

Villagers not logging on to digital India: GNLU

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It seems rural Gujarat is yet to understand the vision of the central government that is trying to make transactions digital. A study sponsored by the Gujarat government on understanding digital financial literacy in the state, a team of experts from Gujarat National Law University (GNLU) found that even when the government has been aggressive in pushing for the Indian economy to be cashless, the ground reality is stark difference.

The study 'Digital Financial Literacy through Digital India: Study of its impact in the rural areas of three districts of Gujarat' conducted by professors Garima Goswami and



Anu Mishra have found that there has not been any significant change in the mode of transaction. Even today, the majority of the transactions are conducted through offline mode and therefore there is a huge gap in what the government is aiming at

and what the ground reality is. Through this study, the idea was to understand awareness regarding Digital India Mission, digital infrastructure and level of digital financial literacy in Gujarat. The researchers also attempted to

Bad infrastructure

Issues such as internet network issues, delayed delivery of service, security issues, transaction charges etc. are few prominent hurdles in adopting digital modes of financial transaction.

study the impact that demonetization had on the level of digital financial literacy. Three districts from the state were selected namely Ahmedabad, Surat and Gandhinagar. One village from each district was selected through random sampling namely Aslali, Olpad and Dabhuda respectively. The study also revealed that the dominant mode of finan-

cial transaction of more than an average of 92% of the sample population was through offline transactions. Therefore, it is evident that even though the government is coming up with various new initiatives yet in the rural areas the dependence and the preference of offline methods is very significant.

It was further observed that across all three villages the dependence on digital platforms had not changed a lot post demonetization. A relatively small number of the population had shifted from using ATM machines however there was not a major shift in their dominant mode of financial transaction. This again indicates that schemes such as demonetization have not been able to

penetrate at the rural level and have not successfully changed the dominant nature of financial transactions.

Area wise observation

While trying to understand the correlation of age and use of a digital mode of transactions after demonetization, we found that 20% of the respondents used Paytm to make transactions post demonetization in Olpad. Whereas for Aslali, the data suggests that the people have started using ATM cards and other modes of digital payment in their routine life post demonetization. The number was comparatively higher for Dabhuda. Many people have started using ATM cards, mobile transfer, Paytm and other modes of digital payment.