

## Challenges and Opportunities of pre& post COVID – 19 in India

Dr. Alpana Vaidya, Assistant Professor, Dept. of Political Science, Hislop College, Nagpur. Email id- alpana.vaidya@yahoo.in

**Abstract:** The world is passing through a great uncertainty. Undoubtedly, the Corona virus has put the world economy at a major risk. The government's policy in response to the COVID-19 pandemic will be a big challenge, because it has to satisfy unlimited demands of the nation, which is nearly impossible. Undoubtedly, the Corona virus has put the world economy at a major risk. The ongoing covid-19 pandemic has caused unprecedented economic distractions in the economic systems of the world. Many major industries like aviation, entertainment and real state have witnessed a permanent damage by the arrival of COVID-19 pandemic, adapting to the changing times to become capable to cope with the pandemic and to ensure revival of the Indian Economy and progress of the nation seems to be the most practical way, which is a challenge as well as an opportunity for Indian Economy post COVID-19.

**Key words:** unemployment, self-Reliance, e-learning, online mode.

### Introduction :

The COVID-19 pandemic has created havoc in every sector of life whether its social, economic, cultural etc. The preventive measures with various form of restriction and lockdowns, has affected drastically. Some of the industries who has faced the worst outcome during the difficult COVID-19 times also demand encouragement from the government to ensure their revival and recovery. The Indian government's decision to remove most of the restrictions has provided much-needed relief to businesses, large and small. Despite this, the demand scenario is expected to remain weak for most of the current financial year as the lockdown continues after witnessing a spike in cases of COVID-19 across India. However it could make a comeback next year. To convert the corona virus disruptions into an opportunity, the government has given an emphatic call for "self-reliance" and launched an ambitious Atmanirbhar Baharat Abhiyan in economic sector.

### Challenges and Opportunities

❖ **Educational sector** : In Educational sector, the COVID-19 pandemic has no doubt reshaped the way many of us approach pedagogy. Online education and blended learning approaches have been adopted by several education institutions in India. But it is true that it is a big challenge before India that such as a lack of digital infrastructure also impedes the implementation of online learning and blended learning approaches.

### ❖ **Covid 19 and Unemployment (jobless growth hurdle)**

Unemployment in the country had been a problem since 2017-18. But, India has witnessed a sharp decline in the number of jobs in the formal sector which is the largest source of salaried employment in the country after Five months lockdown. Even after unlocking the economy, there has been no improvement in the salaried jobs space. According to economist, the loss of job would increase the risk of poverty across the country, greatly affecting the daily wage earners and low-income households.

The unemployment rate remained consistently high in April, before showing signs of progress in May when restriction were slightly relaxed and some activities resumed but as the lockdown still continues in various parts of India after the multiple number of cases of COVID-19 were witnessed across, the revival of economy to the levels before the COVID-19 pandemic still remains a mammoth task before the government.

### ❖ **Impact of COVID-19 and various sectors of Indian Economy**

Today's world is faced with the Pandemic COVID-19 that led to the collapse of the world economy. The government on its part has given a massive relief package in order to boost the economy post the lockdown.

### ❖ **Real Estate sector:**

The government on its part has given a massive relief package in order to boost the economy post the lockdown. Major steps have provided much-needed relief to the

residential real estate sector The government's relief measures for the real estate sector announced between April 2020 to August 2020 . that is **Increase liquidity in the system means** Steps such as lowering interest rates, infusion of INR 15,000 crores in NHB (in two tranches) to improve long term funding requirements of NBFCs and HFCs, moratorium on all term loans for a period of 6 months and the recent announcement of a one-time loan restructuring. Secondly, clause under RERA and extending project registration and completion timelines by 6 months for all projects registered under RERA. Third step, is **reduction in taxes to boost housing demand means** reduction in stamp duty on affordable housing projects by states such as Karnataka (stamp duty reduced from 5% to 3% for properties valued less than INR35L and to 2% on properties valued less than INR 20L) and Maharashtra (stamp duty reduced from 5%-2% between September-December 2020 and to 3% from January to March 2021 in urban areas across price segments), reduction in TDS on sale of property by 25% and extension for filing GST and Income Tax.

❖ **Travel and Tourism Sectors :**

A sharp decline was also observed in Domestic travel and tourism sectors which contributed to the fall in services business activity. According the statistics of Society of Indian Automobile Manufacturers, the auto manufacturing sector suffered from the daily turnover loss of approx. \$300 million per day for each day of closure during the lockdown. India's GDP is set to contract anywhere between 5% and 10% this year – for the first time in four decades. With industries, transport, shops, and malls shut, economic activity came to a grinding halt in India from the end of March. There a total wipe out of Domestic consumption, which makes up around 57% of GDP. Pay cuts and layoffs, combined with the lack of shopping, completely eroded demand.

❖ **Telecom, Tourism, IT BPM, Aviation, Shipping & ports Sectors :**

Aviation and tourism declined sharply in 2020. Only 2.46 million foreign tourist arrived in India between January to June 2020 as compared to 5.29 million during January-June last year. Therefore, foreign exchange earnings from tourism declined to US\$ 6.16 billion during the first six months of 2020 as compared to US\$ 14.19 billion during in corresponding period last year. Domestic passenger traffic too dropped to 22.77 million during April-November 2020 from 95.7 million during the corresponding period last year. In the ports sector, Cargo traffic at ports fell by 10.09 per cent to 777.04 million tonnes (MT) during April-November period of the current fiscal compared to 864.32 MT during April-November 2019.

❖ **COVID 19 Pandemic and MSMEs in India**

There is a collapse of MSMEs and Informal Sector. Since the financial condition of MSMEs were already not in the best shape before the arrival of COVID-19 Pandemic. Small companies don't want more debt and get trapped in debt trap during the lockdown. "Some of the MSMEs haven't still recovered by the impact of GST and demonetization," remarked Sunil Kumar Sinha, principal economist at India Ratings. "If the demand or sales remain so tepid, they might not be able to repay the debt." He added that the companies must reach 70% capacity, in order to service debts which can be achieved only if there is an increase in the demand. Further, the problem of lack of demand is not paid much attention by the government though it policies.

It must be noted that Indian banks were already bruised before the arrival of COVID-19 pandemic and their condition is expected to deteriorate further as bad loans dent their profitability in the current economic conditions.

❖ **Government Schemes**

The government had introduced several schemes to promote entrepreneurship in the country including the flagship 'Make in India'. Our Prime Minister shri Narendra Modi had on many occasions encouraged India's growing youth population to become entrepreneurs.

❖ **AtmaNirbhar Bharat Abhiyan (self-reliant nation )**

AtmaNirbhar Bharat Abhiyan is the vision of the Prime Minister of India Narendra Modi of making India a self-reliant nation. Self-reliant India will stand on five pillars – Economy, infrastructure, tech-driven system, vibrant demography and demand. . This 20 crores package

announced under the campaign are in the nature of relief as well as financial stimulus which touches diverse sectors of the economy – one of the most significant part of it is devoted to the MSMEs – which include today most of the start-ups in the country. The Atmanirbhar Bharat campaign is to encourage entrepreneurship. Encouraging the creation of an environment of innovation and entrepreneurship, the individuals have been urged to adopt the Atmanirbhar Bharat campaign to transform the ‘local’ India into ‘global’ India.

The Atmanirbhar Bharat campaign is a Launchpad to boost entrepreneurship, nurturing innovation, and development of an environment for rural-urban symbiotic development. India’s call for a self-reliant economy is for adopting a practical growth strategy that would enable the country to identify and capitalise on the inherent strengths. In India, job availability has always been a major problem with the employment vacancies being heavily outnumbered by the unemployed candidates.

❖ **Opportunities : 'new normal' situation**

It is true we have not found the cure for COVID-19 pandemic as yet, but we are looking forward finding ways to try to return to 'new normal'," "as work from home" has become the best alternative to keep the economy running during the difficult COVID-19 times. But, online mode of work has also brought opportunities and difficulties both. Office Work, Education, Grocery markets etc. have all been using online mode of work to keep their businesses running, however this has also brought opportunities and difficulties both.

**Conclusion –**

It is not only the Indian economy but those all over the world that have been hit hard by the pandemic. Hence, the resumption of normalcy will witness demand for quality, innovative and affordable products from all over the world. Indian start-ups that can create products to address the global needs will see a growth acceleration that will surpass even the pre-COVID-19 times.

Overall, the situation poses some serious transitional challenges at present. There is a need for support from the government, investors and organisational leadership to get through this situation. Contingency planning and revamping of workforces to efficiently handle the post-COVID-19 demand is the need of the hour. The companies that continue to operate in the new normal or are founded after the lockdown is over, will stand to gain from the situation. so we can hope that we will win this situation gradually.

**References**

- Datt and Sundharam (2011), "Indian Economy", S Chand and Company Ltd., New Delhi.
- Deshpande and Deshpande (2004), "Indian Economy", Himalaya Publishing House, Delhi.
- *Economic Survey* 2019 -20, Vol 2, Ministry of Finance, GoI, New Delhi.
- Indian Economy ,Ramesh Singh, Tata Mcgrow hill 2021.
- Agrawal A. N. (2003), "Indian Economy", Problems of Development and Planning, New Age International Publishers, New Delhi.
- Ahuja H. L. (2008), "Modern Economics", S. Chand and Company Ltd., New Delhi.
- Bhagoliwal J. N. (2005), "Economics of Labour and Industrial Relations", Sahitya Bhavan Publications, Agra.
- *Manorama* year book 2020-21.