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# Impact of Covid-19 on India's Economy and Society

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## Abstract

The impact covid-19 epidemic on Indian economy and society is summarized in this paper. The global pandemic in 2020 has impact on the GDP of nations, decreased employment caused issue for MSME as well, production, transportation and consumer demand have all decreased as a result of epidemic, with labour from to unorganized sector, immigrants and farmers has affected. A social point of view, the education was totally online-based, it affected the students who did not have access to such instruments. Gender-discrimination, economic disparity, family disputes, and mental illness are increased. The medical department, there is an overburden on social facilities, a deficiency of pharmaceuticals and medicines, and low infrastructure. The government implements schemes such, Prime Minister Garib kalyan Yojna, Atmanirbhar Bharat package, PM-Kisan, and MGNAREGA, and implements policy with the help of RBI guidelines. The provisions affect some positive impacts, but there is miscommunication and implementation in the proper way. This world pandemic provides an opportunity in health, education, employment, and improvement in social structure.

**Keywords:** Impact of Covid-19 on Industry, Impact on agriculture and the rural sector, urban employment, impact on the health and education sector and government policy, Opportunity after the pandemic.

## Introduction

Covid-19, a pandemic, affect the all human beings. In the 2019 last, china buhan city observed SARS-Cov-2, spread all over the world. On 11 March, the world health organization has declared this a "world Pandemic". In India, the first COVID patients are observed on 30 January in the state of Kerala. The central government announced a lockdown in March 2020. This incident was very crucial, and instantly implemented social and economic restriction stages. Due to this lockdown, education, industry, transport, trade, tourism, health services, and social life were totally disturbed. According to the CMIE Report, 12 crore peoples found themselves jobless, mainly unorganized sector labour, women, migrated labour and service sector employees included. In the rural sector labour was migrated towards their villages. According to IAMAI, reports only 35 % students have mobile and internet accessibility, because of that most of student are educationally backward. Directly overburdening the health sector, the most think that opened, oxygen, ventilator and beds and PPE kits were deficient, and in the rural sector low level of amenities affects the health facilities, but in that pandemic, government did a revolutionary work. Till the year 2021-22, in India covishield and covaxin was produced internally and provide nearly 220 crore peoples with of this dose. An economic point of view, in 2020-21, the GDP of India was decided to be 7.3%, which was the lowest after the independence. The government tried to relax peoples, with a various schemes such as, Pradhan Mantra Garib Kalyan Yojna, Atmanirbhar bharat abhiyan, MGNAREGA etc. Through, these schemes the government provides free rations to 80 crore people, direct benefits in women's Jan Dhan accounts and special provisions to rural youth.

## Objectives:

1. To overview the impact of covid -19, on the sector industry, employment, agriculture and MSME sectors.
2. To know the effects of the pandemic on backward factors migrated labor, women, and rural peoples
3. To study the difficulties and discriminations in education, health, and digital service.
4. To understand new opportunities after the pandemic, improvements and the role of "Atmanirbhar Bharat "Schemes

### Research Methodology:

Use of secondary data, to analyze information from government reports, previous studies, research articles, reports, economic surveys and authentic websites. The collected data are elaborated with descriptive and analytical methods.

### Review of Literature

1. Acharya, Shankar. (2021). the Indian Economy: A Macroeconomic Perspective. In this study, we provide an overview of the economy and explain the impact of the pandemic. The study explains that, in the era of covid-19 affects GDP, employment financial deficit and increasing prices declining production in the period of lockdown, affects the private investors. They also explain the role and responsibility of government.
2. Gupta, K.R. (2020). COVID-19 and Its Impact on The Indian Economy. This study explains the impact of covid -19 on Indian economy with region wise. The impact on MSME, declined employment, and recession in private sectors are explained in detail. The economic imbalanced increased after Covid-19, are explained with data. The burden on small - large scale industries, the situation of migrant labor and the effectiveness of fiscal policy are explained.
3. Agrawal, Nisha. (2021). Social Impact of COVID-19 in India, Explained the social changes from Covid-19, mainly highlighting conditions of migrate labor, caste based discrimination, and gender-related discriminations. Women's exploitation in the pandemic, declining employment and social security conditions are an overview. The study also elaborates on health, education, and consumption- based discrimination in rural and urban areas.

### Covid -19 impact on Industry sector

The Covid -19 pandemic is influenced by all sectors, industry sectors are not exempt from that. In lockdown, small, medium and large scale sectors affected, and the supply chain was disturbed. Raw material availability was delayed, and the purchasing power parity of consumer declined. Because of that, most industries closed or their working efficiency declined. Especially production, construction, tourism, the vehicle industry, and service a sector was affected. Most of labourers lose their jobs. The condition of migrate labour was very serious. The production process in industry sectors causes increasing unemployment. The MSME sector was found in crisis, because the economic capabilities of this sector were very low. In that period, the digital techniques and online services industry got new concepts. Some industries uses work- from home e-commerce,

health-tech, and fintech. The government also provides some incentives to Atmanirbar Bharat Abhiyan, PM Garib Kalyan Yojna and packages for MSMEs and strengthens the industry sectors.

Despite that, after the pandemic industry sectors are improvising, increasing in production and exports, but this process is incomplete. In the next generation; industrial sectors are needs-elastic, digitalized and important to local sectors.

### Covid -19 impact on agriculture and rural economy:

The Covid -19 pandemic affected the rural economy very badly. In the country, because of the lockdown announcement, most of the city closed, industry sectors closed, and millions of laborers migrated towards villages, which caused social and economic conditions to be different. In the period of covid-19 from April to June, with the exception of the agriculture sector GDP, the other sectors declined. The agriculture sector the 3.4% positive growth, it has helped the economy in that era, but mainly farmers suffered a lot of problems, due to the lockdown, market places closed and selling of products stopped. Perishable commodities like food and, vegetables have losses, near about 30-40% production are dissolve on the field, which directly affects the conditions of farmers. Secondly, migrated peoples from urban to rural areas, near about 10 crore peoples, directly affect the rural economy and it increases the problem of employment. In the pandemic health services, education, internet, and electricity availability were low. The speed of vaccination and, treatment was low as compared to urban areas. The most places there was no primary health center. The government provides help to rural peoples with PM-KISAN schemes, PDS, DBT, and MGNREGA schemes.

### Covid -19 Impact on Urban Sector:

Covid -19, serious problems have occurred in urban sectors. The city life in places like Mumbai, Chennai, Pune, and Bangalore was totally disturbed. Industry, trade, educational institutes, transport, and hoteling service sector transactions were closed at a time, which affected billions of people. In India out of GDP nearly 65 % comes from the urban side, but in the era of covid-19, the income of laborers declined. The workers, like welders, auto driver, and housekeepers, had their lives totally collapse. According to the CMIE, report, 2020, April. 20 crore employment collapsed in India.

In that situation, peoples migrated toward their own village. In city areas people's fills insecure and uncomfortable. The health facilities are totally destroyed, there is low availability of oxygen cylinder, and medicine, and there is deficiency of ventilators. The city, like metropolitan Mumbai and Delhi, suffered, peoples

died due to the non availability of oxygen. The private hospitals crossed their limits, regarding medical charges, whereas the government hospital was fully loaded. In the education system, online methods used. Despite that, mental problems also arises, due to lockdown, economic instability, and peoples suffering from burden.

### **Impact on Unemployment and employment Sector:**

Covid-19 affected the unbelievable incidence in the employment sector. After the declaration of lockdown, production, construction, hotelling retail sector transactions automatically stopped. According to CMIE report, 12 crore peoples lost their jobs ,out of these,9 crore unofficial sector workers, migrate laborers,small shopkeeper and those who depend on daily wages the most affected. The unemployment rate of urban areas was 23.5% in that period. Due to the pandemic, the company reduced their staff, reduced their expenditures, and reduced payments, and a work- from home contract -based work system adopted by them.

Online platform work with Swiggi, Zomatto, Uber, Ola, Amazon, Flipkart etc like gig economy increased. After 2021, in India near 77 lakh laborers was enrolled in the gig economy, because of this employment does not include stability, social security, and health insurance. Due to the pandemic digital skills, artificial intelligence, and e-commerce like skills are enhanced.

### **Effect on Health and Education Sector:**

Covid-19 affects comprehensively and long term impact on health and education sector. These two sectors were concerned with people's basic needs, pandemic inequality, efficiency of resources and policy drawbacks are clarified. In the pandemic, patients increased in April-May 2021; with nearly about 400,000 lack patients enrolled, because of that, the limitations of private and public hospitals declined.Oxygen, ventilators, medicine and ICU beds was in low availability. Nearly 15 lakh people died in the second wave .The doctors, nurses and medical employees worked hard in that critical situation, but human resources and resources were in low availability. In central level not available specialized doctors, whereas, most of places vaccination centre, primary health centre was not in sufficient way. In India till 2022 ,200 crore people were vaccinated.

Secondly, the educational sector was totally collapsed, nearly 25 lakh peoples affected. In that condition only the online education system implemented, but nearly 5 % household had no internet availability in that period, because of that most of student is far away from education. Mainly in rural area, slum areas and tribal areas students are affected, girls and low-income level peoples leaves the schools .This condition for teachers is

also challenging, because of lack of any technical skills.

### **Government initiatives**

The covid -19 pandemic was not only a health crisis for India, but also it was one of social, economic and human crises. After the declaration of lockdown in India, there has been unexpected changes To safeguard against this unexpected crises ,the government of India implement quick and long term policies Such as

1. Free food rations for more than 80 millions Peoples (Per person 5 kg Rice/Wheat and 1 kg Pulses per month)
2. 8 Crore PMUY, women's free LPG gas cylinder.
3. 20 Crore women Jandhan accounts transfer direct benefits (Rs .500 per month for three months)
4. 9 Crore farmers PM-KISAN Schemes Rs.2000 extra benefits.

These initiatives given by the government was helpful to needy persons and provides relaxation in their lives. Besides that, the government of India declared "Atmanirbhar Bharat Abhiyan, "under this scheme 20 lakh crore economic package was declared (10% of GDP).It includes MSMEs Rs.3 lakh Crore emergency debt assurance schemes,and employment guarantee schemes for migrated peoples. The special helps to NBFCs, help the EPF, funds agriculture and rural development, and assure employment for migrant labor. These efforts try to uplift the economy. In the health department, the government has done remarkable works such as,covid-19 special hospitals, testing centers, isolation and quarantine facility ,PPE kits and the supply of ventilators .In 2020 the"PM Cares Fund "was established, which strengthened the medical department. In vaccination, government of India makes own leaderships in world. Under the campaign 'Har Ghar Dastak", India achieved more that 200 Crore vaccination doses, it was a historical achievement. The Reserve bank of India also reduced the repo rate to economic stability; it helps the liquidity in banking sectors.

### **Opportunities after the pandemic:**

#### **1. Fastest growth of digital economy:**

Due to the covid-19 pandemic, most of the transactions were through online mode. The use of UPI, mobile wallets, and internet banking has increased faster than normal transactions to government services, and the transition to accepted digital payments. In rural sectors also, the use of mobile is banking on priority basis. In 2020-22 the use of UPI payments increased 300%, it was an indicator of economic literacy.

## 2. Encouragement to Startups and New Industry:

In the pandemic, the traditional sector suffered from recession, and most of the youth used new ideas to start new startups, it including health tech, edutech, fintech, logistic and online service is speedily. The government are also provides some funds to starts new startup .In 2021, 44 startup started.

## 3. Local production is encouraged:

In the pandemic ,due to restrictions on imported products ,domestic production is encouraged PPE kits, masks ,sanitizer ,medicine ,and vaccines are products like that mainly depend on self -capability .In India, self –empowerment of Covishield and covaxin.The vocal for local “this concepts is used in practice. These incentives encourage new encouragement.

## 4. Investment increases in the health department:

In the Covid-19 period, the health department infrastructure deficiency was specified, and the government announced an investment strategy .PM-ABHIM (Pradhan Mantri Atmanirbhar Bharat Arogya Yojna) This schemes has a 65,000 Crore investment with oxygen plants, new medical equipment, a health digital mission, and an extension of rural health centers .The motive of this schemes was to make medical service expensive and open to all .This investment encourages the health department’s long term empowerment.

## 5. Opportunity for skill enhancement:

Due to the pandemic, in service sectors created elasticity, and technology -based works was increased.Because of that, digital skills, data analysis, e-commerce management, content creation, likes fields of exercise were needed. The government recreates ‘Skill India, PMKVY schemes .The most of private institutes provide online courses. The youth himself managed with new technology which makes him very competitive.

## Conclusion:

The Covid -19 pandemic affects India’s social and economic conditions. This crisis affects irregular conditions in India in different sectors. Due to lockdown ,unorganized sector labor lost their jobs, migrant labour totally disturbed, and city poverty,women,small shopkeepers and farmer and students suffered .This pandemic was not only pandemic not only health crises but also ,it becomes social and economic existence war. In the education sector online system are implemented ,but digital devices restrict a lot of students from using these instrument, mainly in rural areas, and slum area boys, an economically backward class students, suffered a economic crises, which caused

dissimilarities. Alternatively, the education need for technical education arises in online education. In employment sectors, the gig economy and work-from home like working opportunities were created. The employment created by Zomato, Swiggy, and Amazon, the employment created on that platform, but in those jobs, there was not social security, stability, future coeternity, because of that for long term economic stability these remedies were in limited.

Agriculture and the rural economy are in some way strengthening the economy, but the supply of production toward the market, store house, and cooling availability was not available, which caused the restriction on the farmer’s income. The imbalance in economy are because of structural restrictions. In the health department, the government system collapsed, because the supply of oxygen, ventilators, hospitals beds, and chemical deficiency was very low, because of that highlighted the needs for investments in the health department, PM –CARES FUND, vaccination campaigns and PM-ABHIM like schemes was highlighted giving directions. The government also implements Pradhan Mantri Garib Kalyan Yojna Atmanirbhar Bharat Abiyan, MGNAREGA, PM-KISAN and RBI policy like various remedies implemented by the government. But, to implement these schemes, there were various limitations.

Overall, covid-19 was a serious pandemic that provided an impetus to implement and improvement in health, education, technology and economic empowerment. To save these pandemic in the future planned, long-term, and inclusive and people -centric policies are needed. To search for opportunity from crises, is the real way of sustainable development.

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## Conflicts of interest

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