses, service-oriented entities, such as healthcare systems, or nonprofit and government institutions

- will need both leaders and employees who are able to innovate.

They will need to leverage today's emerging technologies, such as internet of things (IoT) and prescriptive analytics, to better connect with existing and potential customers and to be more responsive while also being more efficient and effective.

Moreover, they'll have to be prepared to explore how best to develop or use emerging technologies or risk being left behind as the digital economy moves forward.



DIGITAL ECONOMY : THE FUTURE OF INDIAN ECONOMY

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Let us discuss about the Indian Economy which has experienced a drastic change over a few years. Today world is not just constantly changing but changing very fast. Digital transformation is one of the reasons for these changes happening in the society. Nobody would have expected that something like digital economy will prevail in this era. The businesses will become e-business, commercial activities will become e-commerce, marketing activities will be replaced by digital marketing, governance will become e-governance, payments will become electronic and the economy will move towards a digital economy facilitated by the expansion of access to computers and internet at the workplaces. It is a harbinger for the society. As society experiences changes due to technology, so is the economy experiencing changes in its working. It can be understood as performing economic activities through the internet and communication technology.

On 8th November, 2016, Our Prime Minister Narendra Modi came up with demonetization which was a sudden attack to public but the goal was checking corruption, black money and spurious currency. Later on the goal was shifted towards making India into Digital Economy, to spread economic benefits to all sections of the society. Economy has four basic components: sale and purchase of goods and services, optimum utilization of resources, its impact on society and international sphere. Digital Economy provides avenue for free movement of goods and services, the basic principle of capitalism across the world. Thus, the economies like India which can produce goods at cheaper price and by selling into Developed Nations will leads to **Income Redistribution**.

The core of the digital economy is the "digital sector" the Information Technology /Information and Communications Technology sector producing the essential digital goods and services. The essence of "Digital Economy" can be described as the part of economic output derived from digital technologies with a business model whose foundation is based on digital goods and services. The widest scope of it would be the use of Information and Communication Technology in all the economic fields. It is more about dynamics not the static efficiency. It is more about new products and new activities than about higher productivity. The biggest reform can be seen in the Banking Sector, now it is heavily digitized helping in achieving Financial Inclusion. Earlier people in remote areas rarely have the idea of internet and its uses, but now the people know about technological advancement they used to make payments digitally, transfers money electronically, purchase products online because they understand that it is safe and saving their much time. We don't even need to visit bank for our day to day needs, just by one click on the Banking App we can pay, by ATMs we can withdraw, no need to carry cash everytime, track our transactions at our ease.

The Digital economy focuses how the new technology and business strategies are transforming not only the business processes but also the way products and services are created and marketed, the structure and goals of the enterprise, prevailing competitions in the market and all the rules of business success. But, the exceptional journey doesn't end there. The Digital Economy will also take us to the epicenter of a new concurrence of computing, telecommunications and entertainment. It also tackles the dark side of the information highway, looks at the dangers of the revolution underway for every business, society and individuals.

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Apart from the advantages of digitization there are some major challenges which we cannot deny or ignore: Internet access to all specially in rural areas even with the emergence of reliance jio and other networks people are able to access but still lacking digital literacy, people are not aware about the things like cyber crime, the passwords, the otp's everything is very sensitive information. As people in urban areas are aware of but to inculcate digitization in the lives of every citizen like sub-urban or rural areas is still a big challenge.

The Digital Economy in India is not a regularly marketed economic activity, and GDP figures cannot take account of the economic benefits of digital economy just like time saving, increased customer's choice, lower cost of products. Technology is going to revolutionize business and its culture by transforming all aspects of the economy and society. The digital economy is a new platform that some experts considers as the third industrial revolution.

Digital Economy in Pandemic: During current pandemic situation, digital economy has played a significant role in facilitating pandemic prevention, in resuming and in the consumption. In this period digital economy played a crucial role by bringing technology empowered new products, new services, new forms of business and new business model in various industries as work from home for employees so that their work and jobs do not suffer, online classes for students so that studies do not suffer, online health consultations so that people can get doctor's help by staying at home, online food and groceries delivery by facilitating the nationwide lockdown, everything was possible only because of internet and digitalization.

Concluding the above study, about the new round of digital economy boost is facing many meaningful opportunities. The digital economy has a significant positive impact on post-pandemic recovery, employment absorption, consumption, industrial up gradation, integrated development of manufacturing and service industry. As the recent reform led by the Education Sector that data science and coding will be introduced in the curriculum of students is also an impact of digital economy and will definitely leads towards a different and forward economy for India by providing students with the opportunity to test and experiment with technology. Teaching sector is also not left untouched by the technology, the new and existing staff were provided trainings under Diksha App with the motive to upgrade their knowledge and subsequently pass such knowledge on to the students. The concept of Continuing Professional Development also plays a crucial role for the workforce to remain competitive throughout life. Even the women who were earlier housewives have started doing business with the help of technology without much investment and are earning a nice return and it is leading towards “aatm-nirbhar bharat”.

DIGITAL ECONOMY

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Digital economy refers to an **economy** that is based on **digital** computing technologies, although we increasingly perceive this as conducting business through markets based on the internet and the World Wide Web. The **digital economy** is also referred to as the Internet **Economy**, New **Economy**, or Web **Economy**.

The digital economy is a term that captures the impact of digital technology on patterns of production and consumption. This includes how goods and services are marketed, traded and paid for.

The term evolved from the 1990s, when the focus was on the impact of the internet on the economy. This was extended to include the emergence of new types of digitally-oriented firms and the production of new technologies.

The digital economy is now recognized to include all parts of the economy that exploit technological change that leads to markets, business models and day-to-day operations being transformed. So it covers everything from traditional technology, media and telecoms sectors through to new digital sectors. These include e-commerce, digital banking, and even "traditional" sectors like agriculture or mining or manufacturing that is being affected by the application of emerging technologies.

At the centre of the digital economy is a 'digital core'. This includes the providers of physical technologies like semiconductors and processors, the devices they enable like computers and smart phones, the software and algorithms which run on them, and the enabling infrastructure these devices use like the internet and telecoms networks.

This is followed by 'digital providers'. These are the parties that use these technologies to provide digital products and services like mobile payments, e-commerce platforms or machine learning solutions.

Lastly, there are the 'digital applications'. This covers organizations that use the products and services of digital providers to transform the way they go about their business. Examples include virtual banks, digital media, and e-government services.

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Digital Versus Traditional

So what makes the digital economy different to the traditional economy?

Firstly, digital technologies allow firms to do their business differently as well as more efficiently and cost-effectively. They also open up a host of new possibilities. Take navigation apps. No team of people would ever be able to provide real time, traffic-aware navigation in the way that smart phone apps do.

This means that products and services can be offered to more consumers, particularly those who couldn't be served before.

Secondly, these effects are giving rise to entirely new market structures that remove, among other things, transaction costs in traditional markets. The best example of this is the rise of digital platforms such as Amazon, Uber and Airbnb. These companies connect market participants together in a virtual world. They reveal optimal prices and generate trust between strangers in new ways.

Lastly, the digital economy is fuelled by – and generates – enormous amounts of data. Traditionally when we made purchases in a brick-and-mortar store using cash, no-one was keeping an account of our personal consumption or financial transactions on a large scale. Now, ordering online and paying electronically means that many of our consumption and financial transactions generate electronic data which is recorded and held by someone.

The collation and analysis of this data provides enormous opportunities – and risks – to transform how a range of economic activities are performed.

Main building blocks of the digital economy are:

- **Internet:** This enables firms to offer goods for sale and enables consumers to browse for goods that they need.
- **E-mail:** Electronic communication enables very cheap, instantaneous communication across the world. It can be used to send information and requests very quickly.
- **Digital automation:** Firms can use the processing power of computers to make decisions on output, prices and how to reach consumers.
- **Digital payments:** credit cards, Apple Pay, Google pay, bitcoin, bank transfer. A digital economy is moving us towards a cashless society.
- **Automation:** Increasingly the digital economy relies on AI, mass use of electronic data and automated technology
- **Social media:** To a lesser extent, social media is an aspect of the digital economy. With individuals using it share recommendations about business.

Importance of the digital economy:

In the present world, the digital economy has been growing rapidly. Thus it is giving good competition to innovations. Competitiveness leads to good growth. For enterprise growth, both small and medium levels, the digital economy has become a key aspect. Thus, the technologies' growth is a key determinant for the country's development and businesses. It has reshaped the entire working procedure and the responsibilities of business leaders.

Merits and demerits of digital economy:

With the increasing time and introduction of several new technologies, the digital economy has given rise to numerous trends and startup ideas. However, with various advantages of the digital economy, there are some drawbacks that one cannot deny. Below are some of the advantages and disadvantages of the digital economy:

Advantages of the digital economy:

- **Greater information**: The internet has enabled consumers to have greater information and choice. For example, it makes it easier to compare prices between firms. It also brings information to a person's fingertips. This is particularly important for tourists going on holiday. Before the digital economy, it might not be possible to find the prices of hotels and bus timetables.
- **Saves time:** Before if you needed office supplies, you would have to make a journey into town and purchase. Now, you can make an order over the internet and it will arrive the next day. This saves business labour costs.
- **Reduced costs**: Firms can save on renting expensive buildings by running most of business through the internet. A digital economy enables firms to cut out an aspect of the retail chain and send personalised goods direct from factory or warehouse to people's goods, rather than through shops. This enables lower costs and lower prices.
- **Personalization**: A digital economy allows greater personalization than would be possible under traditional economy. For example, a traditional shop would only have room to stock a certain number of colours and sizes, but with the digital economy, a consumer can choose any preference and then the product can be custom-built e.g. 3D printer. For example, custom clothes that have particular sizes and colours to match individual preferences.
- **Lower barriers to entry**: In some markets, aspects of the digital economy make it easier for new firms to enter. If an entrepreneur has an innovative idea that catches on, they can create a new product which challenges traditional firms. The digital economy has brought many new services which were inconceivable before, such as online home deliveries for grocery to dating apps.
- **Creates significant data which can give new insights**: The mass production of data can help inform governments and charities about what is happening in the economy. For example, in tracking of COVID-19 spread, the use of an app on mobile phones may indicate where local hotspots emerge.
- **Benefits for developing world**: The digital economy is opening up opportunities for the developing world. For example, computer programmers in India can easily underbid western counterparts, leading to new job opportunities and higher income in India.
- **Enables people to work from home**: The digital economy has been a huge asset during the COVID lockdown. Without digital technologies, the decline in economic activity would have been even greater. The digital economy gives greater scope for people working from home and having greater flexibility in their hours (which may suit parents with children). Working from home can reduce contact and spread of a virus. It can also help reduce traffic congestion and pollution.

Disadvantages of digital economy:

- **Monopoly power:** Despite the potential for new start-ups, many aspects of the digital economy have become dominated by firms with monopoly power. For example, Amazon has cornered the market for online sales, meaning many firms have to go through the Amazon market place to reach consumers who go to Amazon out of habit. Similarly, Google and Facebook have all developed very strong brand loyalty and market share in their respective markets. This has made a few tech giants very profitable. With monopoly power, Google are able to charge high prices for online advertising and Amazon have the market power to undercut traditional booksellers.
- **Less community:** A traditional bookshop can act as a focal point for local community. It may hold events, book signings and individuals may enjoy the experience of browsing physical books. With the digital alternative undercutting traditional firms, old fashioned bookshops are forced out of business. Although books may be cheaper, we have lost physical interaction between sellers and buyers which was an important aspect of the buying experience.

- **Addictive nature of technology:** Whilst, in theory, the internet can save time, e.g. finding bus times is much easier with internet than paper copies, this time saved may be outweighed by the time we waste checking Facebook, twitter, internet searches. More choices do not necessarily lead to better outcomes.
- **Privacy issues:** Harvesting and using data has become big business. Facebook collects a large range of data on its users and this has been bought by political interests who can give very targeted political ads to its users.
- **Bypassing of labour laws:** The digital economy has created a trend towards using self-employed freelancers, who are not protected by the same labour laws. For example, delivery drivers for Ola and Uber drivers have often been employed on zero-hour contracts. This enables firms to cut labour costs, be more flexible, but it can leave workers without sick pay or employment protections.
- **Social media has led to more graphic content:** The anonymous and distant nature of social media has exacerbated trends to personal attacks and the posting of conspiracy theories or posting of violent/sexual images. The digital economy has enabled the proliferation of content that is damaging to human well-being.
- **Environmental cost:** It is a mistake to think that the digital economy implies a 'green solution.' Data centers use electricity and cause CO2 emissions. A bigger potential cost is how the digital economy encourages a 'throw-away' culture. E.g. the planned obsolescence of mobile phones and computers, encouraging consumers to buy new models, leading to greater use of raw materials.

Components of digital economy:

Basically, there are three major components of digital economy as listed below:

- E-business
- E-business infrastructure
- E-commerce

In the present technological world, consumers easily get influenced by things they see on websites and also on the other social media platforms. The digital economy is unified into a different aspect of the user's life, including education, healthcare, entertainment, banking, etc.

Major attributes of the digital economy:

- **Digitized:** Various analogue objects produce digital signals that can be easily measured, tracked, and even analyzed for efficient decision making. Moreover, lower costs for modern technology are allowing operators to concern more processing out into the business.
- **Connected:** Workers, assets, suppliers, and even stakeholders are all linked by wireless communications. It enables people to make better decisions and promotes safety, visibility and efficiency across the enterprise.
- **Shared:** The digital economy operates on the concept of sharing. Buying what is required often reduces costs and allows companies to pay only for the value received.
- **Personalised:** One of the major characteristics of the digital economy is customer personalization. Thus, it enables customers to get benefits from their favourite brand whenever and wherever they want.
- **Direct:** Leveraging remote intelligence to monitor, manage, report and resolve asset problems throughout the service lifecycle, eradicates the need to have local personnel.

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DIGITAL ECONOMY

Introduction

Digital economy means an economy where business is conducted under various sectors using technological means like the Internet and World Wide Web. It causes a vast level change to the economy in a positive way. Gone are the days when people were required to do every task manually. Now digitalization has eased different processes pertaining to various sectors. Now work can be done with much ease and in very less time. All this has resulted in economic growth at much large scale.

Impact of Digitalization on various sectors

1. Corporate sector

Corporate sector is the most impacted sector due to digitalization. This impact is totally a positive impact. Due to digitalization, we have various online portals which enable us to perform corporate compliances digitally.

Now let us know what are different digital websites to perform corporate compliance online-

(a) MCA website

The MCA website https://www.mca.gov.in/ has enabled us to perform different compliance related to Company and LLP online.

Different benefits which it has provided us are-

- Digitisation has made possible E- filing of all company related compliances.
- Company E- filing of company forms instead of Physical filing which reduced travelling and other related costs.
- You can search for any company related information online without visiting MCA corporate offices.
- Now Amended E- books of various acts are available on the website which you can read at your comfort.
- It has led to easy inspection of companies by making available option to download forms as for as years you wish to, in case you want to check company's compliance
- You can now visit various related websites through MCA website itself like trademark, ICAI, ICSI, ICWAI, My Gov. in, IRDA, SEBI, RTI online, PMO and many other websites.

(b) FSSAI Website

Digitization has made available following facilities for the food business operators using https://foscos.fssai.gov.in/:

- Online access to every information related to food business and any amendments by the Food Safety and Standards Authority of India.
- Online Application to register your food business.
- Filing online returns by exporters engaged in the food business.
- Besides above, you can online apply to become Trainers and Training partners to provide training to Food business operators.

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(c) Income Tax and GST Website

Using this website https://www.incometaxindiaefiling.gov.in/home, stakeholders can-

- Online File Income tax returns and
- Online compliance to various tax related compliances.
- Get information about various new amendments via circulars and notifications.

Using website https://www.gst.gov.in/, stakeholders can-

- Online apply for Goods and Services Tax registration.
- File online returns for GST paid on goods and services.
- Get information about various new amendments via circulars and notifications.

(d) FIRMS and FLAIRS portal

Besides above, to comply with RBI and Foreign exchange related compliances and be amended with latest notifications and circulars, you can visit below three websites-

- FIRMS portal-https://firms.rbi.org.in/firms/faces/pages/login.xhtml
- FLAIRS portal- https://flair.rbi.org.in/fla/faces/pages/login.xhtml
- RBI website- https://www.rbi.org.in/home.aspx

(e) Other useful websites for business use

Now due to digitalisation, we can learn about various government initiatives and schemes for the general public and business sector from various websites. These are-

https://www.startupindia.gov.in/

- This website can help to know about various initiatives and schemes available for businesses registered under Startup India Scheme and the procedure for registration under this scheme.

https://msme.gov.in/

- Above website will help to let you know about Government initiatives for Business Micro, Small and Medium Enterprises under MSME scheme.

https://www.dgft.gov.in

- You can visit this website for an online application for Import export code and know about other circulars, notices related to Foreign trade.

2. Business sector

Digitization has led to online selling of goods and services, what we call E-commerce. No one has ever imagined that they would be able to get goods and services at their doorstep instead of going out. But this has become possible due to Digitization.

3. Railways

Besides the business and corporate sector, we can witness vast changes in the Railways sector. Due to digitization, now you can online enquire and book trains without going to the railway office.

4. Different Online Websites for General Public

There are various websites available using which general public can avail various services online-

https://www.passportindia.gov.in/

- - To apply for Passports online.

https://sarathi.parivahan.gov.in

- - Online application for Driving License.

https://www.nvsp.in/

- - Application for Voter Id card online
- Besides this, you can apply for Birth, Death, Marriage certificate online on respective state's website

Benefits of Digitization on Economy

Now let us discuss about some of its benefits on economy-

- Smooth flow of different business activities.
- Paperless and digital mode of compliances and transactions
- Reduced time and effort to perform various business, corporate and general functions
- Digital flow of information related to various aspects
- Digital payments facility has led to cashless society
- Reduced cost for performing functions
- Increased efficiency and effectiveness
- Real time tracking of various business functions

Conclusion

As we have discussed above the impact and benefits of digitization on the economy, so at the end I would like to conclude this article by saying that the Digital economy has indeed caused a major positive change to the economy. This positive change has led to economic development and it is predicted that in future all this will result in making India a developed country from developing country.

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DIGITAL ECONOMY

Meaning of Digital Economy: The digital economy is the economic activity that results from billions of everyday online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is hyper connectivity which means growing interconnectedness of people, organisations, and machines that results from the Internet, mobile technology and the internet of things (IoT).

The digital economy refers to both the digital access of goods and services, and the use of digital technology to help businesses. The digital economy is also referred to as the Internet Economy, New Economy, or Web Economy.

Digital economy or we can say internet economy plays a vital rolein everyday life of all people, in a way we as individuals, Government, businesses, organisations, communities use digital platform to make more informed and data driven decisions, to inform public about new policies, schemes, yojana and can easily get public opinion on same. It has made buying and selling of goods, rendering essential services more effectively and efficiently. These days digital economy plays important role as we can shop just on fingertips.

The digital economy is the new productivity platform that some experts regard as the third industrial revolution. Digital economy or the Internet Economy is generatenew market growth opportunities these days and statistics shows that it is expected that it will grow very rapidly. In that scenario, it can be the big growth driver for developing countries like India. Through digital economy you can directly have access to banking services, education system, easily buy and sell goods and services or access to entertainment services like easily ticket booking for movies, amusement parks using the internet and subscription-based shows.

We can directly get any kind of information whether it is about education, research, knowledge or on any topic through digital economy. The digital economy plays an integral role in economy like India.It also recognizes that as sectors become data driven their economic structures change, industry boundaries blur, and the basis of competition changes. To move towards a digital India and achieve a better growing economy.

Government plays very important role in developing digital economy like making laws, rules for digital economy, promote IT sectors, to maintain networks of optical fibres and good internet connectivity even to the remotest part of the Country so that all villagers know the schemes of the Government, their policies, latest news.

Another invention of this new digital era and potential livelihood of future is crypto currency, Bitcoins, Dogecoins, Shibainu, etc. RBI also proposed to bring its regulated official crypto currency in India which can facilitate banking transactions and work as a digital gold. It can contribute for India's ambitious $10 trillions economy goal. It is helpful and vital for growth of India's new smart industrial city called as gift city in Gujarat.

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New technologies like Artificial Intelligence and data science plays an important role for predict the up and down in share price, can present valuable information from vast array of data for well-informed investment decisions.

Digital economy is good but there are some disadvantages such as Data Security, Crime and Terrorism, Complexity, Privacy Concerns, Social Disconnect, Job Insecurity, Overreliance on Gadgets and many more. Traditional concepts are declining as we can see many examples such as earlier, we use to rely on radios for listening songs, news, advertisements, commentaries, etc, but now the base has shifted to mobile phones, podcasts.

In this era, many entrepreneurs or billionaire are becoming successful because of this digital economy. Gen-z are more tech-savyand fascinated for exploring new opportunities that's why digital economy is booming rapidly.

Conclusion: Digital Economy is useful for developing countries like India and underdeveloped countries in many ways if we can manage and regulate it efficiently and effectively.

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DIGITAL ECONOMY

What do you mean by Digital Economy?

Digital Economy refers to economy based on digital platform. It is also referred as Internet Economy or New Economy.

"The aggressive use of data is transforming business models, facilitating new products and services, creating new processes, generating greater utility, and ushering in a new culture of management. " - By Professor Walter Brenner of the University of St. Gallen in Switzerland

Digital Economy is activity where billions of people interact with each other online for one or the other reason such as for business, personal relation, contract etc. This interconnection amongst people is because of Internet and other technology such as Mobile, Laptop/computer and Internet of Things (IoT).

As per Tech Crunch, a digital economy news site, noted, "Uber, the world's largest taxi company, owns no vehicles. Facebook, the world's most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world's largest accommodation provider, owns no real estate… Something interesting is happening."

Digital Economy slowly and steadily was gaining importance in everyone's life. But, after the outbreak of COVID-19, its graph has risen up. It is becoming more of general thing. From Farmers to School Children, everyone can learn online and has not to wait for face to face consultation. They can consult over video calling and can get advisory services. Now-a-days, even we can consult to a doctor through applications and can get consultations (such as Practo). COVID-19 and this pandemic has given a lesson on self-reliant and being Digi Eco friendly. Without these two we cannot survive in life.

Digital Economy during Covid-19

Covid-19 has mandated social distancing all over the world due to which country experienced lockdown in the year 2020 to control the spread of the deadly virus. Because of this pandemic, world experienced loss of GDP as it mandated all the business to shut down during the lockdown. Since, lockdown time increased from weeks to months, businesses found out the way to start their working and then, Internet and technology i.e. Digitalization stepped as to bridge the gap between the lockdown and social distancing.

Schools, colleges, coaching centres, Edtech, IT Sector, Marketing etc. built the online platform to deal and to continue with the studies of students, marketing, increase of businesses etc. Thus, raising the e-commerce's share of global retail trade from 14% in 2019 to about 17% in 2020.

At an event to release the report, UN General Assembly President Volkan Bozkir said the trend towards e-commerce is likely to continue throughout the recovery from COVID-19. "We need to recognize the challenges and take steps to support governments and citizens as they continue to embrace new ways of working," he said.

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UNCTAD Acting Secretary-General Isabelle Durant said: "Businesses and consumers that were able to 'go digital' have helped mitigate the economic downturn caused by the pandemic." "But they have also sped up a digital transition that will have lasting impacts on our societies and daily lives – for which not everyone is prepared," she said, adding: "Developing countries should not only be consumers but also active players and thus producers of the digital economy."

Though, during this pandemic, businesses or consumers which were able to 'go digital' were able to mitigate economy. But, not everyone was able to 'go digital', such as developing nations due to lack of resources, or cost of broadband services etc. Because of lack of resources, it will worsen the situation of inequalities between the countries. In order to curb and bridge the gap between developing and developed nation, UNCTAD has identified three critical areas where efforts are required:

1) Governments need to prioritize national digital readiness so that local businesses can go digital.

2) Businesses in developing countries should prepare themselves to participate in digital economy.

3) United Nations agencies and commissions, regional economic communities, and organizations concerned with digital development – need to strengthen their collaboration with governments and the private sector to leverage the opportunities and minimize the risks of countries falling by the wayside.

Digital Economy in India

With the introduction of Internet and other technologies such as Computers, Laptops, Mobile etc., educated people in and around in India started using these technologies and became Digital Friendly. But, our Prime Minister Narendra Modi, understood the importance of Digitilisation and introduced the program called ***"DIGITALINDIA"*** on 01st July, 2005. The motto of Digital India is "Power to Empower".

Since, urban areas were very well connected with internet networks, this initiative includes plans to connect rural areas with high-speed internet networks.It consists of three core components: the development of secure and stable digital infrastructure, delivering government services digitally, and universal digital literacy.

As of 31 December 2018, India had a population of 130 crore people (1.3 billion),

123 crore (1.23 billion) Aadhaar digital biometric identity cards, 121 crore (1.21 billion) mobile phones, 44.6 crore (446 million) smartphones, 56 crore (560 million) internet users up from 481 million people (35% of the country's total population) in December 2017, and 51 per cent growth in e-commerce.[1]

After the launch of Digital India program, our Prime Minister announced

Demonetization in order to curb out the Black money from country and to enable the country to opt for Digital Payment rather than using cash. For ease of making payment UPI, Scan & Pay techniques were launched to make payment in just one click rather then following the procedure of adding Beneficiary.

COVID-19 Impact on Digital Economy in India

Year 2020 came at standstill when, lockdown was implemented in India on 23rd March, 2020. According to an IAMAI-Nielsen Report[2] on Digital India, as of November 2019, the total number of internet users in India stood at 504 million, out of which 433 million internet users were above the age of 12. It would be correct to say that this pandemic has achieved digital growth in India.

In first lockdown, only essential deliveries were allowed, hence only such people were able to enjoy the digital platform such as Grofers, Bgbasket, Amazon Pantry etc. As Unlock 1.0 began, starting May 17, the situation started to improve with authorities allowing the sale of non-essential items in designated 'Green Zones,' and thus, unleashed some pent-up demand.

Figure 1.3

Change in Percentage of Internet Users Shopping Online

YoY Change in % of Internet Users Shopping online

Month	Tier 1	Tier 2	Tier 3 + Others
Jan-20	2.25%	1.02%	0.65%
Feb-20	-1.64%	-2.46%	-3.43%
Mar-20	-4.25%	-5.19%	-6.75%
Apr-20	-7.51%	-8.26%	-8.37%
May-20	-6.14%	-6.05%	-6.61%
Jun-20	-3.29%	-3.87%	-3.32%
Jul-20	0.16%	-0.56%	0.10%

The above table is the study done by Aman Kumar, Co-founder, KalaGato (ISB). This figure indicates that the shopping and non essential items were open for delivery July end, and at that time the only market to shop was online, thus we can see the increase in digital economy by July end. The data collected by him showed that a large part of digital consumption and growth comes from both tier-two and tier-three cities in India.

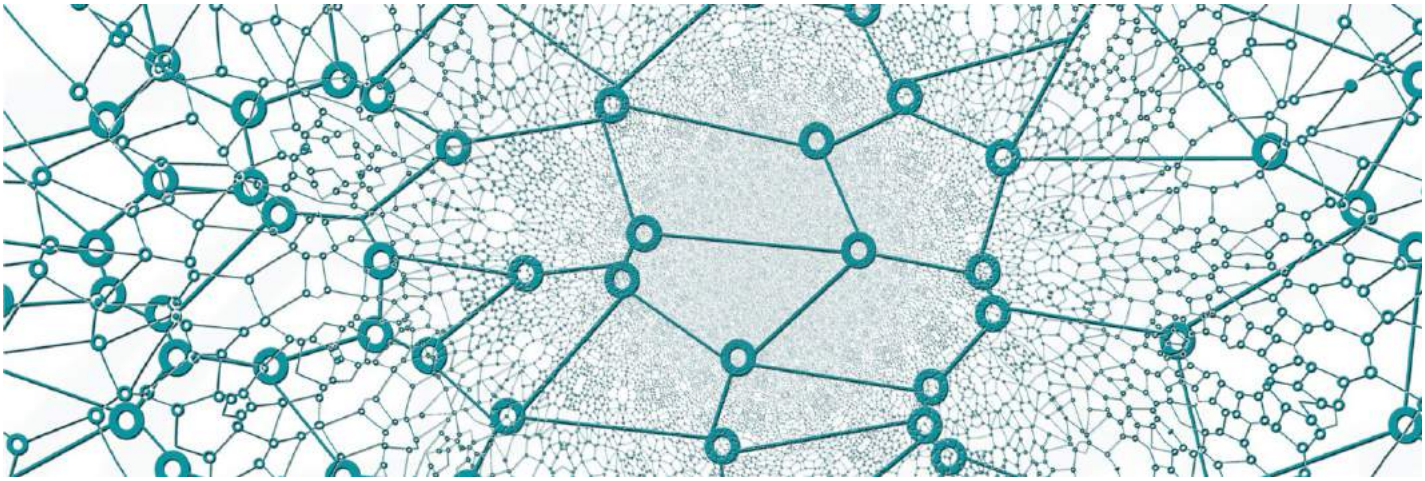
It was also observed that fashion E-Commerce industry was looking at another bumper year until the pandemic normalised 'Work from Home' (WFH) as business suits, trousers, shirts were replaced by shorts and t-shirts as no one wears formals while working from home. Online fashion retailers who had great demand in the month of January and February, 2020 seen a dip in demand during the lockdown as, Corona and lockdown taught us one thing that to do less expenses. Eventually, as unlocks began and once offices started reopening, they again seen the hike in online shopping and public at large preferred shopping online rather than visiting market even if shops were open.

Since, all the restaurants were closed during lockdown and family was enjoying their family time, wives, mother were engaged in kitchen preparing special dishes and learning cooking techniques from YouTube. Many women discovered their talent either in cooking, crafts, sewing dresses etc and started their own YouTube channels, blogs and now became Self independent and started earning from these channel and blogging sites.

During these hard times, our Prime Minister regularly came Live and always motivated us and ask us to be Self Dependent. And during this hard times many has set up their businesses online or started blogging and forecasting their talent. Even people focused on their fitness and joined online classes as to stay away from CORONA fitness and immunity were the major factor.

CONCLUSION

Though the year 2020 year was marked as black in everyone calendar because of economy slowdown, many lost their loved ones, but we can also say that our Prime Minister motive to make India digitally strong through **DIGITAL India** motto and the infrastructure established in rural areas didn't let the country down. And after facing certain troubles, our country was able to revive electronically and digital platform started contributing towards our economy and strengthening our GDP.



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AN INDIAN ERA - DIGITAL ECONOMY

"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."

What Is a Digital Economy?

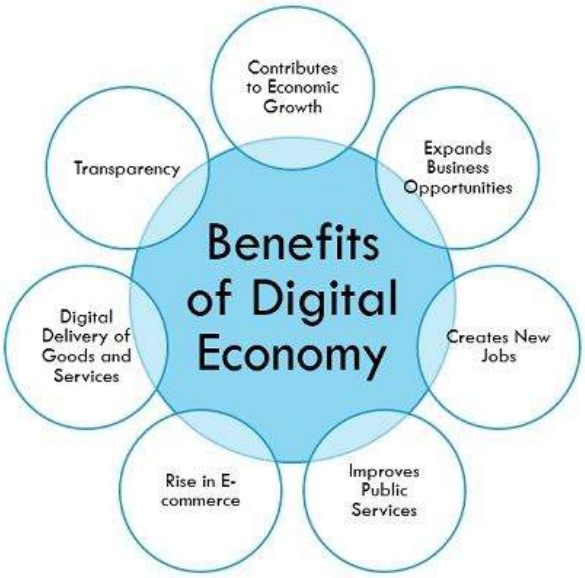
Economy refers to an economy that is based on digital computing technologies. The digital economy is also sometimes called the Internet Economy, the New Economy, or Web Economy.

Digital economy is a term that is often used to cover this activity, but is hard to define. The Indian digital economy is not 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 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.

Information technology and communication technologies have huge potential to provide new opportunities and challenges for developing economies. Since the wave of liberalisation in the 1990's, India has harnessed technologies along with vast economic reforms to open up Indian markets to global businesses and investments. However, in the recent past, the Indian leadership's focus on amplifying digitisation has deepened and they have begun to acknowledge the potential to transform India into a true technology leader.

Digital India

Digital India was a campaign launched by the Government of India under the aegis of the Ministry of Electronics and Information Technology, on July 1st, 2015, to ensure the delivery of Government's services through electronic media. The core vision of this initiative as per the Government is divided into three broad aspects – digital infrastructure as a core utility for citizens, governance and services on demand and the digital empowerment of citizens. The initiative includes plans to develop better digital infrastructure in rural areas and boost the existing digital economy.



Since its inception the Government has been consistently scaling the Digital India initiative, they increased the outlay for the programme by 23% to Rs. 3,958 crore for the year 2020-21. This increase is likely to contribute to scaling our electronic manufacturing industry, facilitating research and development and strengthening cyber security and data protection frameworks.

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Major Milestones and Schemes Under Digital India

The Digital India programme has witnessed a consistent upward growth trajectory, achieving numerous milestones and dotted with major milestones and flagship initiatives. These achievements cover a wide plethora of sectors and include development of broadband highways, universal access to mobile connectivity, public internet access programmes, e-governance to name a few. Many major schemes and projects such as Aadhaar, Smart Cities Mission, BHIM UPI, RuPay, GSTIn, GeM (Government e-Marketplace), DigiLocker come under the aegis of the Digital India programme.

Infrastructure Sector Growth

It has also initiated the ambitious Bharat Net programme, that undertook the task of connecting 2.5 lakh gram panchayats by fibre-optic network and has achieved around 1,40,000 connections thus far. Promoting digital inclusion is also a core component of the initiative with programmes like Common Service Centres (CSCs) that enable the delivery of digital services through the internet in rural areas. The scheme also works to promote employment in rural areas in digital and allied services.

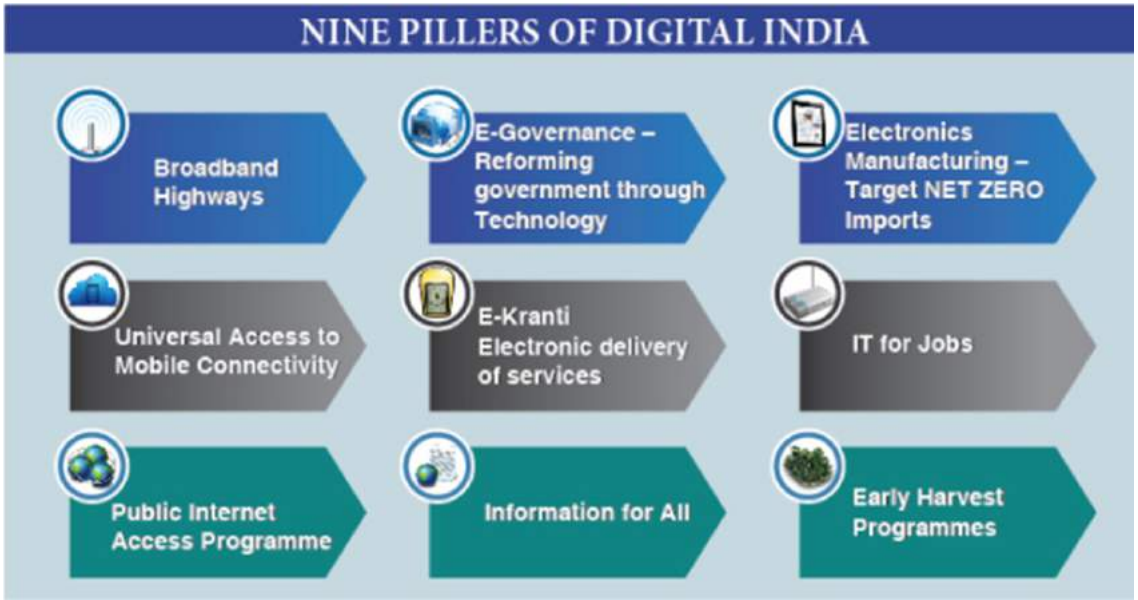
Development of Technology start up Ecosystem

The initiative also focuses on tapping into the potential of the digital start-up ecosystem, as India is home to 9,300 tech-startups which makes it the third largest tech start-up ecosystem in the world. A large number of these start-ups dabble in niche areas in technology like AI, Block chain, analytics and cyber security. In order to create a conducive ecosystem the MeitY has launched programmes like TIDE (Technology Incubation and Development of Entrepreneurs), promotion of ESDM (Electronics System Design and Manufacturing) Skill development and the setting of incubation centres that are working to promote indigenous technology. The growth in the e-commerce market, which is estimated to be worth $54 billion in 2020 is testament to the Government's efforts.

Nine Pillars of Digital India

Digital India is an umbrella programme that covers multiple Government Ministries and Departments. It weaves together a large number of ideas and thoughts into a single, comprehensive vision so that each of them can be implemented as part of a larger goal.

Each individual element stands on its own, but is also part of the larger picture. Digital India is to be implemented by the entire Government with overall coordination being done by the Department of Electronics and Information Technology (DeitY).



Digital India aims to provide the much needed thrust to the nine pillars of growth areas, namely Broadband Highways, Universal Access to Mobile Connectivity, Public Internet Access Programme, e-Governance: Reforming Government through Technology, e-Kranti - Electronic Delivery of Services, Information for All, Electronics Manufacturing, IT for Jobs and Early Harvest Programmes. Each of these areas is a complex programme in itself and cuts across multiple Ministries and Departments.

Impact of Digital India on India's Economic Growth

- Starting a Digital Locker to help Citizens of India store their important govt ids such as PAN Card, Passport, Voter id card and education mark sheets. All the citizens need to use their locker is an Adhaar Card.
- My Gov Portal to improve good governance by help from citizen engagement.
- ORS portal to help citizens of the country to handle online appointments, pay online fees of doctors and govt hospitals.
- Design Framework to allow the w digital signing of documents.
- The impact of Digital India was expected to :
- Reduce Corruption.
- Increase speed of public sector services rendered to citizens of the country.
- Decrease documentation.
- Provide an easy to manage online storage to store all documents.
- Provide simple and easy to use cloud space on the internet.

Global Interest in Digital India Programme

The Government of India has also collaborated with major technology companies worldwide to realise its vision. Google Inc. collaborated with the Indian Railways to set-up free Wi-Fi services at 100 major railway stations in India. Google worked in tandem with RailTel, an Indian PSU, that deals with optic-fibre networks along railway tracks in India that will be used to provide these Wi-Fi services. Microsoft Inc. has worked with the Government of India on the Digital India Initiative, with their most recent contribution being the "Digital Governance Tech Tour". This is a national programme that helps deliver critical AI and intelligent cloud computing skills to Government officials in charge of IT across the nation. The scheme has also received steady investments over the years.

Road Ahead

There is no doubt that the Digital India Initiative has been a huge success in its first five years. However, it is imperative that an accelerated focus is placed on certain core components such as enhancing digital literacy and accessibility to truly realise the potential of India's digital economy. Though the Government has developed state of the art systems and schemes, it is important to ensure that these systems are prepared for interoperability across the board. The Government must invest in focus areas in e-Commerce, data processing and tech start-up ecosystem.

It is also important to acknowledge that the schemes and initiative under Digital India don't operate in a vacuum, it is important to create strong legislative and administrative frameworks to facilitate the realisation of this vision. There is a need for India to strengthen its cyber security frameworks and promote informational privacy of citizens on an urgent basis. The Personal Data Protection Bill, 2019, that is presently under consideration by the Government, is a step in this direction and will help India to protect and secure its digital interests and rights. It is also time for India to forge digital policies that are tailored made for the Indian scenario and tap into the vast treasure trove of technical competence at India's disposal.

DIGITAL ECONOMY AND ITS IBC INTERFACE

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Introduction

As we all know that an economy consists of consumers who buy products and services, businesses who employ consumers and make goods, and the government at various levels who buy products, employ labour and levy taxes. Their collective interactions create a simplified economy. Adoption of digital technology in transforming the services and businesses by replacing manual& traditional processes refers to digital transformation. Digital transformation is rapidly taking over the fundamentals of running businesses, interacting people and running the economy as a whole which depicts that the whole world is swiftly moving towards digital economy. Digitalisation is the most important and effective element for the growth, innovation, competitiveness in any business and it is the fundamental reality. We are living in the digital world and digital revolution has completely changed the way we have lived our lives. Every industry, organisation, Government needs to transform itself in next few years to cope with the changing digital environment otherwise they will be left behind in the race.

Digital economy creates abundant opportunities and data have become new economic resource for creating and capturing value. Control over data is strategically important to be able to transform them into digital intelligence. Digital data can be used for development purposes. It can thus help improve economic and social outcomes, and be a force for innovation and productivity growth. From a business perspective, the transformation of all sectors and markets through digitalization can foster the production of higher quality goods and services at reduced costs. Furthermore, digitalization is transforming value chains in different ways, and opening up new channels for value addition and broader structural change. The evolving digital economy is closely associated with several technologies i.e. block chain, data analytics, artificial intelligence, 3D printing, internet of things, automation & robotics, cloud computing etc. The major components of digital economy are e-business, e-business infrastructure and e-commerce.

E-commerce is one of the most important components of digital economy which covers goods and services sold and brought online under business-to-consumer segment. It allows consumers to benefit from greater choices and low prices. The benefits of e-commerce are abundant, clear and non-traceable. Not only does the 21st-century economy enable more trade to occur, but it also connects the previously unconnected to the global marketplace. Electronic transmissions undoubtedly promote Internet penetration and mobile connectivity. Businesses (especially small and medium-sized enterprises can easily enter new markets around the world, often through the use of platforms. This diversifies their sales and thus increases their profitability and likelihood of survival. In effect, e-commerce and digital trade shrink the distance between buyer and seller. Easing online transactions expands efficiency and speed while lowering operational costs and bureaucratic procedures. Academic research has shown that e-commerce reduces transaction or trade costs by a substantial margin.The United Nations Conference on Trade and Development (UNCTAD) reported that e-commerce sales hiked to $25.6 trillion globally in 2018, up 8 percent from 2017.

As per Digital economy report 2019 of UNCTAD, estimated size of digital economy ranges from 4.5 to 15.5 per cent of the world GDP. Further, regarding value added in the information and communications technology (ICT) sector, the United States and China together account for almost 40 per cent of the world total.

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These two economies account for 75 per cent of all patents related to blockchain technologies, 50 per cent of global spending on Internet of things (IoT), at least 75 per cent of the cloud computing market, and for 90 per cent of the market capitalization value of the world's 70 largest digital platform companies. The United States alone also hosts 40 per cent of the world's colocation centres. Thus, these two economies are playing the leading role in digital technological developments in the world.

Digitalisation in India

Talking about digitalisation in India, about thirty five years ago, businesses in India began experimenting with information technology (IT). By integrating IT into their businesses, they gained greater visibility across functions, automated several links in the value chain and started delivering standardized value to customers at competitive price points. Later on in 2006, National e-governance plan was launched to make all the government services available to the citizens of India via electronic media which included various projects namely e-BIZ, e-courts, Income tax, MCA21, excise, pension, banking etc. Later on in 2015, Digital India programme was launched with "Power to Empower" motto which focused on development of the country by providing people all facilities and services so that they are all connected to each other virtually and electronically. *As per Digital economy report 2019 of UNCTAD, India has the largest share in global computer services industry among the developing countries which made it at 4th place in countries which saw growth in the share of the ICT sector's value added in their GDP, India was among top ten countries who had largest e-commerce sales in year 2017, India was one of the three countries who were the largest producers of telecommunication services.*

Business Digitalisation

The thrust of automation and digitalisation has revamped the businesses. The newly developed platform-based business model has rewritten the rules of competition in the market sectors in which these platforms operate by promoting a 'winner takes all' approach. The digital goods and services which outperform their competitors are the winners. 'Winner takes all' markets are increasing in number for three reasons: the growth in digital goods and services as substitutes for material goods, universal access to networks and the existence of largely positive network externalities. This represents a point of departure from traditional markets, where competition is based on absolute performance determined by price and quality criteria and there is space for several competitors to compete with each other and share the market. In this digital era, the workplace is also getting revolutionised through inculcation of new technologies like the cloud- storage, data centres, mobile apps, ERPs, Internet of things, learning machines and mobile robotics etc. Various forms of employment has been emerged like ICT-based mobile workers, Crowd working, Platform-based on-call work etc. The world of work is currently witness to the emergence or development of new forms of employment, some of which are linked to the rise of a digital economy. They include ICT-based mobile work, which is a relatively old but rapidly growing phenomenon, as well as on-call work, which again is nothing new but can now be organised through platforms using geolocation, and finally and most spectacularly, in terms of the speed of its growth and its very nature – crowd working, which gives organisations or individuals access via online platforms to large numbers of workers willing to carry out paid tasks. The working in organisations has remarkably impacted due to digitalisation as it has improved the efficiency, communication, sharing of information amongst the complete chain of hierarchy.

The impact of digitalisation may be seen from the transitional shift of market capitalisation of sector under top 20 companies in the World. In 2009, seven companies from the oil and gas and mining sector were among the top 20, accounting for 35 per cent of the total, whereas there were only three companies from the technology and consumer services sector, which includes digital platforms. By 2018, the picture had changed significantly: the number of technology and consumer services companies surged to eight (40 per cent). By contrast, only two companies in oil and gas and mining remained among the top 20.

Challenges

Uneven access to affordable digital technologies and limited capacities to make effective use of them can lead to an inequitable distribution of benefits. In particular, it may bypass people with limited education and low levels of literacy; people in rural areas; people with limited capability or rights to connect; and micro-, small and medium-sized enterprises leading to widening inequalities. Digitalisation also leads to legal, regulatory, ethical and criminal offences.

Digitalisation under Insolvency and Bankruptcy Code (IBC)

Talking about digitalization's importance and its multi fold benefits in shaping the economy, the introduction of technology is much needed in the newest reform on reshaping handling insolvencies in India i.e. Insolvency and Bankruptcy Code of India. The Code backed with Rules, regulations and circulars was introduced in 2016 with the objective of reorganising distressed companies. In the span of 5 years, India has seen some remarkable growth in terms of NPA reduction, FDI enhancement, increased acquisitions & mergers, ease of doing business. It has drastically changed the credit culture in India and consequently now the Banks are regaining the faith in judicial recoveries. The main pillars of Insolvency and Bankruptcy Code of India are Adjudicating Authorities (NCLT, NCLAT, Supreme Court), Insolvency Professionals, Regulators (Insolvency and Bankruptcy Board of India, Insolvency Professional Agencies) & Information Utilities. The Insolvency professional (IP) takes charge of ailing corporate debtor and helps in reviving it through invitation to prospective buyers while aiming to balance the interest of all stakeholders and maximising the value of assets.

Time-bound resolution is the USP of the IBC. If the entire process of resolution has to happen within 180 days as envisaged in the Code, the Insolvency Professional has to perform the duties diligently and in an efficient and effective manner and also maintain transparency and technology can facilitate the same.Usage of technology as of now, in majority of the cases, is restricted to using excel,word, PPT, scanners, e-voting, online meetings etc. There are certain outsourced portals available for e-voting/video-conference, etc. Many of the IPs depend on manual resources to feed information in excel sheets, use words for preparing the forms, generate reports, maintain registers etc. Moreover, there are no inter linkages between the regulators, Adjudicating Authorities, Insolvency Professionals and Information Utilities. Excessive dependence on manual resources may result in genuine errors and/or delay in submission of reports defeating the purpose of monitoring of the process etc. An effective audit trail may not be available in the manual process. Moreover such manual processes are also prone to fraudulent manipulation of data. Use of technology wouldexpedite the IPs work in a user friendly way, facilitate the regulators to monitor the process on a real time basis and generate MIS as frequently as possible to have an effective control on the entire IBC process. This will generate confidence among the stakeholders in the IBC ecosystem. A work-flow tool which can link with various other websites shall help the IPs to generate information in a seamless manner within a short time period. It will also allow generating quality Information memorandum for inviting good quality plans or to invite serious bidders at the time of liquidation.

As a way forward, the need for an integrated technology platform with capabilities to manage multiple stakeholders, processes, forms, reports, etc., cannot be undermined. Such platform should be able to connect with and interact with the platforms used by regulators (IBBI and IPAs), courts (NCLT), MCA, CERSAI and other interfaces. Such platform should accord highest priority to security features besides being user-friendly which will bear transactional cost for moving towards digitalisation. Last but not the least, such system should be cost effective and affordable for users. The cost may be amortised over sufficiently long period over reasonable number of users, to keep the price point lower and affordable.

Conclusion

In this fast changing digital world, every economy and every organisation needs to adopt and take advantage of digitalisation to create value since the organisations that control the data value chain stands the best chance of becoming the leader.

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MY DESTINATION

Walking on roads splitting two ends....
Seems like the moments withstand!!!!
The time to choose different path....
To give life a new start!!!!

To come out of the world of fantasy....
To encounter myself with reality!!!!
Leaving behind the childhood innocence....
Refreshing myself with all my experience!!!!

Complicated nerves in my mind brought....
Little extracts of new thoughts!!!!
To accomplish an action I found ....
Myself encircled with a vision all around!!!!

A vision not just to accomplish....
Also a dream to live and lavish!!!!
Climbing every step to move on....
Unstoppable until reaching the horizon!!!!

Flying colors that life shows....
Facing hurdles that life throws!!!!
The waves that ebb and rise....
Teach to stand up and again strive!!!!

Not just the caliber but also the direction....
Stretching arrows towards the intention!!!!
The strength of yours is the only motivation....
Behold it as a source of inspiration!!!!

Expands the radius of circle that I view....
With a set of imaginations I drew!!!!
Marking my follies with black shades....
That's the remembrance I have made!!!!

Efforts of mine help me to stay....
Energy that leads to drive my way!!!!
With all these strategic combinations....
I will definitely reach MY DESTINATION!!!!

* The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI

DIGITAL ECONOMY FROM CONSUMER AGE TO INFORMATION AGE

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We all are aware of the term "Digital" and "Economy". Let's take a quick recap of what exactly these terms are. Digital is a technology which uses numbers 0 and 1 to produce the desired information by the users over the internet. Economy on the other hand is a set of production and consumption activities and using the scare resources to fulfill the needs of everyone. It is basically optimum utilization of resources. And that is why the study of Economics becomes vital to us since everything revolves in and around the resources whether it's natural, man-made, artificial, human and the list goes on…

Coming to the topic Digital Economy and what does it mean?

Digital economy is the economy which is based on the computing technology. It is also known as "**Web Economy**" or "**New Economy**". Digital Economy heavily relies on the Data. The sole reason of why in today's world everything revolves around Data and its interpretation is Digital Economy itself. Big giants and MNC's are running after the companies which can fetch data from the market by doing analytics and provides them the results relating to customer behavior, their reaction towards the product, the time spent by them on the particular websites and many more. Here the role of artificial intelligence comes into play in promoting digital economy.

Digital Economy is largely based on data and network intelligence. Due to this internet has changed the way we do business today. Social media has become one of the biggest platforms for business these days and not to forget Influencer marketing. All these are the results of the digital economy and change in the mindset of the buyer. Now the economy is no more liberal or Global, It's has now become digital. This **humongous shift from "Global" to "Digital"** in the last few years has brought about a lot of changes in the industry. It has also resulted in reduction or loss in jobs and also created new avenues for jobs like digital marketing, content creating, data analytics, digital influencers, search engine optimization etc.

Digital economy has given new businesses and startups a chance to compete and promote worldwide without any kind of restrictions and that's why it has contributed significantly towards the growthof GDP and booming of IT sector. Due to limited restrictions by the government the role of private sector has increased over the last few years in the country's economic growth.

However big techno giants who were already familiar with the concept or using the platform before others started using it has now holds a monopoly in the digital market too, often called as **Digital Monopoly** by companies like **Google, Amazon, Facebook and Apple** acronym as GAFA. These companies enjoy a dominant position in the digital world and forms basis for most of the rules and regulations. GAFA belongs to the USA and therefore in digital economy also USA has the major role to play similar to the world economy.

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Digital economy has made us realized that data has an economic value due to its ability to bridge between supply and demand. The importance of digital economy became more constructive in testing times of Pandemic occurred due to outbreak of COVID-19 in the year 2020 and still continuing. So may businesses managed to survive because of their online presence and understanding of consumer behavior and satisfying them with the desired supply. **We no longer live in the Consumer Age. We live in the Information Age**. The future of the world is digital!!

Digital economy has also forced the regulators and statutory bodies to book their online presence and update themselves with the technological shift. Banks are trying to innovate and use digital tools to improve their services and business. **Broadband has become a basic human right now days** due to increased role of technology everywhere. ICSI has also started delivering its study material and lectures online and assessed the need of the hour and came with the bucket of online courses and certification programs since the members wants to upgrade themselves as part of there continues professional learning. It has also helped the institute in getting its dues paid on time and other liabilities which might have not possible if platforms like these have not existed.

However one cannot ignore the ill effects of the digital economy. Nothing comes free in this world and to talk about the digital economy well the cost is huge. Everyone has their own cloud on the internet and fetching of the minute detail on just a single click must be having some repercussions on the environment. The move to cloud and usage of internet has caused rise in the electricity consumption and carbon emissions. Digital Economy is also facilitating the mining of crypto currencies like Bitcoin which is also posing a potential threat to the environment.

Cyber-crimes have increased simultaneously with the development of digital economy. There is an undue pressure on the governments of every country to protect their data from getting leaked and misused by other countries not having ally relations with. Recent developments in this regard could be seen by Indian Government taking action against companies like Twitter, WhatsApp and Facebook and asking these companies to follow the rules as prescribed by the government related to data secrecy and leakage.

It could be said that this transition of the economy from Global to Digital has its own pros and cons. Some see it as the future of the world and a key element in shaping our generations to come whereas some proclaim that it is nothing but just a bubble which will be burst in the future. Let's hope for the best…fingers crossed!!!

DIGITAL ECONOMY

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Digital economy is defined as an economy that focuses on **digital technologies**, i.e. it is based on digital and computing technologies. It essentially covers all business, economic, social, cultural etc. activities that are supported by the web and other digital communication technologies.

The term was first coined in a book "The Digital Economy: Promise and Peril in the Age of Networked Intelligence" by author Don Tapscott in 1995.

There are three main components of this economy, namely,

- Supporting infrastructure (hardware, software, telecoms, networks, etc.);
- e-business (how business is conducted, any process that an organization conducts over computer networks);
- E-commerce (transfer of goods and services).

In the last 15 years, we have seen the tremendous growth of digital platforms and their influence on our lives. Now consumers are influenced by things they see on social media (Facebook, Twitter, Instagram) and other such popular websites (youtube etc.).

So this economy is a way to exploit this opportunity. Now it is integrated into every aspect of the user's life – healthcare, education, banking, entertainment etc.

Importance of Digital Economy

The digital economy is developing rapidly worldwide. It is the single most important driver of innovation, competitiveness and growth, and it holds huge potential for entrepreneurs and small and medium-sized enterprises (SMEs).

In this digital economy, consumers are becoming more powerful and companies find themselves with new avenues for building competitive advantage. Mobile devices, social networking, cloud computing, grid computing and other technologies are profoundly transforming the relationships between businesses and their customers.

These trends enable more than just technological innovation. They spur innovation in business models, business networking and the transfer of knowledge and access to international markets.

Side Effects of Digital Economy

- **Privacy Concerns:** It's become much harder to have personal privacy in the digital world and that's on top of the dangers of your personal data being stolen or sold.

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- **Plagiarism and Copyright:** Digital media is remarkably easy to copy and reproduce. Copyright laws are increasingly hard to enforce, as the music and movie industries have discovered to their cost.
- **Social Alienation:** Society continues to become more and more impersonal as digitized machines replace humans. People shop online, do their banking online, pay bills online, and increasingly work online.

Digital Economy for INDIA

The digital economy is expected to generate new market growth opportunities and jobs and become the biggest business opportunity of mankind in the next 20 to 30 years. India, comprising 15% of the world population and with a growth rate of 7% to 8% on an average, could be the second largest economy by 2030. India's new leadership considers the digital economy as a major growth enabler and the emphasis on programmes like DIGITAL INDIA are a testimony to this fact. The Indian government also acknowledges the digital economy's potential and has substantially invested in digitalization for public and private sectors. The commitment of the Indian government to spend 19 billion US dollars within the next five years strategically acknowledges the increasing value of communication technologies. All IoE-Internet of things, internet of people, Internet of data and Internet of a process for India is expected to have a value at stake (VAS) of about half a trillion US dollars for the next ten years. For the Indian economy, investment and innovation in the digital sector has generated enormous opportunities and it has raised the economic and global profile of entire cities, created jobs and produced innovation and innovative technologies. This becomes even more important as we are switching over wide range and systems of digital payments across the sectors in a cashless economy, but it has flagged a number of challenges to the regulators to navigate and generate significant discussion among the bar and bench. A recent conference hosted by the Competition Law Bar Association and Competition Commission of India revealed that the latter recognizes its critical role in encouraging innovation and technologies in this area of the economy. The companies that find themselves at the top of an industry in this area have to work harder than ever to keep customers who can easily switch their allegiance to a better and cheaper competitor because of the low barriers to entry and high levels of innovations in the 21st century

Conclusion

The exponential growth in digitization and Internet connectivity is the backbone of the modern economic systems. It has the potential to propel societies forward, enable innovative business models, and help governments address legitimate policy concerns. In the recent years, digitization, the mass adoption of connected digital services by consumers, enterprises, and governments, has emerged as a major driver and enabler of socioeconomic benefits. Indeed, despite unfavorable global economic conditions, digitization can play a key role in assisting policymakers to spur economic growth and employment. However, according to the management consulting firm Booz & Company's econometric analysis, its impact on countries and sectors strongly varies. Across developed economies, digitization improves productivity and has a measurable effect on growth; yet, it can lead to job losses. By contrast, emerging markets tend to gain more from digitization's effect on employment than from its influence on growth. To better channel the outcome of digitization, policymakers need to plan for how they digitize specific sectors and encourage the development of capabilities and economic enablers to help achieve maximum impact.

DIGITAL ECONOMY

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Introduction

Digital economy is an economy in which digital technology is used such as the internet, mobile , tablet and computer. Digital economy is also known as the New Economy. The term New Economy is a word which indicates the Dynamic change of the economic Platform.

The Digital economy came into picture in the last decade of the 20th century and it widened its scope in the present situation. It will grow tremendously in the future.

Digital Economy in Covid-19 Scenario

As we all know, the current scenario of the world is that we are all fighting with the coronavirus pandemic. We all are in tough times. But as said by many people, we have to find an opportunity in a disaster. The Digital economy Spread enormously at the time of pandemic. Digital economy comes forward as an opportunity in disaster. It gives a platform to the people for growing their businesses.

By the help of digital equipment we are able to do work from home in the covid-19 scenario and our Indian industry works through digital platforms so that our indian economy could not shut down .

Our digital economy plays an important part in our whole GDP.

Components of Digital Economy

- E-business
- E-business infrastructure
- e-commerce

Impact on GDP

The Digital economy represents 15% of the global economy. According to the data available by economists, In 2018, the **GDP** of the **United States** amounted to 20.58 trillion **U.S.** dollars with a **digital economy** value added of 1.85 trillion **U.S.** dollars.

In India, the Digital economy also grows drastically. As per the analyses, The Digital India initiative can improve our GDP by around $1 trillion by 2025, says a report of economic analysts.

Benefits of Digital Economy

1. Promotes Use of the Internet

If you think about it, most of your daily work today can be done on the internet. The massive growth of technology and the internet that began in the USA is now a worldwide network. So there is a dramatic rise in the investment on all things related – hardware, technological research, software, services, digital communication etc. And so this economy has ensured that the internet is here to stay and so are web-based businesses.

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2. Rise in E-Commerce

The businesses that adapted and adopted the internet and embraced online business in the last decade have flourished. The digital economy has pushed the e-commerce sector into overdrive. Not just direct selling but buying, distribution, marketing, creating, selling have all become easier due to the digital economy.

3. Digital Goods and Services

Gone are the days of Movie DVD and Music CD's or records. Now, these goods are available to us digitally. There is no need for any tangible products anymore. Same is true for services like banking, insurance etc. There is no need to visit your bank if you can do every transaction online. So certain goods and services have been completely digitized in this digital economy.

4. Transparency

Most transactions and their payment in the digital economy happen online. Cash transactions are becoming rare. This helps reduce the black money and corruption in the market and make the economy more transparent. In fact, during the demonetization, the government made a push for online transactions to promote the web economy.

Disadvantages of Digital Economy

1 Loss in Employment

The more we depend on technology, the less we depend on human resources. The advancement of the digital economy may lead to the loss of many jobs. As the processes get more automated, the requirement for human resources reduces. Take the example of online banking itself.

2 Lack of Experts

Digital economy requires complex processes and technologies. To build the platforms and their upkeep require experts and trained professionals. These are not readily available, especially in rural and semi-rural areas.

3 **Heavy Investment**

Digital economy requires a strong infrastructure, high functioning Internet, strong mobile networks and telecommunication. All of this is a time consuming and investment heavy process. In a developing country like ours, development of the infrastructure and network is a very slow, tedious and costly process.

Areas of Growth of Digital Economy

The Digital economy of India grows in every industry. Now the customers are influenced by what they see in social media and other websites. All people are used to digital gadgets and they want to do easy work in just simple steps. Now it is integrated into every aspect of life such as healthcare, education, commerce, banking, entertainment etc.

There are various platforms such as **Amazon, flipkart, byjus, book my show, YONO, healthkart, Big basket etc.** used by users digitally. So, we can say that the digital economy is an important part of our daily life.

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DIGITAL ECONOMY

"All one needs is a computer, a network connection, and a bright spark of initiative and creativity to join the economy"

- Don Tapscott

The Digital Economy was among the first to consider how the internet will change the way we did business.

Digital Economy refers to an economy that is based on computing technology. The digital economy is sometimes called the New Economy, The Internet Economy or the Web Economy. The term was first coined in the book "The Digital Economy: Promise and Peril in the Age of Networked Intelligence" authored by Don Tapscott in 1995. In this New Economy, digital networking and communication infrastructure provide platform over which people and organization make strategies, interact, communicate, collaborate and search for the information.

Digital India

India is among the top countries that have experienced the fastest digital adoption momentum.

Various Components of Digital India are:

- **DBT** enables transfer of government benefits directly to the bank accounts of beneficiaries.
- **DigiLocker** enables paperless governance by providing private space on public cloud to citizens for storing their public and private documents.
- **e-NAM** has integrated agricultural markets across states.
- **GeM** is an e-commerce platform for public procurement of common use goods and services.
- **Common Service Centers (CSCs)** are Information and Communication Technology (ICT) enabled kiosks in Gram Panchayats to enable rural people to access the services from their own villages and has brought them to the mainstream.

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The Digital India programme was launched in 2015 for ensuring digital access, digital inclusion, bridging the digital divide and digital empowerment of the Indians. Thus, it can be seen that India is on its way to realizing its IT potential domestically, to make service delivery honest, transparent, easily available and direct without an intermediary and become a very powerful world by being digitally connected.

Objectives

"Digitalization has bridged the gap between the hope and opportunities"

- Develop rural and urban youth e-skills
- Improve employment Youth in digital sector
- Nurture Technopreneurship
- Provide policy support to Empower Youth in Digital Economy
- Promote Digital innovation and Creativity
- Develop capability to enhance Digital Economy

A report by management consultancy firm Zinnov showed in ET that Digital content forms the biggest piece of India's 500 million smartphone users' daily diet, which also grew significantly after the Covid-19 pandemic-induced lockdown. While YouTube and Facebook are the main destinations for content consumption, this is followed by local

lock-screen based content delivery platform Glance, with over 115 million daily active uses (DAU)—higher than Instagram with 36 million DAU.

"India's digital landscape is experiencing massive paradigm shifts… With increasing screen time, brands are competing for higher engagement that can translate into actual purchases," said Praveen Bhadada, managing partner at Zinnov. "If brands are to capture user interest in an increasingly crowded market, they will have to outline newer strategies and roadmaps to include live commerce, interactive commerce, influencer marketing, and community engagement models into their marketing."

We expect to see interesting collaborations among players across Content, Payments, and Commerce ecosystems. Major Indian content players such as Glance, which became a unicorn in December 2020, and social video platform Roposo, have the potential to capture a major market share in bringing the interactive commerce model to life. However, strategic partnerships will be a big part of their next phase of growth. Interesting times surely await consumers in the coming months and years".

Opportunities of the Digital Economy

The life of every human being nowadays is connected to the digital world, it's a trap which cannot be resisted. The digital economy is a new concept to the nation and it has various challenges to be overcome whereas a lot of opportunities waiting to be traded. This will not only bring a new change in the working of the economy but also push the economy towards success. Now let's see the opportunities of the digital economy:

Increased Efficiency at workplace and reduced paperwork: Before the introduction of this technology, the work was actually hectic, taking long working hours as well as un-reliable as all the work was done manually. There were high chances of getting wrong at places but now the entire work is done online. This has reduced the workload as well as paperwork and increased the probability of efficiency.

Firms and start-ups moving towards Innovation: Not only the old firms but also the start- ups have pulled up their socks and are moving towards innovation and are determinant achieve success by adopting the rule of 'consumers first'.

Public Policy is essential to the success of the digital economy: Globally, economists should public private policies to foster innovation in a digital economy, including India. Also, they must encourage better integration of automation, data, and new technologies into the legacy economy. Steps must be taken to introduce skills required to thrive in a digital economy at early levels, specifically at schools.

Online trading system make the task easier for both buyer and seller: Digital Economy provide opportunities to buyer and seller that now neither the seller and not the buyer need has to take pain for finding each other and walking a long distance to buy a product, they are just a click away from each other. For instance, if one wants to buy the smart watch which is only available in other countries, they can still buy it with one click. It would have been impossible without this digital concept. It has become very easy to trade online as all the information needed are uploaded and given us as the size, information about the looks and material used and images of the product and few videos.

Challenges

Breach of cyber security: This digital economy has created new risks, from cyber security breaches to facilitating illegal economic activities and challenging the concepts of privacy. That's why all social sectors, such as Governments, civil society and even the scientific community, must combine all their efforts to find concrete solutions.

New Technology: In the Digital Economy Report 2019 the United Nations Conference on Trade and Development affirms that the digital economy will require a range of new and different skills, a new generation of social protection policies, and a new relationship between work and leisure. It also mentions the importance of a major investment in education, rooted not just in learning but in learning how to learn, and in providing lifelong access to learning opportunities for all.

New Organizational Structure: The digital transformation is a substantial initiative and may require changes in more than your employees' daily routines. This may mean changing roles, changing departments or an overhaul of your organizational structure.

Consider this. Just because your IT department has always reported to a certain person or function or your sales team was set up a certain way doesn't have to mean it can't change. In fact, making these changes can allow your teams to breathe new life into their existing roles and careers through this transformation. Your organizational structure should be fluid—because the new frontier of technology, data science and the customer experience will require it be so.

Budgetary issues for Company: While the digital transformation may require new, and sometimes substantial, investments in your company, people and customers, remember this is not a race. When you build your digital transformation strategy, use your budget as a reality check to see how much your company can handle. Develop a plan that involves several phases over several years, if that's what is required. Don't put your company at risk over budgetary issues.

Although these are the biggest barriers to digital transformation shared by survey participants, many others exist. Overall, remember to build a strong foundation first — one that drives a broad set of outcomes for your company, customers and employees.

With a mindset of continuous improvement and innovation, all of the benefits of a digital transformation are within reach. Just be sure to tackle the challenges as they come and do your best to prepare in advance.

New Regulations and Policies: With a view to securing the benefits from and minimizing the risks of digitalization, Governments should take a holistic approach that involves multi- stakeholder dialogue. In addition, national policies and strategies should focus on harnessing digital data for development by developing relevant infrastructure, skills and regulations.

Conclusions:

Innovation obsolete your own products – If you don't do it first, your competitors will..... If it isn't broke, break it before your competitors do.

DIGITAL ECONOMY

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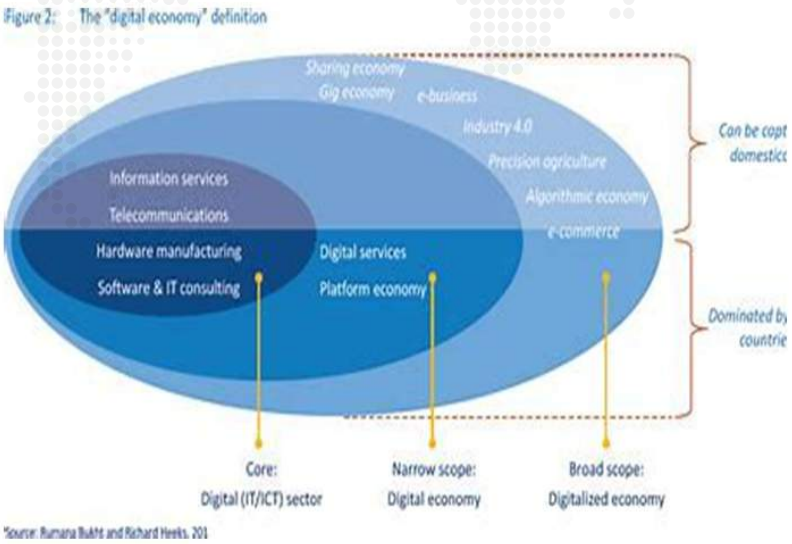
The digital economy is the economic activity that results from billions of everyday online connections among people, businesses, devices, data, and processes. The backbone of the digital economy is hyperconnectivity which means growing interconnectedness of people, organisations, and machines that results from the Internet, mobile technology and the internet of things (IoT).

The digital economy is taking shape and undermining conventional notions about how businesses are structured; how firms interact; and how consumers obtain services, information, and goods.



Professor Walter Brenner of the University of St. Gallen in Switzerland states: "The aggressive use of data is transforming business models, facilitating new products and services, creating new processes, generating greater utility, and ushering in a new culture of management."

Digital economy is one collective term for all economic transactions that occur on the internet. It is also known as the Web Economy or the Internet Economy. With the advent of technology and the process of globalization, the digital and traditional economies are merging into one.

Digital economy is defined as an economy that focuses on digital technologies, i.e., it is based on digital and computing technologies. It essentially covers all business, economic social, cultural etc. activities that are supported by the web and other digital communication technologies.

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The term was first coined in a book "The Digital Economy: Promise and Peril in the Age of Networked Intelligence" by author Don Tapscott in 1995.

Components of Digital Economy

There are three main components of this economy, namely:

- e-business
- e-business infrastructure
- e-commerce

In the last 16 years, we have seen the tremendous growth of digital platforms and their influence on our lives. Now consumers are influenced by things they see on social media (Facebook, Twitter, Instagram) and other such popular websites (YouTube etc).

So, this economy is a way to exploit this opportunity. Now it is integrated into every aspect of the user's life – healthcare, education, banking, entertainment etc.

Importance and Benefits of Digital Economy in India

India is moving towards creating a digital economy that will benefit the people and the government in various ways.

By implementing digital payment methods, like Digital Point of Sale (Digital POS), Unified Payments Interface (UPI) , mobile wallets, Mobile Point of Sale (MPOS), etc., our country is moving towards creating a digital economy that will benefit the people and the government in various ways. Some of the primary advantages that government witnesses from the digital economy are:

1. Increase in Revenues
2. Removal of Black Economy
3. Empowerment to people
4. Creation of New Jobs
5. Paves the Way to e-Governance

1. Increase in Revenues

This is one of the most obvious and common benefits of the digital economy. When the transactions are digitized, monitoring sales and taxes becomes convenient. Since each transaction is recorded, the customers will get a bill for their purchase, and the merchants are bound to pay the sales tax to the government. This, in turn, increases the revenue of the government – thus resulting in growth of the overall financial status of the country.

2. Removal of Black Economy

When the transactions are made digitally, they can be easily monitored. Any payment made by any customer to any merchant will be recorded. This way, there will be no means for illegal transactions to occur. By restricting the cash-based transactions can efficiently expel the black economy.

3. Empowerment to People

One of the biggest advantages of moving towards digital economy is that it gives an empowerment to the citizens. When the payments move digital, each and every individual is bound to have a bank account, a mobile phone, etc. This way, the government can easily transfer the subsidies directly to Aadhaar-linked bank accounts of people. People no longer have to wait to receive the incentives and subsidies that they are bound to receive from the government. For example, the LPG subsidy that government gives to the common people. This subsidy payment is done via bank transfers.

4. Creation of New Jobs

The digital economy has a lot of potential to enhance job opportunities in new market as well as increasing employment opportunities in some of the existing occupations in the government. This way, the unemployment rate in the country is bound to decrease.

5. Paves the Way to e-Governance

The quicker, safe, and more efficient alternative traditional governance, e-governance will be the ultimate outcome of the digital economy. From birth certificate to death certificate, everything is available online. Thus, it is convenient for people to access the information they need on the go. Digital Economy will definitely pave way to e-governance, where delivery of all government services would be done electronically.

As 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.

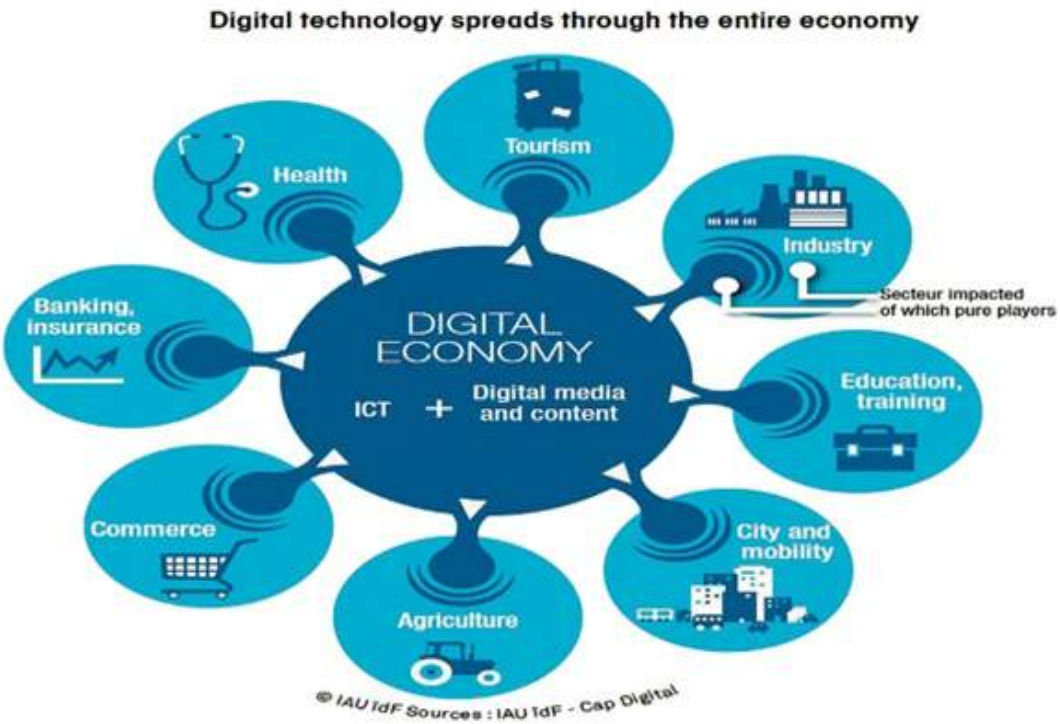
Essential Elements of Digital Economy

Digital Economy facilitates and executes the buying and selling of products and services through electronic transactions undertaken by means of the internet. Its essential elements are:

1. Digitalization and using Information and Communication Technology (ICT) rigorously.
2. Knowledge codification
3. Conversion of information into commodities
4. Organizing work and production in modern ways.

Digital Transformation

Digital transformation refers to the adoption of **digital** technology to **transform** services or businesses. This is achieved by replacing manual (non-digital) processes with digital ones or replacing outdated digital technology with upgraded digital technology.



The global economy is undergoing a digital transformation as well and it's happening at breakneck speed.

There are some fundamental areas of digital transformation central to business success in the digital economy.

Hyperconnectivity i.e., emerging interconnectivity of people, firms, systems, etc. as a result of the internet, mobile technology and Internet of Things (IoT).

Future of work

People regularly work from different offices, their home, or a local coffee shop – now even more so since the pandemic has pushed remote working to the fore. While where we work has changed, we all expect the same level of connectivity experienced in the physical office. The emergence of this flexible, global enterprise requires organisations to manage a dynamic ecosystem of talent and enable next-generation digital business processes that prove to be effective, even when distributed across various places and time zones.

The 2020 pandemic has certainly fast tracked this transition in some respects, at least in the short term but has also highlighted the need for organisations to adopt a more open-minded approach to longer term digital enablement of the workforce.

Customer experience

In the digital economy, all customers – business-to-business as well as business-to-consumer alike – want to interact with businesses when and where they want and in a fashion that is most convenient for them. Additionally, customers desire engagement with brands through experiences that are seamless, omnichannel, direct, contextual, and personalised.

It has become crucial to give all customers a personalised and unique journey right from the minute they land on a business's website, all the way to making a purchase in your store and beyond.

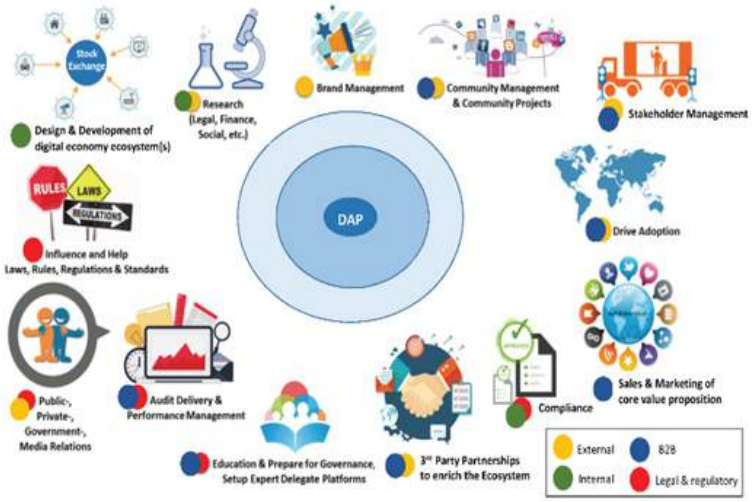
The Internet of Things (IoT)

The Internet of Things (IoT) connects the digital and physical worlds by collecting, measuring, and analysing data to predict and automate business processes.

As sensor prices continue to drop, we are on the cusp of an era where everything can be connected – people, businesses, devices, and processes – to each other. The melding of the physical and digital world brings every asset into a digital domain where software dominates.

IoT solutions enable businesses to analyse data generated by sensors on physical objects in a world of intelligent, connected devices. This data can transform businesses, revealing hidden patterns and insights that can help you make more informed decisions and take action more quickly.

When an organisation can understand its physical and digital asset inventory at any given moment, it can operate with precision previously unimaginable, paving the way for the ultimate lean enterprise. This will not be a nice-to-have differentiator, but an imperative for any digital business within the next two years.



Digital supply networks

While the global middle class is expected to expand threefold by 2030, there is increasing pressure on essential business resources, which are growing at a slower rate of 1.5 times. The answer to this mismatch lies in how enterprises securely share data in real time to enable next-generation commerce applications to thrive.

The digitisation of everything is creating new intelligent digital networks of networks that fundamentally change the way commerce is managed, optimised, shared, and deployed.

Digital India
Power To Empower

Digital India was an initiative taken by the Government of India for providing high-speed internet networks to rural areas.

Digital India Mission was launched by PM Narendra Modi on 1st July 2015 as a beneficiary to other government schemes including Make in India, Bharatmala, Sagarmala, Startup India, Bharat Net, and Stand up India.

Digital India Mission is mainly focused on three areas:

1. Providing digital infrastructure as a source of utility to every citizen.
2. Governance and services on demand.
3. To look after the digital empowerment of every citizen.

Digital India was established with a vision of inclusive growth in areas of electronic services, products, manufacturing and job opportunities.

Following are steps and targets related with these key areas have undertaken to attain the objectives:

Digital infrastructure: high speed internet facility, mobile phone and bank account, access to common service centre, internet identity, sharable private space on a public cloud and safe and secure cyberspace.

Governance and services on demand have been made available in real time for online and mobile platforms, seamlessly integrated across departments and jurisdictions. All citizen documents have been made available on the cloud platform so that physical document presentation can be minimized. Cashless electronic transactions and Geographical Information Systems (GIS) have been integrated with the scheme.

Empower citizens, especially rural citizens, by providing digital literacy.

There are nine major pillars of Digital India mentioned in the table below:

Broadband Highways	Universal Access to Mobile Connectivity	Public Internet Access Programme
e-Governance	e-Kranti	Information for All
Electronics Manufacturing	IT for Jobs	Early Harvest Programmes

Digital technologies influence almost all aspects of the economy and society. The above mentioned nine pillars of Digital India can be elaborated as under:

1. Broadband Highways: Government aimed to lay national optical fibre network in all 2.5 lakh gram panchayats. Department of Telecommunications (DoT) is the nodal Department for this project.

   National Information Infrastructure (NII) has integrated 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. The infrastructure components for broadband networks includes: State Wide Area Network (SWAN), National Knowledge Network (NKN), National Optical Fibre Network (NOFN), Government User Network (GUN) and the MeghRaj Cloud.

2. Universal Access to Phones: Mobile phone coverage has provided to all the remaining 55,619 villages in the country.

3. Public Internet Access Programme: Common Services Centres (CSCs) have strengthened and their number has been increased so that each Panchayat gets a CSC (total 250000 CSCs). CSCs have been made viable and multi-functional end-points for delivery of government and business services.

4. e-Governance – Reforming Govt. through technology: Digital technology is used for the better delivery of government services. The government aimed to improve processes and delivery of services through e-Governance with UIDAI, payment gateway, EDI and mobile platforms. School certificates, voter ID cards have been provided online through digi-locker.

5. e-Kranti -Electronic Delivery of Services: e-Kranti is an advanced e-governance programme to deliver governance services through electronic mode. It has completed 44 mission projects. The programme integrated the previous National E-Governance Plan. Public services related to health, education, farmers, justice, security and financial inclusion etc have been administered electronically under e-Kranti.

6. Information to all: Information related with governance and public services to citizens have been easily provided to citizens through digital platforms including social media.

7. Electronics, Manufacturing with a target Net Zero Imports: This pillar of Digital India aimed to promote the manufacture of digital technology devices especially electronics with the country. Manufacturing of electronics within India has been promoted with a target of net zero import by 2020.

8. IT for Jobs: This pillar focused on providing skill and training to the youth for availing employment opportunities in the IT/ITES sector. There are eight components with specific scope of activities under this pillar: focusing on disadvantaged regions- rural areas and North East, training one crore students in IT/ITES Sector, training three lakh service delivery agents etc.

9. Early Harvest Programmes: Under this pillar, the Government has set up Wi-Fi facilities in all universities and in public spaces across the country, eBooks have been provided to schools, email has been made the primary mode of communication. Aadhar Enabled Biometric Attendance System has been deployed in all central government offices etc.

Merits of Digital Economy

Digital economy has given rise to many new trends and start-up ideas. Almost all of the biggest companies in the world (Google, Apple, Microsoft, Amazon) are from the digital world. The following mentioned are some important merits of the digital economy:

- **Promotes Use of the Internet**: The massive growth of technology and the internet that began in the USA is now a worldwide network. So, there is a dramatic rise in the investment on all things related – hardware, technological research, software, services, digital communication etc. And therefore, this economy has ensured that the internet is here to stay and so are web-based businesses.
- **Rise in E-Commerce**: A recent growth in e-commerce transactions have been reported in the last few years. And all credit goes to the digitalization of commercial activities, due to which developing, buying, distributing, selling and tracking of products and services, has become much simpler, competitive, and profitable.

  The businesses that adapted and adopted the internet and embraced online business in the last decade have flourished. The digital economy has pushed the e-commerce sector into overdrive. Not just direct selling but buying, distribution, marketing, creating, selling have all become easier due to the digital economy.
- **Digital Goods and Services**: With digitalization, the way in which goods and services are delivered has been changed drastically. From aviation to banking, entertainment to education and insurance to hotel booking, one can easily get the goods and services of their need, online.

  For example, Movie DVD and Music CD's or records are available online. There is no need for any tangible products anymore. There is no need to visit bank if one can do every transaction online. So certain goods and services have been completely digitized in this digital economy.
- **Transparency**: In the digital economy, major commercial transactions take place online, which eliminates cash transactions, and ultimately increases transparency and reduces corruption.

  Most transactions and their payment in the digital economy happen online. Cash transactions are becoming rare. This helps reduce the black money and corruption in the market and make the economy more transparent. In fact, during the demonetization, the government made a push for online transactions to promote the web economy.
- **Contributes to Economic Growth**: The widespread digital economy has recorded tremendous growth and innovation as well as it can be broadly applied to other economic sectors.
- **Expands business opportunities**: It has also reported an increasing trend in the business opportunities for those firms and businesses which are overlooked in the global marketplace. Digitalization enables small firms and businesses to actively participate in international buying and selling of goods and services.
- **Improves public services**: A set of global access to broadband and a powerful information and communication technology services ecosystem provides a platform to improve service delivery in core sectors.

Digital Economy covers a broad spectrum of activities, which uses information and knowledge in digital form. Nowadays, to collect, store, analyse and share data in digital form, technologies like internet, cloud computing, big data is used.

Demerits of Digital Economy

Besides merits here are some demerits of Digital Economy as more and more dependency oninternet is increasing. That's why hacking of data is increasing. The disadvantages of Digital Economy are discussed as under:

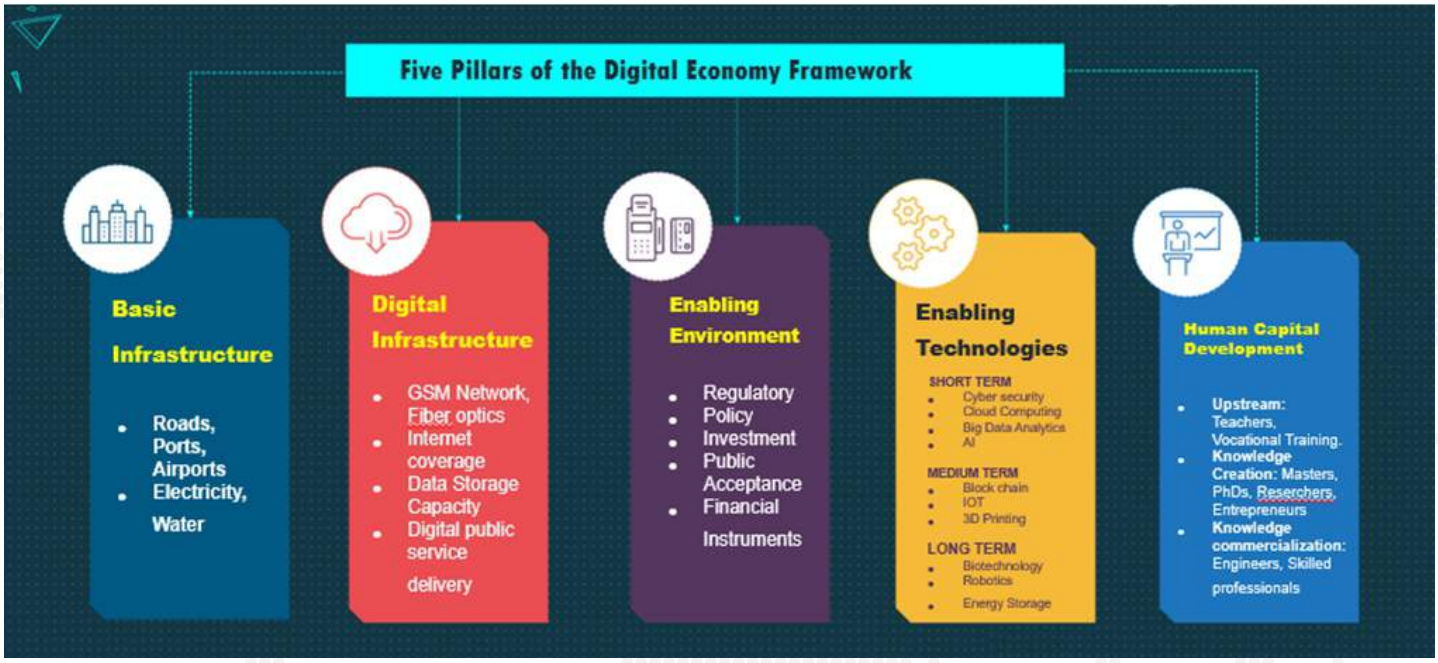
- **Loss in Employment**: The more we depend on technology, the less we depend on human resources. The advancement of the digital economy may lead to the loss of many jobs. As the processes get more automated, the requirement for human resources reduces. Take the example of online banking itself.
- **Lack of Experts**: Digital economy requires complex processes and technologies. To build the platforms and their upkeep require experts and trained professionals. These are not readily available, especially in rural and semi-rural areas.
- **Heavy Investment**: Digital economy requires a strong infrastructure, high functioning Internet, strong mobile networks and telecommunication. All of this is a time consuming and investment heavy process. In a developing country like ours, development of the infrastructure and network is a very slow, tedious and costly process.
- **Cyber security**: An exponential increase in cyber threats has been reported in recent years due to increasing digitalization in the economy. Except if cyber security is countered successfully, it will not be easy to develop a safe and trusted environment, which is conducive to the growing business.
- **Disruptions in labour markets**: Though it is assumed to create new job opportunities, there is also a risk related to the speed of labour market changes and destruction of basic jobs. As everything will be digitized and automated, processes that involve labour and manual work will be avoided and is replaced by technology-oriented work, which will result in loss of jobs and may also widen income inequality.
- **Strong infrastructure requirement**: It requires strong infrastructure concerning internet, telecommunication and mobile industry. For the development of such industries, heavy investment is required, so as to link all the cities, towns and villages.

Thus, a digital economy is efficient, cost effective as well as convenient. It is natural to look at both sides of the metaphoric coin when forming opinions about it. One of the few drawbacks of a digital economy is that it requires a substantial initial capital investment when establishing the necessary framework for any system.

The digital gadgets have a short lifespan and become archaic quickly. As the technology advances at a pace, devices & machines quickly become unusable because they are too slow, incompatible or are simply superseded.

The digitized machines replace humans. The people can shop online, do their banking online, pay bills online and increasingly work online. Transport is set to become automated which will result in taxis and delivery vehicles being driver free.

Pillars of Digital Economy



ConclusionIn simple words, the digital economy, is an economy which operates predominantly with the help of digital technology. It implies the global network of economic activities, processes, transactions and interactions among, people, businesses, devices, etc. which is supported by Information and Communication Technology (ICT).

In this, the maximum number of business transactions are concluded with the help of digital media, internet or world-wide-web.

With the emergence of the digital economy, consumers can get easy and quick access to information, due to the digitization of the content. Moreover, sharing of information with their friends and acquaintances is now just a click away.

However, according to the World Bank, "nearly a billion Indians are still not able to tap the benefits of a digital economy." To move towards a digital India and achieve a better growing economy, every single citizen must use digital payments even for their petty expenditures.

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DIGITAL ECONOMY

Jan 2021 data ye darshata hai, ki 1.39Bn

(Total Population) wali Janta jisme se 624Mn(Internet users) ka ek dusre se bohat kareebi nata Hai.

Pandemic me Social media ko Aaj k samay/waqt ka Chawanprash hai Jo ki 448.0Mn(Active Users) Kha kar Apni aur apno ki immunity badhata hai

Jaha tak bat hai 52% males aur 48% females.. Internet usage inka daily dose Hai. (Demographic bifurcation).

Jab Baat aati Hai Web traffic ki to samjhe ki 96.3% janta jinko Smart phone bhata Hai aur unhi me se 15.4% hamare sathi inko feature phone chalana aata Hai. Aur han laptop/desktop se sirf 56.4% se traffic aata hai.

Dastan-e-Digital ki baat hi Kuch aur Hai.. Jo desh ki Economy ko uchahiyon pe le jane ki bhumika nibhata Hai.

Ye badalta daur Hame kaha se kaha le aaya hai.. Sirf ek click me Ration..Bijli ka bill sidhe dukaan se ghar ki dehleej pe le aaya Hai.

Hazaaro logo k hunar ko internet k madhyam se unke kharidaro tak pahuchaya Hai...jiska asar sidha Economy ki badhotri pe aya hai. (Promoting small businesses/sectors)

Ab logo ne jaha banko ki lambi kataro ko bhulakar internet banking ko apnaya Hai. Ghar bethe fraud se dur sab sewaon ka direct anand uthaya hai. (Transparency)

Purse k size ko bhulana Hoga.. Credit limit pe Jindagi Jeena sikhaya Hai.

Janaab, Abhi to sirf shuruat hai.. Is pandemic k Mushkil daur me ghar me rehkar.. Duniya ko muthhi me rakhkar chalana sikhaya Hai aur

jane anjane me crypto ki mahamaya ko hi future bataya hai.

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The CSBF was established in the year 1976 by the ICSI, for creating a security umbrella for the Company Secretaries and/or their dependent family members in distress.

The amount of ₹ 7,50,000 (in the case of death of a member under the age of 60 years) has been increased to ₹ 10,00,000

Is it the right time to enrol in CSBF?

CSBF is the protection you and your family need to survive the many ups and downs in life, be it a serious illness or a road accident which derails your plans for the future.

Is it a requirement?

Yes, as your dependents need the protection. Your dependents be it your parents, your spouse, or your children will have to bear the brunt of paying off your home/education personal loans and even for managing day-to-day expenses without your contribution.

If you do not want to leave behind such a situation in your absence, enrol in CSBF today.

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2. To finance your children's education and other needs
3. To ensure that you have extra resource during serious illness or accident
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