



The Digital Economy in India: Growth, Challenges, and Future Prospects

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Abstract

The digital economy has become a key driver of economic growth in India, influencing various sectors such as e-commerce, fintech, digital payments, and information technology. This paper explores the rapid expansion of India's digital economy, analyzing its impact on employment, economic productivity, and financial inclusion. It examines government initiatives such as Digital India and evaluates the challenges faced, including digital divide, cybersecurity threats, and regulatory issues. The findings highlight that while digital transformation has significantly contributed to economic development, a robust policy framework and digital literacy initiatives are essential for sustainable growth. The paper concludes with recommendations for enhancing digital infrastructure and fostering inclusive digital economic policies.

