

Moving towards Digital Economy

AFTER

De-monetisation !!!!

INDIA –GOING - CASHLESS

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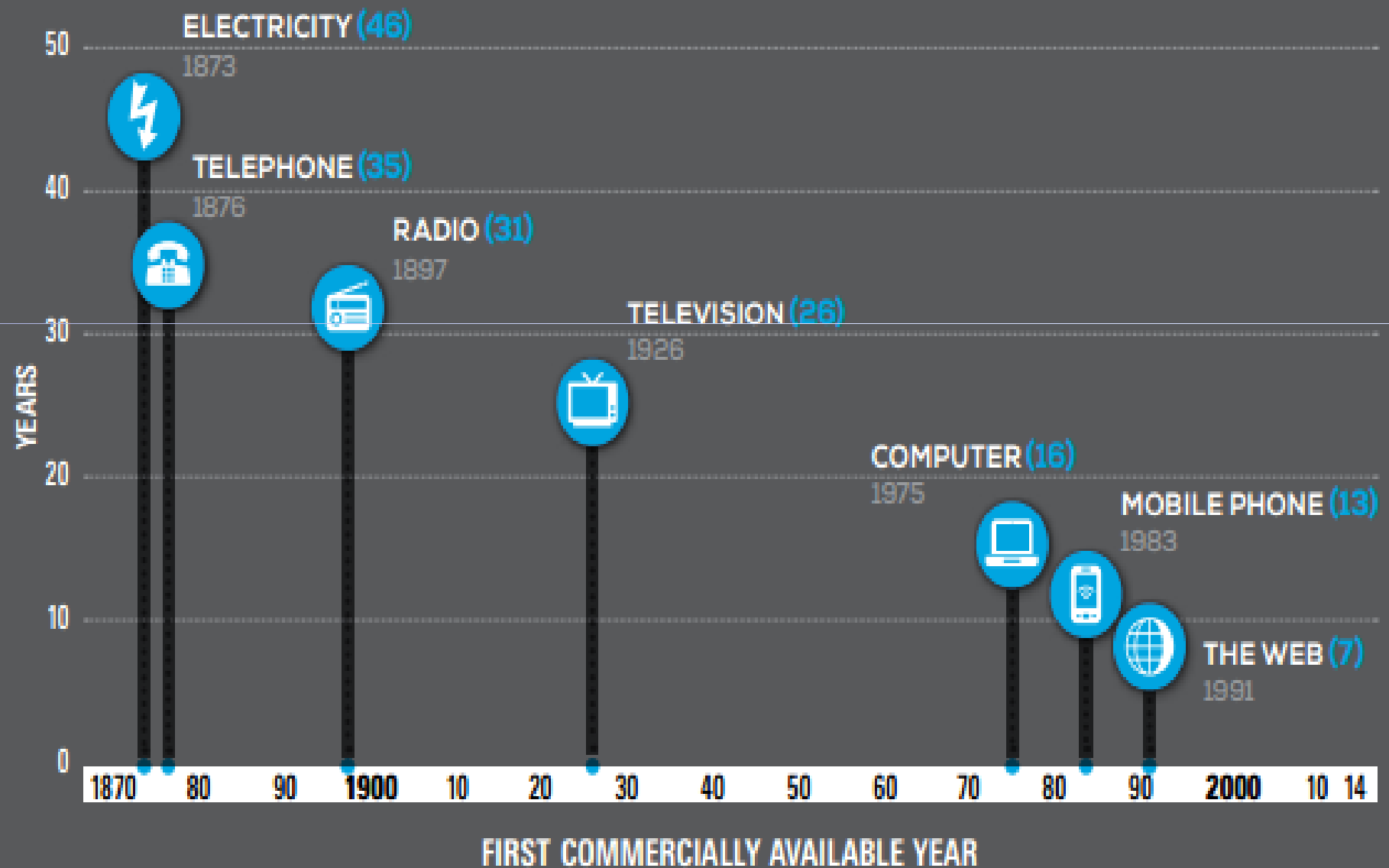
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THE INCREASING PACE OF CHANGE

TECHNOLOGY ADOPTION - YEARS UNTIL USED BY 25% OF AMERICAN POPULATION



Then



VS



Now

OLDER vs. newer



last seen: 8 sec ago



last seen: 8 months ago



7 EXAMPLES TECHNOLOGY HOW DEVELOPED IN PAST 10 YEARS

- 1) Smartphones**
- 2) Social networking**
- 3) WiFi**
- 4) Tablets**
- 5) E-commerce**
- 6) Wearable technology**
- 7) Augmented Reality**



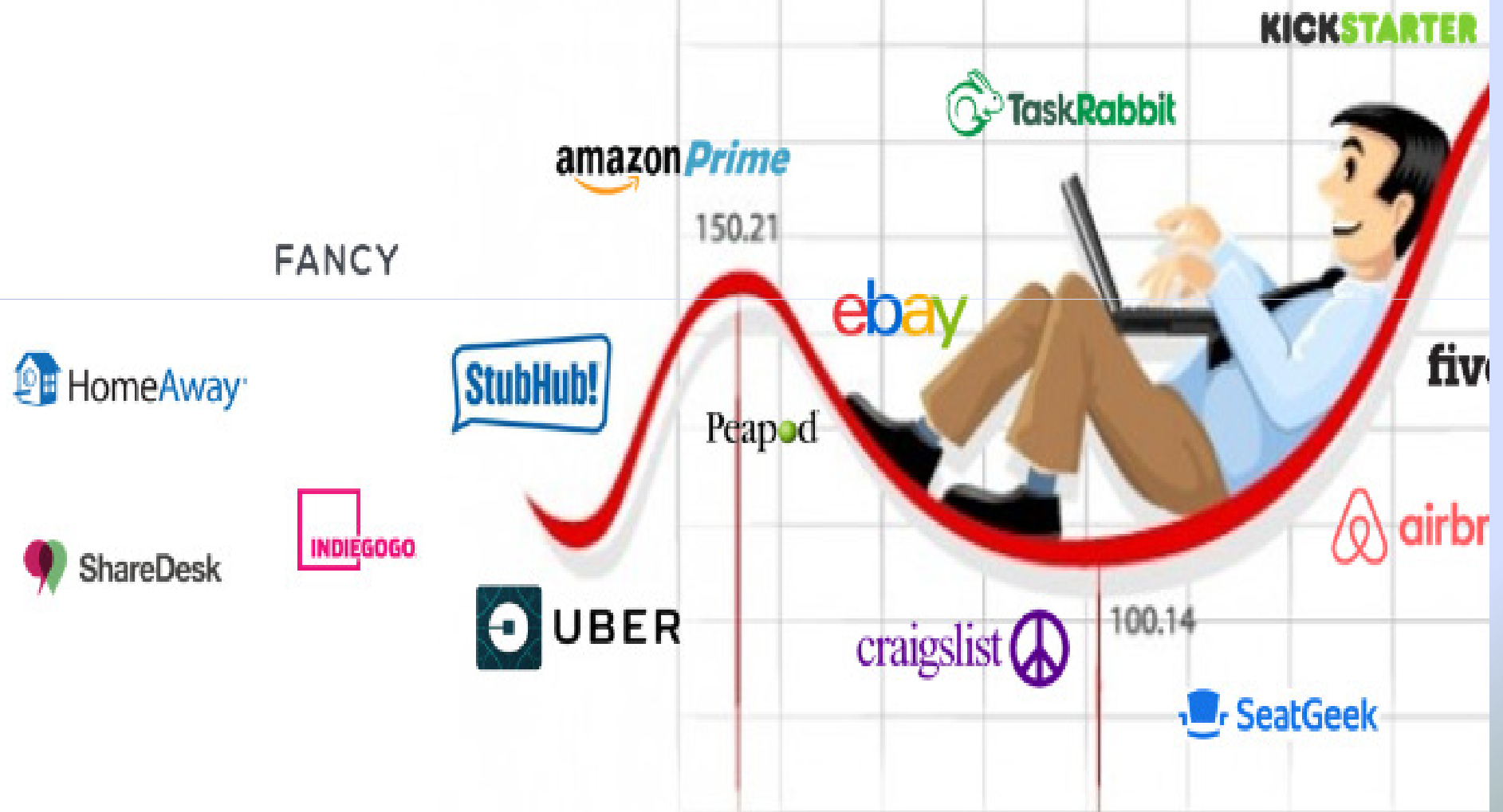
DIGITAL ECONOMY

What is Digital Economy

Digital 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. Increasingly, the "digital economy" is intertwined with the traditional economy making a clear delineation harder.

Wikipedia !!!!

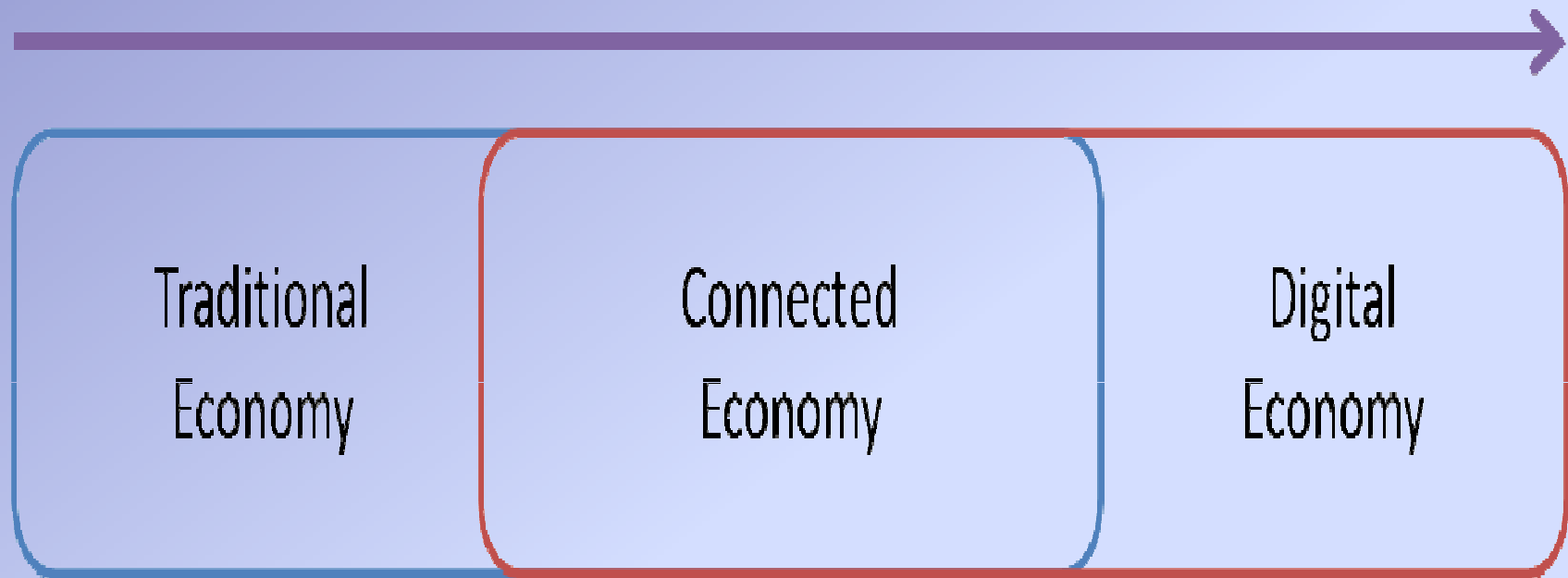
THE NEW DIGITAL ECONOMY



CHARACTERISTICS OF DIGITAL ECONOMY

- Globalization
- Digital Systems
- Speed (Real Time)
- Information Overload
- Market Moving Online
- Digitization
- Innovation
- New Business model
- High Rate of Obsolescence
- New Opportunities
- New Type of Fraud & Crimes

Ongoing Industry Transformation From Traditional To Digital



theMETISfiles
source to success

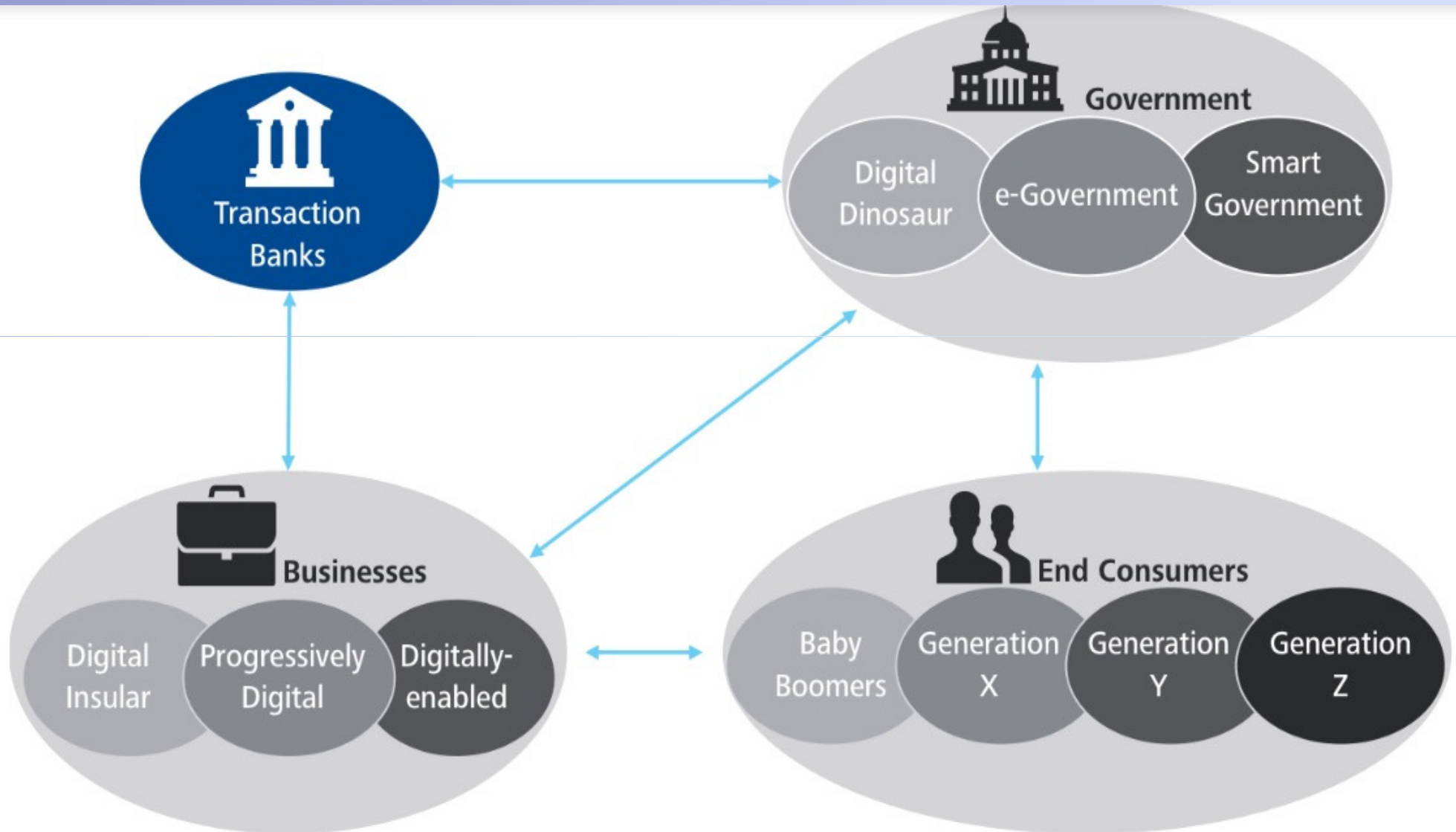
We are now living in an era of digitisation, inhabited by the digital natives of Generations X, Y and Z.

- * Generation X is the First cohort to grow up with the constant presence of computers at home and with access to over 100+ cable television channels.

- * Generation Y becoming increasingly digitally-savvy as well, the majority of the population is expected to be technologically-adept by 2025.

- * Generation Z enjoys high access to technology from birth and is even more accustomed to the lifelong use of communication and media technologies such as the Internet, instant messaging and mobile.

The end-client ecosystem



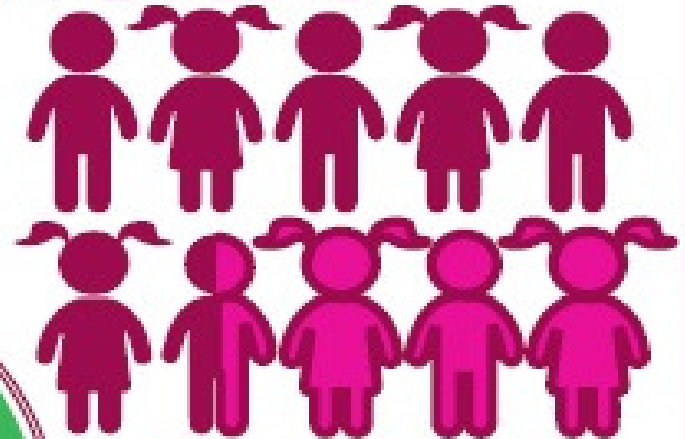
BUSINESS PRODUCTIVITY
IS BOOSTED THROUGH
EFFICIENT USE OF DATA BY

5-10%



INTERNET OPENNESS

65% OF KIDS TODAY
WILL DO JOBS THAT HAVEN'T
BEEN INVENTED YET



JOBS & SKILLS

GLOBAL
CONNECTIVITY

14 BILLION



CONNECTED DEVICES
IN OECD HOMES BY 2022



TRUST

IN LEADING COUNTRIES

90% OF
INTERNET USERS
BANK ONLINE



AND
80% SHOP
ONLINE

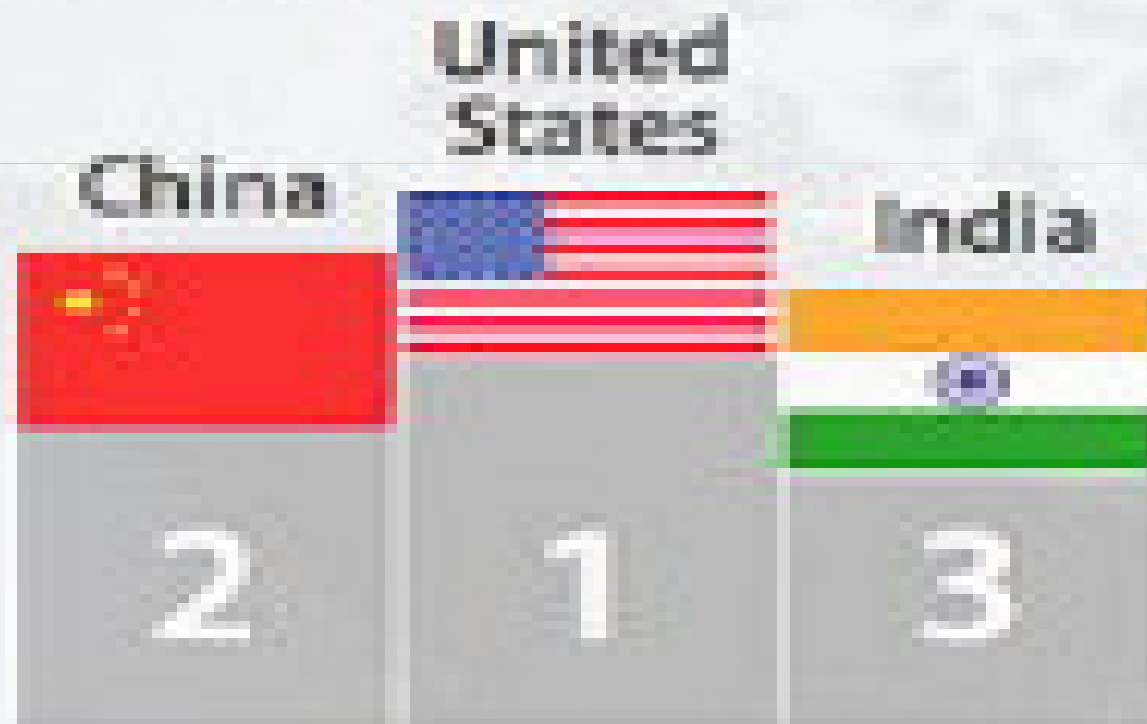


DIGITAL INDIA - **The Next Big** **Thing for Native** **Businesses**



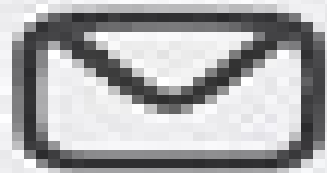
India Ranks Third

India is #3 in the world in terms of number of Internet users, just behind the US and China.

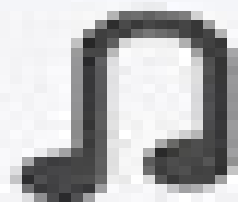


Uses of Social Media

Over 50% of users in India go online for these reasons.



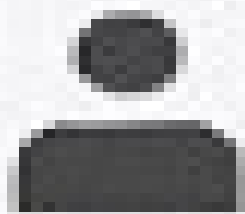
E-mail



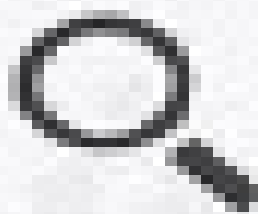
Music



Chat



Social



Search



Jobs

9 **PILLARS OF DIGITAL INDIA**



**Broadband
Highways**



**Public Internet
Access Programme**



**Information
for everyone**



**Early Harvest
Programmes**



**Universal Access
to Phones**



IT for Jobs
Electronic Delivery
of Services



eKranti
Electronic Delivery
of Services



E-Governance
Reforming Government
through Technology



**Electronic
Manufacturing**
Target NET ZERO Import

Impacts on the Economy

Economic Impacts

- 1.Improved output of the all sectors of economy.
- 2.Reduction in imports expenditure.
- 3.Online delivery system reduce the cost
- 4.Atracts foreign investment in economy.

Social Impacts

- 1.All socioeconomic facilities will equally available to all.
- 2.Improvement in social economic status.
- 3.Easy access to all resources
3. In short time delivery of services.

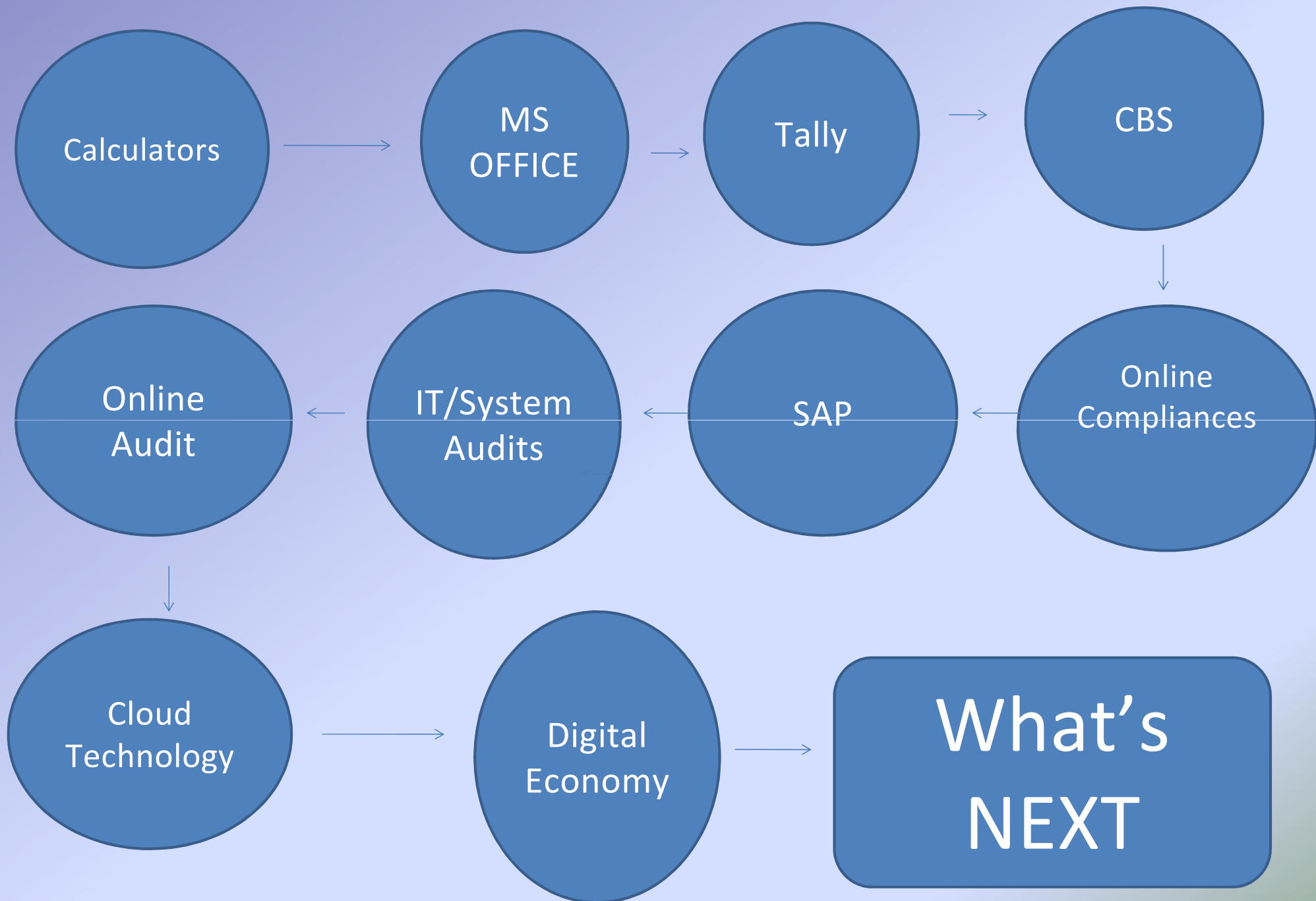
Environmental impacts

- 1.Save environment
- 2.Reduce paper consumption
- 3.Reduce fuel consumption
- 4.Reduce carbon emission
- 5.Reduce the travel cost
- 6.Save natural resources.

Where are we ?

COUNTRIES	CASHLESS TRANSACTIONS
Singapore	61%
Netherlands	60%
France	59%
Sweden	59%
Canada	57%
Belgium	56%
United Kingdom	52%
USA	45%
Australia	35%
Germany	33%
South Korea	29%
Spain	16%
Brazil	15%
Japan	14%
China	10%
India	2%

TECHNOLOGY & CAs



*Mode for doing transactions in
Digital World.*

alternate payment modes

- Credit Card
- Debit Card
- Prepaid Cards
- Internet Banking
- Mobile Banking
- Digital Wallet
- UPI
- **UPI wallets**
- Vouchers/ Coupons
- Redemption of Loyalty Points/ Airline Miles





A black and white photograph of a young man with curly hair, smiling and looking down at a smartphone he is holding in his right hand. He is wearing a light-colored, button-down shirt over a dark t-shirt. The background is a blurred field of tall grass or reeds. On the right side of the image, there is a dark blue rounded rectangle containing white text.

DIGITAL WALLETS

Convenient, Simple, Secure

PAYTM WALLET OFFERS



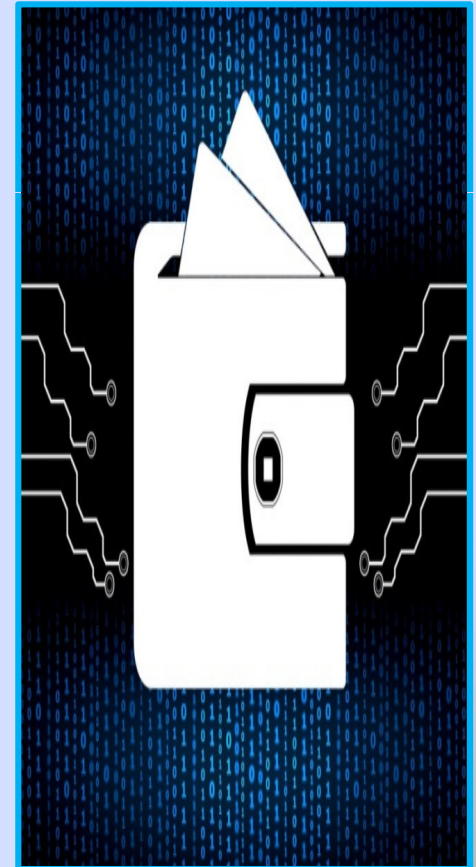
Benefits of Digital Wallets

What are **Digital Wallets** and what do they do?

Digital wallet payments provide government agency customers with simple, convenient, and secure ways to pay the government.

What are the **BENEFITS**?

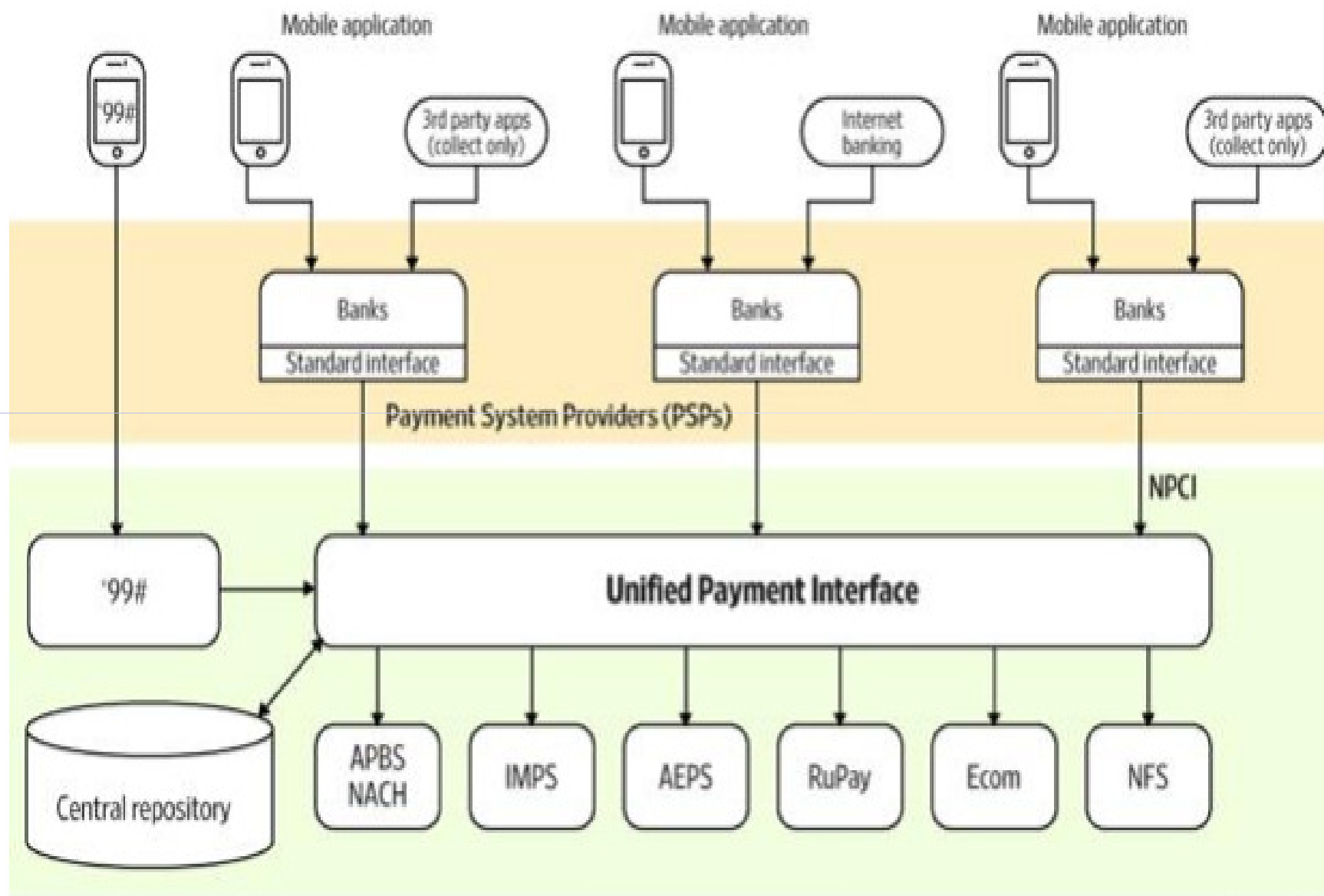
- Simple, convenient and secure payment options
- Provides consumer anonymity
- Extends payment to International users
- No change in current reporting
- Quick time-to-implement
- Provides customers more choice in payments
- Wide acceptability



The Unified Payment Interface (UPI)

- The Unified Payment Interface (UPI) envisages a payments architecture that is directly linked to achieving the goals of universal electronic payments, a less-cash society, and financial inclusion, using the latest technology trends, laid down in the Reserve Bank of India (RBI) Payment System Vision Document (2012-15).
- UPI is a cheap, secure, reliable, mobile-first, interoperable, open-source, instantaneous settlement and both pull and push platform.
- Moreover, while pre-paid wallets can't do more than Rs.10,000 worth of transactions without KYC (know your customer) norms in a given month, a UPI-enabled platform bank account can transfer up to Rs.1 lakh instantaneously.
- Besides, the cost of each transaction is going to be less than Rs.0.45, and one can also factor in all the savings from, and to, bank accounts (<http://bit.ly/1SYOShJ>).

THE ARCHITECTURE OF UPI



*99#: NPCI USSD service code to access banking service via phone

Source: NPCI

BITCOIN

- **Bitcoin** is a form of digital currency, created and held electronically. No one controls it. **Bitcoins** aren't printed, like dollars or rupees
- [Bitcoin](#) was the first “cryptocurrency,” a peer-to-peer, decentralized, digital currency. Bitcoin’s high cryptographic security allows it to process transactions in a very efficient and inexpensive way. You can make and receive payments using the Bitcoin network with almost no fees. In general, crypto currencies offer consumers an alternative to credit cards and the possibility of increased privacy. Download your free Bitcoin digital wallet and access merchant resources at [Bitcoin.org](#). Bitcoin does not require a merchant account, only a bitcoin wallet, which does not require any company or personal account information

*Difference of “Advantage” and
“Limitations” between these modes i.e.
Wallet, Payment Gateways, Bank’s
Apps, Swipe Machines, ATM Payments,
etc...*

ADVANTAGES

- **Increased Speed and Convenience**
- **Privacy**
- **Time savings**
- **Expenses control**
- **Reduced risk of loss and theft.**
- **Low Financial Risk**
- **User-friendly**
- **Convenience**
- **Anonymity**

Prevalence of cash ecosystem hinders interest in card acceptance

Top reasons adversely affecting merchant interest in digital payments acceptance

Never
thought
of using it
1st

It is not
secure
4th

Consumers
rarely ask
for it
3rd

Need to
pay suppliers
by cash
2nd

Don't know
how to
get one
5th

DIS-ADVANTAGES

- **Restricted acceptance**
- **The necessity of Internet access**
- **Poor Connectivity**
- **Restrictions - amount/transactions**
- **Awareness and customers' mind-set**
- **The risk of being hacked**
- **The problem of transferring money between different payment systems**
- **The lack of anonymity if DATA used by others**
- **Charges/No interest**

***Role & Opportunities
in
Digital Economy
for
Chartered Accountant***

UNDERSTAND CHANGES IN THE PROFESSION

IDENTIFY TECHNOLOGY TRENDS

- Data
- Interaction
- Financial technology

APPLY TO ACCOUNTANCY

- Drivers and barriers to change
- Changes in business
- Changes in practice



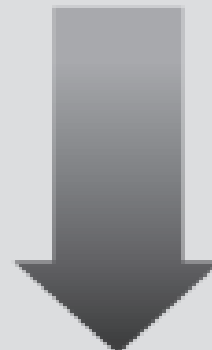
BETTER SERVE A DIGITAL WORLD

POSITION FOR THE FUTURE

- Deliver valuable accounting tasks and services
- Build differentiated skills
- Encourage responsive organisations

DEFINE COLLECTIVE ACTIONS

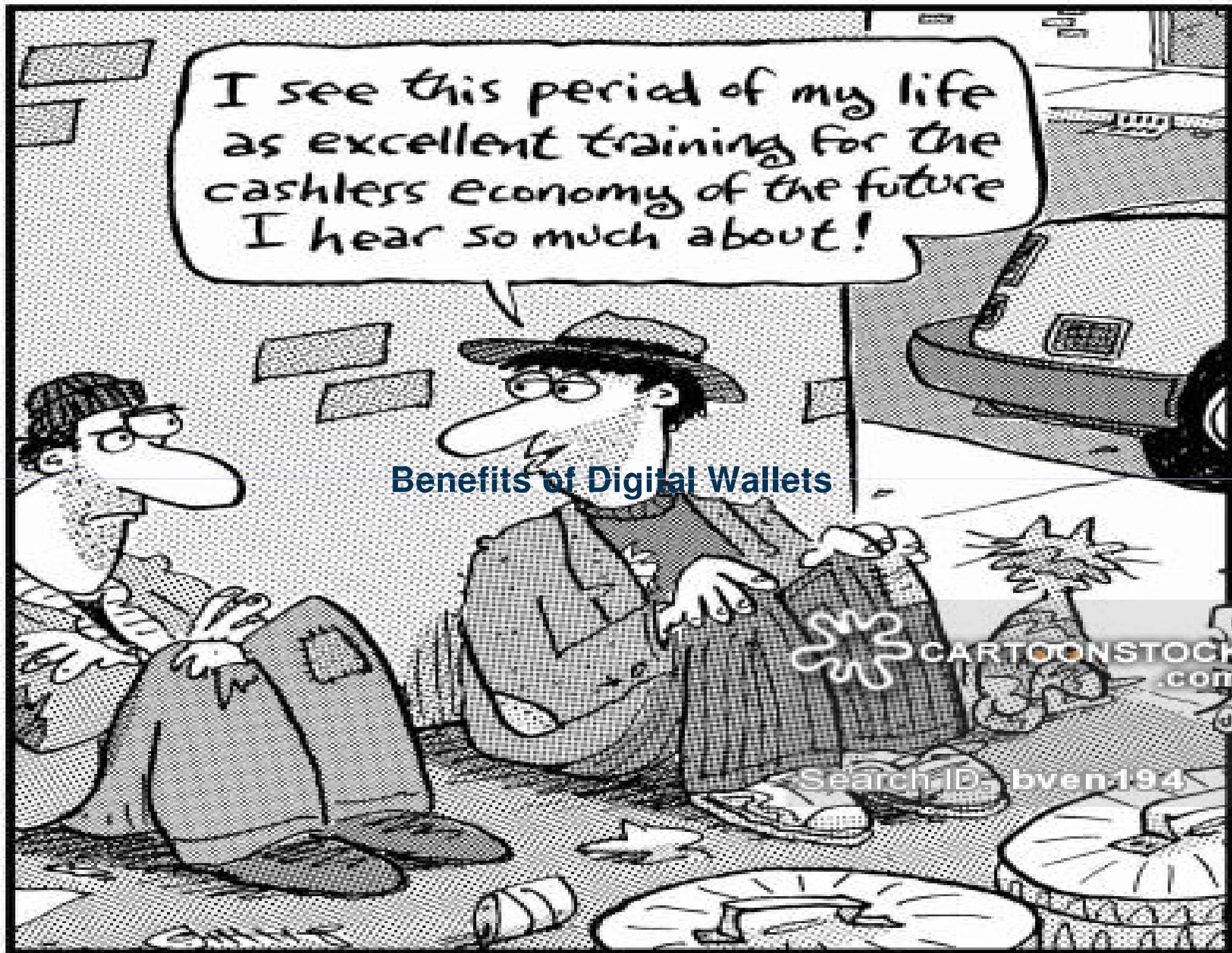
- Awareness and education
- Innovation and collaboration
- System-wide changes



- **Providing Leadership in a Digital World**
- **Investing in new capabilities in data and analytics to improve the audit process.**
- **Cloud accounting**
- **Data / Cyber Security**
- **New financial technologies, including cryptocurrencies and distributed ledgers**
- **Cloud, mobile, and social media deeply change the way that we can interact with clients and across businesses.**
- **Tax authorities and filing authorities have embraced digital platforms and moved their interaction increasingly online**

I see this period of my life
as excellent training for the
cashless economy of the future
I hear so much about!

Benefits of Digital Wallets





No Cash!



Go Digital

THANK YOU

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