
LEGALIZING DIGITAL COMMERCIALIZATION OF TRADITIONAL SECTOR

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ABSTRACT

The indicative scenarios of the reality depict the thrust of Covid-19 on the Indian and world's economy. The article initially unfolds by defining certain circumstances and derivation of human actions to relate with business fluctuation witnessed in the pandemic. Further, it analyzes the human tendency to seek a path for the achievement of the goal. And how the reality parallelly proceeds with examining the definition, classifications, impact, and pitfalls of the Digital Economy. As far as the author's consideration, the economy is collective statistics of different segments. Towards the end, the author thoroughly evaluates the inclusion of the Traditional Indian sector in the sub-set of E-commerce. Therefore, provides legal consideration to hold with respect to the advent of technology in the economy.

Keywords: Digital Economy, Covid-19, E-commerce, M-commerce, Agriculture, Legal

Introduction

Remote work is now a reality. We've witnessed COVID-19 reshaping the dimensions of business operation, education, household management, and research as citizens of a city, nation, and world. By the end of May 2020, around 200 countries stood fallible due to the effect of the virus. The virus has defeated the immunity of approximately 24.8 crores people, with tolling 50.2 Lakhs lives across the world among 4.6 lakhs solely in India. Initially, the digits remain shuffling. Somewhere, the concept of Desire puts humans as to deprive the natural circumstances and drives them to perform certain actions, sometimes uncertain. Human Desire remains shaped by millions of evolutionary and programming years. And have not changed much during history. This conception is easily comprehended- 1) A manager's and organization's goal is to formulate an environment to maximize profit, which can have any form (satisfaction of needs, money), and the strategies are set, likewise. 2) Now, presuming the environment to be as degrading as COVID-19. The managers or organization has to regulate their assets keeping in mind their goals. The goals here equate to desire. The most fundamental desires for food, health, and security remained the same as they were for our hunter-gatherer ancestors. Dissatisfied human beings try to satisfy through technology and creativity. Obviously, The flow of desire compels human beings to acquire intangible or tangible means to reach the goal, aim, or target despite hindrances. Therefore, COVID-19 emerged as an obstruction to the economy and its subjects. But, the business entities, particularly, found means (digital platform) to sustain the surplus generated by the organization. While the crisis signaled businesses and enterprises to digitize, it also thrust masses to enter the digital realm.

From Real to reel

Firstly, Transversing on the track of Fundamental desires, The top priority of executives in a business organization is the safety and security of the workforce accounting for 92% of its share, followed by customer retention and digital transformation with a figure of 87% and 62%, respectively reported in the research of IBM Institute for Business Values. Secondly, It did not happen merely for work but catering to day-to-day needs. The present picture does concern us gravely, yet after-effects are in a position to be considered. The pandemic posed a few restrictions, critical of the all- movement because of the implementation of lockdown or shutdowns. These movements required human interaction and gathering, whether informal or formal. As the movement in the exterior world halted, the movement over digital platforms began. The term movement implies official conversation, educational lessons, business deals,

shopping, even paying for desirable items that is evident by the rise in usage of the internet from 40% in the pre-lockdown period to 100% in the post-lockdown phase. Even India witnessed legal proceedings to prevail virtually, although Supreme Court on 8th October 2021 orally remarked that the virtual meetings happened as the last straw in the pandemic. Nonetheless, the video-conferencing medium weighing educational and business meetings, Zoom, saw a ten times increase in its usage. Statistically, if we include subscribed and non-subscribed users, then the video conferencing platform witnesses 300 million meeting participants per day. To chord it completely, With the businesses shifting over the internet. If the same business does not possess literal software, processes, or culture in place, it results in the struggle to create a remote workforce environment. The platform Zoom serves as a virtual in-person interaction crucial in business. The previous dependency states the importance of software as zoom, plus internet for a business in the phase of the pandemic. The Business transactions happening over the internet attributes to the Digital economy strengthened by the situation (pandemic) and digital aggregation of economic subjects (businesses). Apparently, the fluctuation occurred in the economy wholly, but the impact on Digital Economy has been significant. The rationale behind the same is evident since consumers have access to resources in real-time, the distance is mere digit online, and time is a crucial resource in itself is preserved as the distance remains to be covered remains within a few clicks.

Across the window: Digital Economy

If we brace a moment to examine the economic system across a particular visual control area on a device, the world will seem complex than initial perception. The term got coined in the year 1995 in Don Tapscott's best-seller book called "The Digital Economy: Promise & Peril in the age of networked intelligence. This book is the first to elaborate on how the internet would change the course of business. In the new economy referred to in the virtual sense, digital networking and infrastructure provides a platform for the virtual movement or platform over which people and organizations devise plans, implement strategies, communicate the tasks, etc. In simpler terms, it is a system unlike political or legal, and economic system standing on the pillars of bytes and internet. Certainly, it is a broad term carrying the literal classification- E-Commerce, E-Business & E-Business Infrastructure. The three spheres revolve around digital business transactions or operations. Further, Electronic Commerce or E-Commerce legalized by Information Technology ACT, 2000 carries the basic idea of business transactions on the internet. Like, buying and selling of goods

or services along with transmitting of funds or data over an electronic network. Primarily, the internet. This commercial medium allows the practice of B2C, B2B, C2B, C2C, B2B2C does not hold a definition under a definite statute. In a discussion regarding E-Commerce or Digital platforms, the opposite side is seldom revealed. The same concern has been utterly expressed in *The National Association of Software and Service Companies vs. Ajay Sood & Others*, where the defendants were operating a placement agency involved in head-hunting and recruitment. In order to obtain personal data which they could use for head-hunting, the defendants composed and sent emails to third parties in NASSCOM's name for held liable. Therefore, The court granted an Injunction and INR 16 lakhs as damages.

1) Impact India & Worldwide

This new system weighs an enormous effect on the traditional sectors as Technology, Textile, etc. For instance, the Boston Consulting Group discussed "four waves of change sweeping over consumer goods and retail." Whereas, the leading Australian telecommunication firm, Telestra, deliberates how the competition will become more global and intense as an after-effect of the digital economy, resourced by the Science Daily. India is home to one of the largest customers bases for any industry in the world. In economic terms, the MGI, Mckinsey Global Institute, projects the Indian core Digital sector to hit USD 435 billion by 2025. In Logistics, the digital-enabled transportation businesses have experienced a rise in inefficiency due to the implementation of combined IoT & AI technologies registered to experience 30x growth in the industry. Following with an example of Rivigo, a technology-enabled logistics company has recently got its driver relay model patented. And it has now launched a Relay-as-a-Service (RaaS) to offer its algorithm-based intelligent driver allocation system to fleet owners and truck drivers in India. Considering the Healthcare Sector, a Bangalore-based firm, Docturnal, uses AI to its advantage with the prime focus on lung wellness formulated an app-based solution

called TimBre to help with TB Diagnosis.

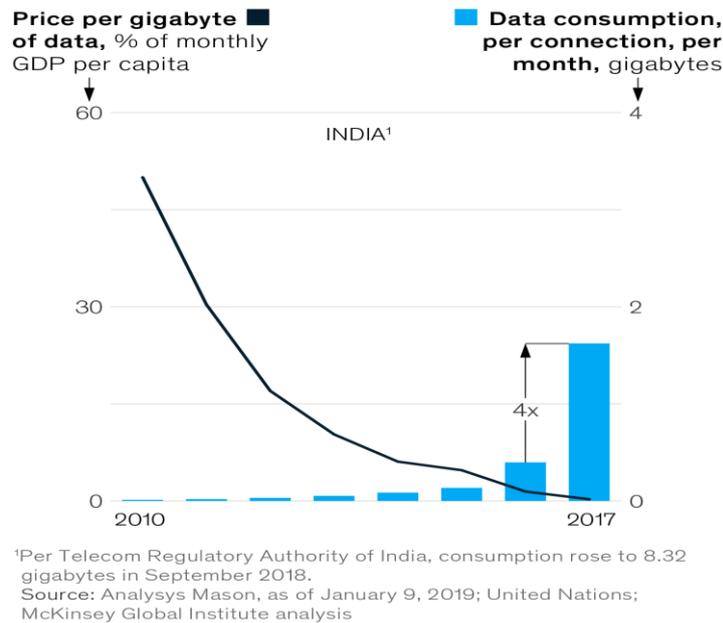


Figure 1.1: *Data consumption*

The Sectoral digital inclination is evident by

- 1) the eventual growth in the data consumption analysis 2019 released by MGI.
- 2) The surge in digital transactions executed up to 100 million worth 67 billion, that is 5 times the figure from 2016 released by the Banker's Bank, Reserve Bank Of India.
- 3) Another Facet: Pit-falls & Bridges

a) To scrutinize another facet of the coin, Zoom as a boom in the pandemic is quite an example carrying its own set of faults and flaws. The figure of millions doesn't indicate uniform usage in all the nations. With its boost in usage worldwide, virtual platforms outgrew their rudimentary security making them less reliable as stated by Law & Technology Today. Zoom's lack of authenticity insecurity accompanied by privacy issues as hackers intrusion, Zoom Bombing, Sales of data to the third party, etc has led to numerous lawsuits against the firm. The class-action claim: Zoom Video Communications Inc Privacy Litigation US District Court filed in March 2020, alleged that Zoom invaded the privacy of millions by sharing data with Facebook, LinkedIn, and Google. It also accused the firm of misstating the offer of end-to-end encryption to the subscribers, to which Zoom agreed to the paid settlement of nearly \$ 86

million.

Figure 1.2: Zoom revenue generated till 2021

b) Although the pandemic consistently stands over the head, some countries have restricted internet usage for certain reasons. In the US, In the absence of central federal rule for data privacy as EU's GDPR, many state laws cease the action of data collection by many business entities. To advance with the official definition of personal information that defines information related to an identified or identifiable person. Under the New York Privacy Act proposed S5642 initially on hold, grants the right to delete and request personal information with an expansive view: "exercise the duty of care, loyalty and confidentiality expected of a fiduciary concerning securing the personal data of a consumer against a privacy risk; and shall act in the best interests of the consumer, without regard to the interests of the entity, controller or data broker." However, designates the private right of action for any violation of the law. Secondly, the law imposes Data Feduicery, making all the business entities responsible for the acquired clientele data.

A Branch of E-Commerce

Under the umbrella of E-commerce falls M-commerce that infers mobile or wireless devices as a medium to carry out business transactions on the internet. A point-to-note bulletin is eCommerce focuses on the overall shopping experience on the internet, whereas m-commerce focuses on the customers' shopping journey on mobile devices. The term originally got coined in 1997 by Kevin Duffey at the launch of the Global Mobile Commerce Forum, to mean the delivery of Electronic Commerce capabilities directly into the consumer's hand, anywhere, via wireless technology." Today, mobile commerce is worth \$ 800 billion, with Asia representing half of the market. With the advent of technology customer satisfaction is an extremity with every minute million of private data shared online makes m-commerce an important consumer policy. In the prosecution of Jetstar & Virgin by the Australian Competition and Consumer Commission, the Court found in May 2013, Both Jetstar and Virgin's mobile sites contravened the misleading or deceptive conduct and false representation provisions of the ACL.

Agriculture & M-Commerce:

One of the traditional and backbone sectors of the Indian Economy: Agriculture, with approximately 49% of the population engaged in agriculture or related activities. India stands

2nd in terms of agriculture output, specifically, in the production of fruits and vegetables. More than half of the population practices in this sector, yet the GDP share is continuously decreasing. Besides, the sector that provides the highest employment essentially requires measures to strengthen the economy. Out of all, one such measure is Digital advancement. CNBC forecasts that 72.6% of internet users worldwide will only access the website with mobile devices before 2025. Presently, India ranks second with a number (1,515,971,713) of mobile usage after China retains its position since 2015. This scenario withholds a ground to digitize the agriculture industry due to post-covid effects for preserving the future assets. On April 13, 2021, the Department of Agriculture, Cooperation, and Farmers Welfare, entered into a Memorandum of Understanding (MoU) with Microsoft is working towards creating a 'Unified Farmer Service Interface' through its cloud computing services, to start a pilot project in 100 villages of states. which is one such initiative towards digitizing the sector. Integration of the traditional sector with m-commerce will result in the sector's utmost utilization and performance.

Merits

Farmers will enjoy direct-consumer access, information base, wide-market. The Indian government is taking various initiatives like the soil health cards scheme, e-NAM (National Agriculture Market), My Village My Pride scheme, etc.

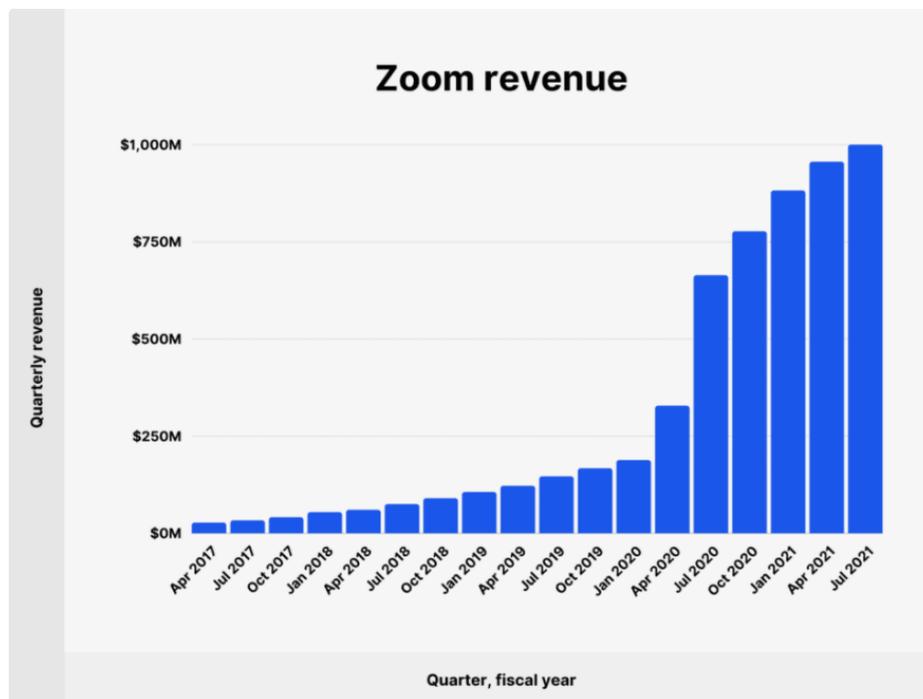
Considerations

For a nation like India with over 14 crores of working farmers make digitization a challenge. The whole agriculture ecosystem will come over the internet in the form of software then a few factors await attention. There are several reasons for farmers' 'mixed feelings' towards smart farming technologies.

1) Some of the challenges relate to the moral and ethical questions about access, cost, scale, and support, which will determine whether it will ever be possible, or indeed desirable, for all farms to be 'big data enabled', or whether it is an inevitable progression of modernization in agriculture (Fleming et al, 2018).

2) Other challenges as farm data ownership, privacy, cybersecurity, and the equitable sharing of the benefits of digitization and data collection. Implementation of a Digital framework without digital protection law is undesirable handing disadvantage at the consumers' side. Seemingly, harmless data such as IP address, keywords used in searches, websites visited, can

now be combined and analyzed to identify individuals and learn personal information about an individual articulated by The Centre for Inter & Society. Considering the data released by Research gate, On a scale of 100, 42% of the Indian population is concerned about Internet privacy against 48% in the US.



3) Though the integration of agriculture with m-commerce will eliminate the need for physical contact, it does not do away with the fact that any form of contract or transaction would have to be authenticated and in certain instances, recorded. Transactions on the internet, particularly consumer-related transactions, often occur between parties who have no pre-existing relationship. This may raise concerns of the person’s identity and authenticity for issues of the person’s capacity, authority, and legitimacy to enter the contract. Section 5 of the IT ACT, 2000 gives legal recognition to electronic signatures noted in *Tamil Nadu Organic Pvt. Ltd. and Ors. v. State Bank of India*, where the deal that happened in e-auction was enforceable.

4) Section 65A of the Indian Evidence Act, 1872, recognizes the admissibility of electronic records as evidence. Literacy and legal awareness as elements play a crucial role here. If these elements are missing, then a farmer could fall into the trap by fraud over-internet.

For example- A is a farmer, who maintains the availability of the stock on his mobile digital application daily. A day, he finds a pop-up on the screen offer from a malicious entity to sell fertilizer. Noticing the lower price, the farmer proceeds and electronically concludes the deal. Soon after the click, he receives a message of the transaction from his account. The conclusion here is that literacy, legal and general awareness are imperative to revert fraudulent deals.

Conclusion

The integration of the digital ecosystem, M-Commerce, with the Traditional Sector, Agriculture, will potentially strengthen the economy. However, It delivers a state of concern to consider the feasibility of projects that will digitize the lives of millions of farmers. Further, the Digital Agri platform is a significant consumer policy. The primary focus should be on directing the meter point towards consumers' well-being rather than building economy only on monetary value since the source of the same are consumers. Switzerland has a privatized private healthcare sector, which would ignite concerns about “profit-seeking” companies. Although, the strict legislation restricts ill-practices of the private players with dragging consumers out of disadvantageous practices. Therefore, A crucial requirement is a reliable legal framework, Essentially, Consisting of provisions that do not compromise the privacy, purchasing, and selling capacity of the farmers.

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