



## **CMAI Association of India**

### **PRESS RELEASE ON DEMONETIZATION AND DIGITAL PAYMENTS**

**Dated 15 Dec . 2016**

**Indian** society of more than a billion people is witnessing a major transformation as an offshoot of demonetization. A fierce debate is raging concerning the effects of demonetization. Most of the discussion in the Parliament and on Public forum is based on political discussions. Many solutions are being suggested specially quick application of digital technology to transform India from cash oriented to cash less society.

We at CMAI feel that demonetization though a very bold step taken by Hon'ble Prime minister has brought about a radical change in the society by curbing black money, fake currency and illegal usage of currency for terrorist activities. The sudden change has also brought about many hardships to common people, landless laborers and unorganized sector of economy. Many workers and daily wagers are finding it difficult to manage their day to day living for want of cash and currency. However, we feel it is temporary phase and will be over soon.

CMAI has been witness to the transformation of India from a communication starved society to that of a Mobile phone user society. In India in a short period of one decade the number of mobile users has increased to more than a billion telephones. India is now the second largest Country in terms of mobile telephones, second only to China. We have been witness to the times when a telephone connection used to take twenty years to mature to that of a situation where every Indian is now carrying a telephone in their pocket. This commoditization of telephones was brought about by the common Indian who borrowed money to buy a mobile phone hand set. People soon realized that their Economic Nirvana will come through the usage of mobile phones. India is now labeled a Mobile Nation by a team of Harvard Professors who have detailed this fact in their famous book "The Mobile Nation".

With such a large number of telephones out of which nearly 300 Million phones are smart phones, a transformation to e transactions using the Mobile phones seems to be much easier compared to the earlier transformation; since people are already carrying the phones

the next big step will be to make e transaction a natural habit of the people akin to the use of SMS etc. on the mobile phone. In this regard the efforts made by a number of service providers like Paytm, freecharge, phonepay, UPI etc are quite praiseworthy.

It has been observed that the money transfer in India through E payments, NEFT and RTGS has picked up significantly. We want to make it more popular and make it a habit of the people. As the saying goes the **old habits die late**. The transformation of the cash to cash less society is getting limited because of the love of cash and currency. We believe that massive efforts are needed to bring about that change. It is also a fact that the people of India despite the handicap of cyber education are quick to adopt technology when it affects their living. This was amply proven by the speed with which the society took to mobile phone and its applications. Some efforts have already been initiated in this regard one of which is the DIGISHALA initiated by Government of India, Ministry of Electronics and IT.

CMAI is dealing with more than one lac Educational institutions and academic professionals consisting of Universities and technical/engineering colleges/schools etc. CMAI plans to initiate an online free training programmes and large scale education for the use of e transaction and transformation of India to a digital economy.

We also suggest the following thrust areas in this regard be supported and implemented:-

- 1. Initiate large scale on line programmes for the education of e-transactions and digital economy. Also large scale public awareness programmes at melas, exhibitions, shopping complexes and point of sales. Also large scale TV and radio advertising.**
- 2. CMAI also recommends that specialized skill/vocational courses be immediately started for digital payments.**
- 3. Provide volunteers to help in educating people at the grass root level especially rural population for the use of e payments over currency.**
- 4. Educate people not to panic and hoard currency so as to avoid artificial shortage of currency notes.**
- 5. Involve students from the University network and senior citizens for educating the rural and low income urban population for the use of e payments.**
- 6. Support Govt. initiative to enhance cyber security and to provide a watch dog mechanism to control cyber security breach and cyber frauds.**
- 7. To help small and marginal traders specially vendors for the use of e payments methods to reduce currency transactions.**
- 8. CMAI also recommends that all available options for increasing the connectivity should be explored including satellite, optical fibre and new technologies such as White Space etc.**
- 9. CMAI is hopeful that Government will announce substantial incentives in the coming budget 2017-18 for quantum jump in digital payments coupled with increased pace for digital India. The budget for 2017-18 is expected to be a big**

**budget for accelerating the economic in a major way and major structural reforms for development of infrastructure in Country.**

**Prof. N.K. Goyal  
President CMAI**

**S.D. Saxena  
Vice Chairman CMAI  
Former Director Finance, BSNL**

.....  
**CMAI is one of largest ICT associations based in India with 48,500 members and 54 MOU partners worldwide, actively engaged in development and promotion for telecommunications and education sector. [www.cmai.asia](http://www.cmai.asia)**

**Further Information: Contact :**

**SD Saxena 99 110 42641 NK Goyal 98 111 29879/ Navtesh 97 118 69771**