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Accelerating Economic Justice: Through Digitisation of Indian Economy by Fintech

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ABSTRACT

In the burgeoning world of FinTech, particularly cryptocurrencies, regulation is a big issue. They are unregulated in most countries and have become a breeding ground for scams and fraud. It is difficult to establish a single and complete strategy to address these difficulties due to the multiplicity of FinTech products. Regulatory uncertainty in the FinTech sector is complicating matters for both service providers and users. The lack of a unified regulatory framework for FinTech has generated numerous areas of ambiguity in the system for businesses, investors, and consumers. Several unethical loan practices have also been reported, while the regulator was not looking. Brutal collecting procedures, opaque lending practices, product mis-selling, customer harassment, and so on are examples. Regulators are now faced with the problem of addressing a diverse set of regulatory objectives and policy priorities to provide a healthy environment for the development of the fintech ecosystem.

Keywords: Fintech, Social justice, Economic justice

Introduction

India has one of the biggest fintech markets in the world. The fintech sector is expected to be valued at over $1.5 trillion by 2030[i]. The financial technology companies, or "FinTechs" have been instrumental in the remarkable restructuring of the banking and financial scene following the 2008 Global Financial Crisis, demonetization, and the implementation of COVID-19. Digital loans, digital payments, wealth tech, insurtech, and the virtual digital assets ("VDA") market are among India's leading fintech industries. Fintech, which combines the terms "financial" and "technology," refers to companies that employ technology to improve or automate financial services and operations. The phrase refers to a fast-expanding industry that serves the interests of both consumers and corporations in a variety of ways. Fintech offers a seemingly limitless number of applications, ranging from mobile banking and insurance to cryptocurrency and investment apps.[ii] Today, it is an irrefutable reality that Fintech can be found in practically every aspect of financial services, both from incumbents and new entrants. . Fintech companies are all over the place, providing a variety of services like mobile payments, robo-advisors, crowdfunding, peer-topeer lending, and tools for managing personal finances. In the payments industry, businesses like Square, PayPal, and Stripe are becoming more well-known. Large digital firms like Apple, Google, and Amazon enter the fintech market and compete with traditional banks and fintech start-ups by providing financial services.

Aims and Objectives

- To examine the Role of Fintech in the Digitization of economy.
- To assess the impact of fintech on financial inclusion, service access, and economic empowerment among underprivileged people.
- To identify the benefits and challenges associated with the digitization of the economy through fintech.
- To analyse potential hazards, cybersecurity concerns, and ethical implications of incorporating fintech solutions into the digital economy.
- To identify the conventional legal framework regularising the issues related to the digitization of economy

Research Methodology

The paper is based on the secondary data collected from various sources that include Bare Acts, notifications, guidelines, research papers, Reports, etc.

Concept of Digital Economy

The digital economy refers to the global network of economic activity, commercial transactions, and professional relationships made possible by information and communication technologies.[iii] The digital economy is gaining traction and has an impact on many elements of global economic activity. It emphasises that the digital economy is no longer confined to a single industry, but rather pervades all aspects of the economy. The digital economy has influenced and transformed the traditional manufacturing industries. This suggests that the use of digital technology and processes improves and modifies manufacturing activity. Financial technologies, which provide access to a variety of financial products and services, contribute to the development of the financial market and are an essential component of the digital economy. Examples of fintech applications include robo-advisors, payment apps, peer-to-peer (P2P) lending apps, investment apps, and crypto apps, among others.

At present there are various digital initiatives taken by government of India in order to catalyse the growth of digital economy. Some of them are: The BharatNet Project, Startup India Programme, Digital Saksharta Abhiyan (DISHA) Program etc. [iv]With the advancement of technology and digital services there is an increase in digital fraud and consumer unhappiness. This has prompted a closer examination of the operations of FinTechs, resulting in the implementation of certain supervisory measures to mitigate the dangers posed by their activities. This expansion is being facilitated by services like Digital KYC, BHIM, BBPS, and ABPS, which are also creating new opportunities for Fintech businesses. An unexpected announcement of demonetization in India and COVID19 pandemic propelled the Fintech sector. Four statutory markets regulators viz. RBI, SEBI, IRDA, and TRAI regulate the sector in their own domain.

Development of Fintech

Fintech, a combination of the words ‘financial’ and ‘technology’, refers to a technology that helps financial institutions supply financial services more quickly and uniquely than they did in the past. Fintech is a technology that allows users to manage their finances, increasing their financial knowledge and sense of empowerment. By utilizing cutting-edge technologies, it improves the financial status and results of consumers.

- Fintech 1.0 (1886-1967) is about Infrastructure. It began with innovations like the steamship, railway, and telegraph, making it possible to send financial information quickly across international borders for the first time.

- Fintech 2.0 (1967- 2008) is about banks. With the introduction of the first handheld calculator, the first ATM placed by Barclays Bank, the phase is characterized by the SWIFT code (Society for Worldwide Interbank Financial Telecommunications) continues to facilitate a substantial number of cross-border payments.
- Fintech 3.0 (2008-2014) is about start-ups, especially fintech firms. Another significant event in the financial world was the release of Bitcoin 0.1 in 2009, quickly followed by the cryptocurrency boom.
- Fintech 3.5 is about globalization through advancements in fintech technology
- Fintech 4.0 (2018 - today) is about disruptive technology[v].

Open banking, blockchain technologies, Neo-banks, Artificial Intelligence, and machine learning based services are now the buzzwords in the industry. Today, FinTech applications in India are available in the area of moneylending, payment services, wealth management, embedded finance, personal finance management in the banking and Insurance sector, and also regulatory compliances. Regtech technologies automate the procedures of data collection, validation, and submission, making regulatory reporting more efficient. Know Your Customer (KYC) checks, anti-money laundering (AML) protocols, and regulatory reporting are just a few of the compliance duties that Regtech solutions automate. Through the use of blockchain, artificial intelligence, and machine learning, Regtech helps financial institutions increase the efficacy, speed, and accuracy of their compliance processes.

Digitization of the economy and financial inclusion

The process of digitizing the economy and promoting financial inclusion in India aims at utilizing digital technologies to improve the availability of financial services and foster inclusive economic development. The programs, such as the Digital India campaign and the Pradhan Mantri Jan Dhan Yojana (PMJDY), have shown remarkable progress in financial inclusion. The digital payment platforms, mobile banking, and Aadhaar-enabled services have effectively promoted enhanced financial inclusion by offering simple and cost-effective avenues. However, enhancing digital literacy, fortifying cybersecurity protocols, and cultivating innovation to establish a financial landscape still need more attention.

The "Digital India' mission is a three-tiered plan that includes infrastructural development, digital empowerment for all citizens, and corporate governance. It tries to improve public accountability by making information available digitally. The digital India campaign would take proactive actions toward transforming the informal economy into the organized sector by networking it with different government initiatives. [vi]

Journey of Financial Inclusion

After the Rangarajan Committee's recommendations in 2008, financial inclusion as a policy determination entered the banking language. When banks realised the need to interact with more people for corporate success, it began to draw the attention of stakeholders.[vii] Financial services included the provision of basic savings accounts as well as access to enough credit at affordable rates for vulnerable groups such as the socially excluded and low-income households. Microfinance units' experience in India and overseas has shown that disadvantaged people can also be creditworthy bank customers, with the significant socioeconomic impact of freeing the rural economy from the clutches of predatory moneylenders. With the RBI, encouraging financial inclusion became an intrinsic element of the business domain of banks. Kisan Credit Cards (KCC), General Credit Cards (GCC) helped cater to the needs of financially disadvantaged groups. RuPay debit card, introduced by the National Payments Corporation of India (NPCI), was a game changer in terms of building a better digital infrastructure and allowing for a speedier adoption of debit card culture. The RBI and the NPCI have taken several significant actions and projects to enhance payment and settlement systems in banks, including the creation of the United Payments Interface (UPI) and the Bharat Interface for Money (BHIM).

According to data from the National Sample Survey Office (NSSO), a significant proportion of farmer households in the country, specifically 45.9 million (51.4%) out of a total of 89.3 million households, lack access to finance from both institutional and non-institutional sources. Moreover, although the extensive array of bank branches, a mere 27% of farm households are burdened with debt from formal sources, with an additional one-third resorting to borrowing from informal sources. The percentage of farm households that do not have access to credit from formal sources is notably high, with rates of 95.91%, 81.26%, and 77.59% in the North Eastern, Eastern, and Central Regions, respectively. Therefore, in addition to the overall magnitude of exclusion, it also exhibits significant variation among different locations, social groupings, and asset ownership. As the group's wealth decreases, the level of exclusion increases.[viii]

Current Status of India in the Digital Space

Today's banks strive to give their consumers a quick, accurate, and high-quality banking experience. UPI is a mobile interface, NEFT, an electronic payment system, RTGS for high-value transactions, and the Immediate Payment Service (IMPS) are the fastest banking modes of payment.

The RBI has made many attempts to establish norms for online banking, which it analyzes regularly. Most importantly, all banks must now obtain RBI clearance before providing any transactional services via the Internet. This was, however, shelved, providing banks more autonomy in the internet domain while ensuring that it remained firmly within the restrictions of the RBI. As per the Reserve Bank of India, the country's financial inclusion index stood at 60.1 as of the fiscal year 2023. It increased to its current level from 43.4 in 2017, showing more financial inclusion. The degree of access to and use of formal financial services, such as banking, insurance, investments, pensions, and the postal industry, is gauged by the financial inclusion index.

Regulatory Framework on Fintech

The legislative framework governing FinTech in India is characterized by its dynamic and developing nature, which promotes innovation while simultaneously protecting consumer interests and ensuring financial stability.

The legislative framework governing FinTech in India is of paramount importance in influencing the development and functioning of financial technology innovation. The FinTech business has witnessed tremendous growth due to technological improvements and evolving customer demands. To ensure transparency, security, and stability, the legal framework establishes the required norms, laws, and protections. India has a complex legal framework for FinTech, which includes a range of laws, regulations, and guidelines established by regulatory bodies like the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI), and others.

The enactment of the Payment and Settlement Systems Act, 2007, was a notable achievement in the framework of payment system regulation, with the primary objective of safeguarding the security and effectiveness of electronic transactions. Within the banking industry, the norms and regulations established by the RBI have played a crucial role in fostering innovation and upholding the security and integrity of digital banking services, including mobile banking, internet banking, and Unified Payments Interface (UPI).[ix]

Role of the Regulators

The first cohort under the new Enabling Framework for Regulatory Sandbox, which the RBI developed in 2019 as Retail Payments and then subsequently with the themes for the second, third, and fourth cohorts under the regulatory sandbox are "cross border payments," "MSME Lending," and "Prevention and Mitigation of Financial Frauds," respectively. The Reserve Bank Innovation Hub (RBIH) was established in late 2020 followed by establishment of a distinct "fintech department" and the Financial Stability and Development Council - Sub Committee's (FSDC-SC) Working Group on FinTech and Digital Banking.

A central bank digital currency (CBDC) aims to augment financial inclusivity while also optimizing the implementation of fiscal and monetary policies. As economies undergo a worldwide shift towards digital currencies, a multitude of nations are investigating the potential ramifications that CBDCs may have on their financial systems, networks, and overall stability of the economy.

Because CBDCs are a risk-free, central banks in many different nations are actively investigating them. It is accepted as payment for goods and services and is regarded as legal tender. While banknotes and coins have historically been the primary forms of fiat money, technological advancements have enabled governments and financial organizations to augment these physical forms of money with a credit-based currency model that maintains digital records of balances and transactions.[x]

SEBI has ensured to build a strong cybersecurity framework on IOSCO principles to shield market infrastructure institutions and intermediaries from the hazards connected with emerging technologies. The Committee on Financial and Regulatory Technologies (CFRT) was formed by SEBI to offer advice on the opportunities presented by FinTech while also addressing the dangers and difficulties associated with it. It enabled an innovation sandbox to assist organizations not subject to SEBI regulation in creating and implementing cutting-edge FinTech solutions in the securities industry. To enable SEBI-regulated firms to test FinTech solutions in a real-world setting with actual clients, SEBI has also suggested creating a regulatory sandbox. SEBI has implemented regulations to oversee crowdfunding platforms, robo-advisors, and other FinTech advancements in the investing and trading sector for securities markets. The primary objective of these regulations is to safeguard the interests of investors and promote equitable practices within the realm of digital investments.

The International Financial Services Centres Authority (IFSCA) in Gandhinagar, Gujarat, which was established in compliance with the International Financial Services Centres Authority Act, 2019, has made available a list of representative fintech and tech fin sectors and activities in India.[xi] These activities can be divided into three main groups: fund management, capital markets, banking, and insurance. They particularly include topics like digital banks, robotic advising services, cyber insurance, embedded insurance, sustainable finance solutions, and buy now, pay later (BNPL) arrangements. Among the many tech-fin areas/activities mentioned are Agri Tech, Climate/Green/Sustainable Tech, Space Tech, and solutions for the Banking, Financial Services, and Insurance domains employing technologies like AI, Chatbots, Web 3.0, and others.

The IRDAI has moreover released directives for InsurTech firms, guaranteeing adherence to insurance regulations and advocating for the utilization of technology to enhance insurance procedures and consumer satisfaction. The Indian government has implemented programs such as the Digital India initiative and the National Strategy for Artificial Intelligence (AI) with the aim of facilitating digital transformation and fostering innovation across multiple industries, including the field of Financial Technology (FinTech).

The laws and regulations that may apply to fintech in India are listed below:

RBI	Payment and Settlement Systems Act, 2007
	Master Directions on Prepaid Payment Instruments (MD-PPIs), 2021
	Framework for Scale-Based Regulation for NBFCs, 2021
	- Directions for e-payment transactions involving intermediaries, 2009
	- Guidelines for Licensing of Payments Banks, 2014
	- Operating Guidelines for Payments Banks, 2016
	- Framework for Recognition of Self-Regulatory Organisation for Payment System Operators, 2020
	- Guidelines on Regulation of Payment Aggregators and Payment Gateways, 2020
	- Circular on Processing of e-mandate on cards for recurring transactions, 2019
	- Circular on Tokenization – Card transactions, 2019
	- Guidelines on Digital Lending, 2022
	- RBI Master Directions on Credit Card and Debit Card – Issuance and Conduct, 2022
NPCI	- Various circulars on Unified Payments Interface (UPI) payments
SEBI	- Circular on Mutual Funds, 2021
IRDAI	- Guidelines on Insurance Repositories and Electronic issuance of Insurance Policies, 2015
	- Guidelines on Insurance e-commerce, 2017
	- IRDAI (Issuance of e-Insurance Policies) Regulations, 2016
IFSCA	- International Financial Services Centres Authority Act, 2019

Challenges before Fintech and Digitization of the Economy

Numerous organizations, including the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Telecom Regulatory Authority of India (TRAI), and the Insurance Regulatory and Development Authority (IRDA), have regulated the FinTech industry in India. Moreover, every state has a unique perspective on the start-up ecosystem, which makes it difficult for the majority of FinTechs' interstate, online-only business models to operate. Because of the conflicting opinions and overlap of legislation, this has left the FinTech community with unclear and ambiguous situations. But some of the challenges in digitization of economy are as follows:

1. Digital literacy

In contrast to 70% of urban homes, just 34% of rural families have access to the Internet in 2023, according to research. Due to the fact that many residents of rural areas lack access to digital services and cannot afford digital literacy training, the digital gap is a significant obstacle to digital literacy. In addition, the educational system has to place more of a focus on digital literacy. A significant number of Indian schools and universities do not provide sufficient instruction in digital literacy, despite the growing significance of digital skills in the labour market. Young people suffer from a lack of digital skills losing in job market. [xii]

There have been some positive advancements in digital literacy in India despite these obstacles. For example, according to figures from the Internet and Mobile Association of India (IAMAI), the country's Internet user base grew from 481 million in 2019 to 743 million in 2023. The expansion in accessibility of reasonably priced cellphones and mobile data plans has been a major driver of this rise. COVID-19 pandemic forced people to rely on digital services for employment, education, and entertainment, raising digital literacy and new avenues for training in digital skills.

2. Data standardization

Fintechs collect client data, such as spending patterns and purchasing preferences, from a variety of data sources, such as social networking sites and mobile networks. Dealing with unstandardized data presents challenges. Each one has a unique perspective on data and information, necessitating normalization of data for all of their clients. Making the data talk in a way that is useful beyond the fundamental analytics aspects becomes crucial when dealing with massive volumes of data. Fintechs must therefore decide "how much" data is required for processing, which presents a hurdle.[xiii]

3. Data Ownership

While fintechs process vast amounts of data to derive valuable insights, they largely receive these data from banks, non- banking financial companies (NBFCs), and other similar entities. This could lead to concerns about the ownership of data. While the ownership is typically of the Fintech's customer, there could be instances where the ownership may not be clearly articulated for each type of data set held by the Fintech. Clarifying this distinction is crucial to determine the extent of responsibility and accountability fintechs bear for data security.

4. Cybersecurity

As so much important data and money are exchanged in the Fintech sector, the sector has emerged as a top target for cyberattacks. Cyberattacks against Fintech organizations and transaction platforms have significantly increased in the past several years. Cybercriminals may take disadvantages of the loopholes in networks, applications, and systems to obtain unauthorized access, steal confidential data, and perpetrate financial fraud. Fintech platforms are vulnerable to a range of assaults, such as ransomware, phishing, distributed denial-of-service (DDoS) attacks, and data breaches due to their digital nature and interconnection. [xiv]

Fintech industry cyberattacks are motivated by a variety of factors. Cybercriminals attack Fintech platforms primarily with the intention of obtaining financial and personal information that can be used for identity theft, fraudulent transactions, or ransom demands.

5. Data Protection and Privacy

One of the challenges faced by fintech companies is adhering to industry regulations and standards. Strict guidelines for data protection and privacy are imposed by laws like the DPDP Act in India, General Data Protection Regulation (GDPR) and the Payment Card Industry Data Security Standard (PCI DSS). For Fintech organizations, achieving and maintaining compliance while juggling innovation and agility may be a difficult and resource-intensive task. The data collected by fintech companies is personal and sensitive data i.e., information regarding biometric, bank account number, etc.

6. Regulatory complexities

Fintech companies have significant compliance burdens from regulatory issues like the Payment Card Industry Data Security Standard and the General Data Protection Regulation. Fintech platforms frequently interface with other networks, systems, and third-party services, resulting in a complicated ecosystem that expands the attack surface. Robust controls and monitoring are necessary to secure this networked infrastructure and guarantee the confidentiality and integrity of financial data.[xv]

7. Trust of the customers

Customers has trust issues to use these technologies. Digital illiteracy is also one of the reasons for distrust. Businesses and customers alike want to feel confident with the industry as a whole, not simply a company's technology or product.[xvi] Traditionally, people used to go physically to the banks and do transactions with fiat money, but after COVID-19 19 this changed, and people need to accept online transactions.

Digitization of the Economy: Social Justice and Economic Justice

The digital transformation of the Indian economy has not only brought about significant changes in the financial sector but has also been instrumental in advancing social equity and fostering economic empowerment. India has successfully narrowed the divide between the privileged and marginalized segments of society through a range of digital initiatives and breakthroughs, promoting social and economic inclusivity. Digitization has played a pivotal role in advancing social justice by facilitating improved accessibility to financial services across all societal groups. The adoption of digital banking systems, mobile payment solutions, and digital wallets has enhanced the accessibility and convenience of financial transactions, especially for individuals residing in distant and underserved regions. This development has provided individuals facing economic disadvantages, with the ability to engage in the official financial system, obtain loans, and enhance their financial literacy.

Furthermore, the process of digitizing government services, including digital identity (Aadhaar), e-Governance portals, and direct benefit transfer (DBT) schemes, has been crucial in facilitating the effective and transparent provision of welfare benefits to the designated recipients. This has reduced the occurrence of leakages and corruption, guaranteeing that social assistance programs are delivered to the individuals who are the most in need. In terms of the economy, digitization has stimulated entrepreneurship and the generation of employment opportunities.[xvii] The proliferation of e-platforms and marketplaces has presented small firms and craftsmen with enhanced prospects to exhibit their products to a broader demographic, consequently augmenting their market penetration and revenue. The digital economy creates new job opportunities and entrepreneurial ventures. Similarly, the gig economy, though not without its challenges, offers flexible employment opportunities. This phenomenon has played a significant role in fostering economic empowerment at the local level.

The expansion of the digital economy has resulted in the establishment of novel industries such as Financial Technology (FinTech), electronic commerce (e-commerce), and digital services, hence generating a wide array of employment prospects. Not only has this stimulated economic expansion, but it has also facilitated the enhancement and acquisition of new skills by the workforce, empowering individuals to adjust to the changing digital environment.

Distributive Justice is justice in terms of the distribution of wealth, opportunities and privileges within a society." A political and philosophical theory known as "**social justice**" centres on the idea of equity in interpersonal relationships as well as equitable access to resources, opportunities, and social advantages within a community. In its widest definition, justice is the idea that people should get what they deserve. However, the definition of "deserving" is subject to interpretation from a variety of disciplines and points of view, including morality and its foundations in equity, fairness, law, ethics, and rationality. [xviii]

Social justice, which is the idea that everyone should have equal access to income, health, happiness, privileges, and opportunities, and legal justice, which is the rule of law rather than the rule of any one person. It declares that everyone is treated equally by the law and that all men are equal before it.
Since the social system is always a part of the economic system, social justice and economic justice are inexorably interwoven. Economic opportunities and rights for individuals are inextricably linked to the greater social framework.
To achieve economic justice, everyone must have an equal opportunity to earn a living and a fair wage, which will enable them to meet their basic needs and pursue further development. In the event of disease, old age, or infirmity, the state ought to provide them with stable financial support.
Nothing should allow a person, class, or organization to take advantage of or abuse others. All people should receive resources and money in a just and equitable manner. The wealth and poverty gaps shouldn't be apparent. The fruits of prosperity are for all to share. Different theories and systems have different definitions of what economic justice is. However, one thing is certain: all citizens need to have access to the necessities of life.
Unfortunately, since they cannot afford bank accounts or do not trust banks, one in four people do not live in the mainstream of the financial system. Rather, product characteristics like minimum balance restrictions and overdraft limits, which really only work for people with a solid financial history, steady and sufficient income, and stability, typically destroy their wealth.
Economic justice is the idea that wealth and justice work hand in hand rather than against one another, and that a fairer economy will be more successful. Rural areas and region areas are the two pillars of economic justice. It is evident that people in metropolitan areas are better adapted to digitalization, while people in rural areas find it difficult to adjust because of a lack of financial and digital literacy.[xix]
Governance and economic justice are connected concepts. The responsibility of supervising the policies, framework, procedures, and general structure of financial inclusion initiatives falls on governance or decision-makers. To do this, officials must thoroughly and meticulously plan in order to advance the inclusion goal over the long run. On the other hand, economic justice is achieved by such governance. By making all government services accessible to the average person in his community through common service delivery outlets and guaranteeing the effectiveness, transparency, and dependability of those services at fair prices to meet the necessities of the average person, the NeGP seeks to enhance the delivery of public services to citizens. The same will be true for economic justice.
Digitization can improve access to essential services such as healthcare, education, and government services through online platforms. This can reduce inequalities in access to these services, contributing to social justice. During covid pandemic all the services are digitised.

Role of women in digitization of economy

With access to online education and other services, new information sources, expanded networks, new marketplaces, and potentially new financial tools that were previously unavailable, digital inclusion can genuinely transform women's lives. These benefits can increase women's agency, self-reliance, and economic activity. But if women cannot transact digitally, they cannot participate in the economy in a world that is becoming more and more digital. Women's digital inclusion and economic empowerment are contingent upon their participation in the digital financial system. In the realm of financial inclusion, achieving gender parity is no small feat.
The ability of the whole digital financial ecosystem to serve women is impacted by social norms. First,

social conventions that restrict women's mobility, economic opportunities, access to and usage of cellphones, financial and digital literacy, and other aspects of their lives have an impact on the demand for financial services from women themselves. Second, social norms that limit their ability to specifically assess women's financial needs or restrict the participation of women in their agent, employee, and management teams also often make financial institutions less inclined and/or less equipped to design and offer financial services for women. Financial institutions might, for example, disregard women as prospective independent clients and forego women-focused marketing and client acquisition if they hold the notion that women shouldn't be able to keep their financial information private from their husbands.[xx]

Furthermore, if authorities in the financial sector are unable to acknowledge and consider the lived reality of women due to gender norms, they may share some of the blame for the gender gap in financial services. For example, banking organisations are required by many countries know-your-customer requirements to verify new clients' identities with legal documents. But this might make it harder for women to open accounts in countries where they don't have many of the forms of identification that males do.

The gender-based digital divide is widened in rural India where women frequently face intra-household discrimination that keeps them from using digital gadgets in their homes. Women in this social structure have been left out of the expanding digital economy, especially when it comes to opportunities for online learning, skill development, entrepreneurship, and employment. Reversing these trends can have a lot of positive effects. Increasing diversity and the participation of women in the digital economy have positive social and economic effects. Digital technologies present avenues for women and girls to gain economic emancipation. But because of the current gender gap in the digital sphere, not all women can take advantage of these "leapfrog" chances.[xxi] Hence, the women in the country need to have accessibility to and availability of the resources, and for this, some initiatives and policies should be made.

Conclusion

India's economy digitization has enormous potential to advance social inclusion and economic justice, especially through programs that strengthen financial inclusion and give underprivileged populations more power. The development of digital financial services and the notable increase in internet usage, especially in rural regions, highlight the transformative effect of digitization on making information, markets, and financial tools accessible. However, addressing the issues brought on by the gender-based digital gap and socioeconomic inequities is essential if we are to fully reap the benefits of digitalization and achieve economic justice. To fully realize the promise of the digital economy and provide fair access to opportunities for all societal sectors, efforts must be made to support women's digital inclusion and economic empowerment. India has the potential to lead the way towards a more equitable and inclusive digital future where technology acts as a catalyst for empowering people, decreasing inequality, and advancing sustainable development. This can be achieved through prioritizing inclusive policies, encouraging digital literacy, and challenging gender norms and biases.

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