

DIGITAL RURAL INDIA: INITIATIVES BY STAKEHOLDERS

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ABSTRACT:

This document explains the technological initiatives which are being implemented by Business Organizations in the rural parts of India further to Government of India's impetus on Digital India. Since 70% of India's populace lives in rural areas, the impact of digitalization in these areas is bound to have immense economic repercussions on the country's overall development.

Even though the penetration of smartphones in Indian markets has seen an exponential growth, yet the challenges to a Digital Rural India remain high. Illiteracy, poverty, lifestyle, social issues, scattered geography, accessibility....remain the typical hurdles in digitizing Indian villages.

With a population of 1.3bn, coupled with the fact that it is currently the world's fastest growing economy, it was just a matter of time for Businesses to jump into the fray and tap into this 70% potential market of 1.25 bn. A population as huge as this calls for coverage and penetration strategies. Digitization has been an enabler to quickly reach and communicate with masses.

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INTRODUCTION:

Outside our electronic comfort zones are vast stretches of rural India that lie disconnected. And the path to their empowerment lies in digitisation. Digital connectivity is a basic amenity today. This is certainly the thought behind Indian government's "Digital India programme" that aims to expand the digital infrastructure to connect the entire country and provide a digital platform for banking, governance, healthcare and educational services.

Since 70% of India stay rural, it becomes imperative to understand "The Digital India Programme". It is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy.

"We want to have one mission and target: Take the nation forward - Digitally and economically"; this vision statement from our honourable Prime Minister Shri NarendraModiperfectly summarizes his thought process on making India Digital.

Along with this push from the dispensation, a few of the Private players have jumped in the digital rural bandwagon. Through a variety of digital initiatives, the Corporates are aiming to have their pie of business share, along with discharging social responsibilities from and in our rural hinterlands.

KEY WORDS: Digital India, Government of India (GOI), Rural India, Potential, Business initiatives, Digital push, eChoupal, Sanchalak, Unnati, Digital villages

INITIATIVES BY STAKEHOLDERS:

- **"Digital India" by Government of India:**

As is obvious by now, the biggest stakeholder in the Digital rural India mission is the Government of India itself. GOI has broken its Digital India vision into three actionable areas:

- Digital infrastructure as a core utility to every citizen
- Governance and Services on demand
- Digital empowerment of citizens

The detailed activities under each area are given as under:

1] Digital infrastructure as a core utility to every citizen:

- Availability of high speed internet as a core utility for delivery of services to citizens
- Cradle to grave digital identity that is unique, lifelong, online and authenticable to every citizen
- Mobile phone & bank account enabling citizen participation in digital & financial space
- Easy access to a Common Service Centre
- Shareable private space on a public cloud
- Safe and secure cyber-space

2] Governance and Services on demand

- Seamlessly integrated services across departments or jurisdictions
- Availability of services in real time from online & mobile platforms
- All citizen entitlements to be portable and available on the cloud
- Digitally transformed services for improving ease of doing business
- Making financial transactions electronic & cashless
- Leveraging Geospatial Information Systems (GIS) for decision support systems & development

3] Digital empowerment of citizens

- Universal digital literacy
 - Universally accessible digital resources
 - Availability of digital resources / services in Indian languages
 - Collaborative digital platforms for participative governance
 - Citizens not required to physically submit Govt. documents / certificates
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- **“eChoupal” by Indian Tobacco Company (ITC):**

Rural India is characterized by weak infrastructure in terms of road and rail connectivity, quality of education and healthcare and digital facilities. Lack of literacy and poverty have ensured that the best of the businesses have diluted their focus on this huge potential population. But the

GOIs digital push in the last few years is changing the entire rural paradigm slowly if not rapidly. Rural India mostly houses the farming community. Due to lack of adequate facilities and continuing poverty, this community never felt empowered. Lack of education meant that they had to be dependent on the middlemen to sell their produce in the market. So this resulted the farmers getting exploited and manipulated at the hands of the middlemen. The agents kept getting richer, and the farmers poorer.

Companies like ITC as a result of expanding its businesses into “Food” category, invariably had to source lot of raw materials from the farm produce. Looking at the cut throat competition in the Indian FMCG sector, each Company strategizes to optimize its costs. ITC came up with this novel idea of sourcing the raw material directly from the source, i.e., the farmers, thus eliminating the middlemen. But there were practical challenges like illiteracy and lack of technology awareness. ITC decided to train one farmer per defined area (which was called as “Sanchalak”) in IT. This ITC kiosk housing the computer and internet (through VSAT) were installed in the Sanchalak’s house. Each installation serves around 600 farmers in the nearby ten villages within a radius of 5 kms. The Sanchalak bears the operating cost of this infrastructure but earns his revenue through a service fee that’s charged in each eChoupal transaction. The nearby farmers traded online with the help from this Sanchalak. The farmers thus are able to get a better rate of their produce, procure seeds and fertilizers, and understand the current trends and rates in the market and along with good farming practises. Farmers are able to access real-time information on the mandi happenings despite the physical distance. ITC has been able to connect the farmer with the market through eChoupal. As for the warehouse hubs, these are managed by the same traditional middlemen, now designated as “Samyojaks”. These guys take care of logistics, quantity aggregation and cash disbursements.

Ever since ITC has undertaken this initiative of eChoupal, the associated farmers have seen a steady rise in their incomes due to rise in the quantity and quality of the farm output along with a fall in the transactional costs.

- **“Ekkadamunnatikiaur” by Intel:**

With a resolve to work with the GOI's Digital India mission, Intel came up with its unnati campaign in 2015. It set up its first such Digital India unnati centre in Nadimpalle, a small village in the Mahboobnagar district of Telangana. The initiative that started with Nadimpalle was basically to create model digital villages.

Under this programme, Intel is working with the Central and State Governments creating a model blueprint towards technology enabled digital transformation at the grass root levels. The idea is being implemented across 10 states. The common service centre (CSC) at Nadimpalle is up to date with hardware, broadband connectivity, digital learning skills and locally relevant solutions. Intel management rightly thinks that effective digitization of rural India is key to the success of Digital India. Intel's digital India unnati centres aim to provide devices, relevant local content and proper training for the rural folks thus ensuring that opportunities for development and empowerment are created and taken.

- **“Digital Villages” by ICICI:**

The innovation initiatives by ICICI Bank towards rural India are driven by the GOIs vision of a Digital India. Inspired by the success of India's first Digital Village at Akodara that stood out as a model cashless village in the wake of demonetisation, ICICI Bank pledged to transform 100 villages into ICICI Digital Villages across the country within 100 days. On May 2, 2017, ICICI Bank dedicated the 100 villages to the nation in the presence of Shri ArunJaitley, the honourable Finance Minister, Minister of Defence and Minister of Corporate Affairs in the Cabinet of India. During this 100-day period, the bank provided vocational training to 11,300 villagers, including 70 per cent women, and opened more than 2 lakh bank accounts.

The Bank has extended the initiative to 500 more villages.

The Digital Villages initiative takes a holistic approach to the development of rural India and encompasses the following:

- Digitisation of retail and commercial payments and banking transactions
- Imparting vocational training to underprivileged villagers so that they can earn a sustainable livelihood

- Provision of credit facilities to villagers and enablement of market linkages so that they can enhance their livelihood opportunities

Post the problems faced by a Digital village in Gujarat post demonetisation, ICICI decided to impart skill training and credit linkages to the villagers for the targeted 500 villages.

Final thoughts:

Government of India, under the visionary leadership of honourable Prime Minister Shri NarendraModi have ideated a slew of initiatives towards empowering rural India digitally. Along with this digital push also came Skill India which is enabling digital education through various vocational courses.

Industry was not to be left behind, and they have wonderfully responded to the GOIs digital mission. In today's technological world, digital literacy in rural India is as crucial as academic literacy, healthcare and infrastructure. GOI is pursuing this path and the Industry is ably supporting this initiative.

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