

Role of Digitalization after Demonetization in Economy

N. Chouhan^{1*}, D. Rathore², I.Chhabra³

¹Dept. of Management, MBA II year student, Aryabhatta College of management, Ajmer, India

²Dept. of Management, Associate professor, Aryabhatta College of management, Ajmer, India

³Dept. of Management, Associate professor, Aryabhatta College of management, Ajmer, India

*Corresponding Author: chouhannitu96@gmail.com, Tel.: 9799443368

Available online at: www.ijcseonline.org

Abstract— The research paper presents that how the demonetization impact on digital India. In the world of technology the demonetization helps to take step towards the far growing technology as well as in rural areas people used to do payment with the help of e-wallet, mobile payment and it helps to grow society and economy of India. The demonetization also helps in reducing the black money and the decision was taken when the black money was increased a lot and through demonetization it overcomes the black money. The paper also discusses the economic impact of demonetization on digitalization and gives suggestion to improve the digitalization in India.

Keywords— Demonetization, Digitalization, E-wallet, Technology, Mobile payment

I. INTRODUCTION

Very first I would like to know you that what digitalization is “the digitalization is the integration of digital technologies in everyday life with the help of digitalization of everything that can be digitized. The literal meaning of digitalization gives an apparent idea of development and technology dependent world”.

On the other hand, “the demonetization is the act of stripping a currency unit of its status as legal tender it occurs whenever there is a change of national currency.

The meaning arises from the term “digitalization after demonetization” is how the economy improve their growth in the field of technology and after demonetization people use the e-wallet, mobile payment, paytm etc. for doing payments.

The digital payments were increased and on the other hand the importance of cash was decrease from the November 8,2016 at the first year of demonetization it is very important to ask if it accomplished its studied objective.

Its objective was to carrying out black money as it was announced on November,8 2016 by prime minister Mr. Narendra Modi and rupees 15 lakh-crore of high value notes in circulation was returned was their credible evidence and the another role of demonetization was announced to achieve the goal of digitalization and moving towards the technology. The very most important thing that is the decision of demonetization was taken when the terrorism was increased a lot in the country and with the help of demonetization it overcome the terrorism at that movement because the currency was changed.

II. RESEARCH METHODOLOGY

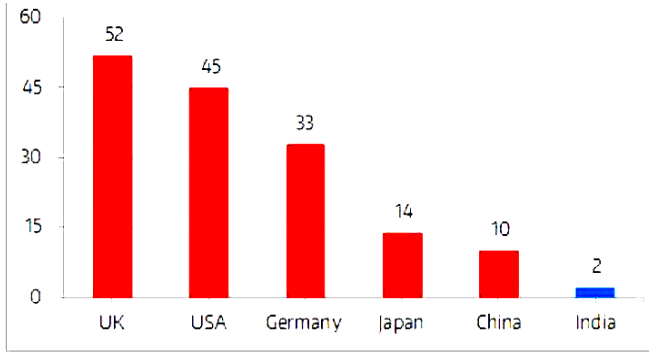
The collection of data of this research paper is the secondary data of collection {i.e. through the websites, books, etc} which are already available and had researched by someone in the past.

III. LITERATURE REVIEW

Purnima jyoti singh (2017), Demonetization done its work let’s see when our economy will become a digital nation. Pm modi is trying to develop and organized economy for an unorganized economy and it is the duty of every Indian to join hands to make out nation cashless the only light hope comes from morganstanley which belief Indian economy will be back on track in April 2017. Pm modi has been able to sell the dream when but really will be known in coming yours only Anagha v mukandan(2017), The demonetization undertaken by the government is a large shock in a medium term is a function to how much of the currency will be replaced at the end of the replacement process and the extent to which currency in circulation is extinguished by analyzing trades data of various sector.

Objectives of the study

- 1) To removes the black money from the country.
- 2) To stop the corruption.
- 3) To stop the terror fund. To curb fake notes.
- 4) To stop the illegal data trading.
- 5) To give a clear message that the government is well inclined towards working for the development of nation.
- 6) To overcome the terrorism.
- 7) To improve the digitalization



www.equitymaster.com Source: Business Today, Mastercard Advisors

Figure 1. Volume of Cashless Transactions (%)

The following graph shows the cashless transactions according to the country is done. The volume of cashless transactions before demonetization and India was last in the field of digitalization and UK was first in terms of digitalization and then USA then comes Germany, Japan, China and at last India.

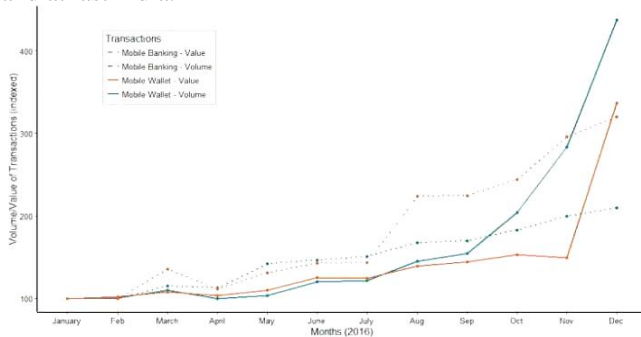


Figure 2. Mobile Wallet and Mobile Banking Transactions

The above graph shows that how the digitalization increased in India on y-axis. It is the values of transactions and on x-axis it represents the months from January to December that the digitalization gets increase in India after demonetization day by day and from January the use of mobile banking-value, mobile banking-volume, mobile wallet-value mobile wallet-volume is at lower point but after the digitalization gets increased on monthly bases.

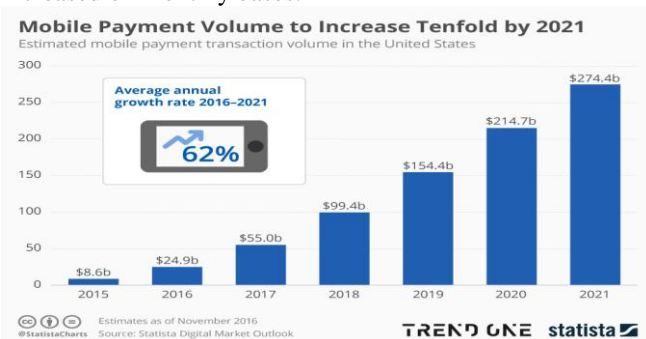


Figure 3. Mobile Payment Volume to Increase Tenfold by 2021

In the above diagram the future growth is expected or the average annual growth in the mobile payments.

Advantages of digitalization

- 1) It gives a positive effect on the digital industry {i.e. – mobile paytm, e-wallet, paytm, etc }
- 2) It helps to proceed towards the world of technology
- 3) It overcomes the Burden of cash
- 4) It overcomes the corruption in the country
- 5) It makes the withdrawal limit set by RBI
- 6) It helps to make valid identity card like – PAN, AADHAR CARD and electoral card
- 7) It helps in tracking all details and the transactions from the banks, now it is difficult to hide the black money

Disadvantages of digitalization

- 1) It makes the great inconvenience to common man and they are struggled to exchange old high demonetization notes
- 2) It was the heavy cost for RBI to replace the old notes which was ordered by the government
- 3) The ATM recalibration was take time
- 4) The general or small business have to face loss at that time.

IV. CONCLUSION

After demonetization the term digitalization was comes into exist and comparatively before demonetization and after demonetization there is a great change and know mostly people used digital way to do the payments and the day will also come in future when all over the country will get digitalized and the country become cashless.

Limitations

- It is only about digitalization after demonetization.
- Ban on rs 500, rs 1000 folded status quo created new templates for financial conduct.
- It is not fix that it reduces the corruption for future.
- It never reduces the terrorism forever.

REFERENCES

- [1] www.ijetnas.com
- [2] Leading Digital {By; George westerman, Didier bonnet, Andrew MacAfee, October 14, 2014}
- [3] Digital to the Core {By; Markraskino, Waller, november 12, 2015}
- [4] Hindustan times
- [5] merj.scholasticahq.com
- [6] Kedar, M. S. (2015). Digital India New way of Innovating India Digitally. International Research Journal of Multidisciplinary Studies, 1(4).
- [7] Midha, R. (2016). Digital India: Barriers & Remedies. Sirsa: International Conference on Recent innovations in Sciences, Management Education and Technologies.
- [8] Mishra, D. K., Sheikh, R., & Agrawal, T. (2015). DIGITAL INDIA: "A Program to Transform India into a Digitally Empowered Society and Knowledge Economy". CSI Communication, Knowledge Digest for IT Community, 7-9

Authors Profile

Ms. Nitu chouhan has pursued his Bachalors in business administration from Aryan international college, and currently she is pursuing masters in business administration from Aryabhata college of management, affiliated to Rajasthan technical university, recently she has completed his internship from Dainik Navajyoti Ajmer, in the area of marketing the topic of internship report was advertising where she get the knowledge of how to advertise and process of advertising and many more about it.

Dr. Deepika Rathore , Ph. D., MBA (Finance), MA (Economics), M. Com., is associated with Aryabhata college of Management, Ajmer since August 2015 as a Faculty of Finance and Economics. She is an MBA in finance from Rajasthan Technique University and Ph.D. in Management from Pacific College of Management, Udaipur.

She has more than thirteen research papers on her credit in reputed journals and presented more than 7 papers in various National and International conferences. Her area of interest includes Economics, Finance, Research and other Allied subjects.

Dr. Inderpreet Chhabra, Ph.D. (HR), MBA (CM), M.Com (EAFM), B.Sc. is associated with Aryabhata College of Management, Ajmer as a Professor and Principal. She is having an experience of 10 years in academics and research. During this span she has organized various Seminars and Workshops. She has guided almost 35 MRPs of management students. Dr. Chhabra has published many research papers in reputed National and International Journals. She has also attended a number of International, National Conferences, Seminars, Workshop and FDPs. She has represented as a member of organizing committee for various events. Her areas of interest include Information Technology, Human Resource Management, SHRM, MIS, Organizational Behaviors, Business Communication, Business Management, Banking and other allied subjects.
