

## ATMANIRBHAR BHARAT: OPPORTUNITIES AND CHALLENGES WITH COVID-19

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### ABSTRACT

Atma Nirbhar Bharat is not a term in itself rather it has a quite wide connotation in it. The coming of COVID-19, affected the trade largely and impacted every corner of the economy and has forced millions to migrate from place to place and impacted their jobs and income and has created a huge problem of unemployment and job loss in every country. It has created many opportunities as well as challenges for India. India who had the vision of Make in India with the launch of Atma Nirbhar Bharat has boosted it to further end. With the government intervention of around 20 lakh crores, it has given a huge economic stimulus package to Indians.

There are huge opportunities created for us now to make India great. For eg:- it will promote new Entrepreneurship opportunities, will provide a boost to MSME, new Employment opportunities for the youth, will help in Income generation and raising the GDP of our country and containing Fiscal Deficit, it can also help in achieving India's vision of 5 Trillion Economy and accomplishing SDG Targets by doubling Farming Income and impacting others sectors like health, education, etc, but it also has some challenges in achieving these targets like Finance, required skill, adequate high cutting edge technology, High Capital to Output Ratio in the production of new products, etc. Atma Nirbhar Bharat can be a blessing for India's vision of Make in India and making India self-reliance if these challenges are contained wisely.

### INTRODUCTION

Atma Nirbhar Bharat is about making India, a self-reliant country. With the vision of Make in India, which was launched in 2014 to make India self-sufficient in production and despite more of an importer, to make India an export hub and generate employment and helping in boosting the GDP of India. Its scope has been widened with the experiences gained in the recent past to further enhance the capacity building of the economy and render good services in the future. Atma Nirbhar is not a term in itself, rather it has a quite wide connotation in it. It was quite for a while in the vision of our PM that he has provided the Indian youth, entrepreneur, corporate, start-ups, and corporate sectors as well as the MSMEs to take advantage of this new scheme. It is worthy to say that he has a vision that had been seen far in the history by Mahatma Gandhi to make India a self-reliant economy by building schemes and opportunities that make our Indian economy thrive better and take a lead role in the world. Now with the arrival of a pandemic virus i.e., SARS CoV-2, there has been a huge sense of fear of its spread, killing more and more of the countrymen. We, as Indians though have performed far better than the world in terms of

containing the disease. With this pandemic, came huge challenges and opportunities as well. To contain the virus it has been a necessity to make some trade barriers inevitable. Therefore, to cover that loss we must have to think about the opportunities we can create to maintain the economy on track. Thus, here Atma Nirbhar Bharat plays its role. We can make the best use of this time by creating opportunities for our youth and make India a leading manufacturer, producer, and exporter.

#### OPPORTUNITIES AVAILABLE

**1. Entrepreneurship:** India has talent, but with the rise in the population of India and the problem of funding hinders the talented youth to come out with a new and innovative ideas, as a result, their ideas were suppressed. Other than that due to the advent of COVID-19 lots of people have to migrate from their workplace to their native town which leads to a lot of jobs losses. But with the introduction of this Atam Nirbhar Bharat Abhiyan which promises to provide 20 lakhs of crore packages, can help in the generation of new entrepreneurship opportunities to the rising young population of the country. This fiscal stimulus will develop infrastructure and create demand which will generate new job opportunities in the various sectors. More funding to ongoing projects of the government eg: Mudra loans etc will allow new entrepreneurs in nurturing their talent.

**2. Boosting MSME:** The Micro, Small and Medium Enterprises (MSMEs) sector contributes significantly to the Indian Economy in terms of Gross Domestic Product (GDP), Exports, and Employment generation. As per the Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MOSPI), the Share of MSME Gross Value Added (GVA) in total GVA during 2016-17 was 31.8%. As per the Directorate General of Commercial Intelligence and Statistics (DGCIS), the Share of MSME related Products in total Export from India during 2018-19 is 48.10%. (*MSME Sector Contributes Significantly to Indian Economy.*) As per the 73rd Round of National Sample Survey (NSS), conducted by the Ministry of Statistics & Programme Implementation during the period 2015-16, the estimated number of workers in unincorporated non-agriculture MSMEs in the country are 11.10 crore. (“Overview and performance of MSME sector.” 24-47)

Mahatma Gandhi envisaged for promoting these small industries rather than large industries, as we can see that these small industries have the potential to nurture the required need of the country and these can also help in the development of the backward regions of the country. Government intervention of providing credit guaranty to these MSME's for availing loans has proved a blessing and has robust the growth of this sector. As COVID-19 have largely effected the international trade, these MSME can play a crucial role in filling those supply gaps and promote Indian manufactured goods, which will generate more jobs, entrepreneur opportunities, exports and will boost our economy and further will help India in achieving its 5 trillion economy goal.

**3. New Employment opportunities:** India is called the demographic dividend where approximately 60 percent of its population is in the working-age group. As per the UN world population prospect report, India's population will surpass China by 2027 (“World Population prospects”). This rising population will require new employment opportunities for satisfying their demands. and with the coming of COVID -19 pandemic where lots of youths have already lost their jobs and taking the world towards economic depression. The Fiscal stimulus provided under

the Atma Nirbhar Bharat Abhiyan can prove a blessing for the youth by providing new entrepreneurship opportunities to overcome this job shortage along with the rising population. This demographic dividend has the potential to make any country self-reliant only if their potential was harnessed wisely, Atma Nirbhar Bharat Abhiyan can act as a bridge in this direction.

**4. Quantum Jump in GDP and National Income:** As more and more industries will come on and there will be a boost to a small sector like MSMEs and agricultural developments, it is quite obvious that national income is going to increase. There will be high GDP growth as more production will lead to enhance India's export as well as domestic requirements. Also, India's target of making India the manufacturing hub will become a reality. India's target of creating 100 million jobs by 2022 and increasing the share of manufacturing in the GDP from 16% to 25% by 2025 ("World population prospect report") will be a reality.

**5. Containing Fiscal Deficit:** India had enacted the law of FRBM in 2003 by which it was decided to maintain a fiscal deficit of 3% of GDP (Government of India). But due to lack of fiscal consolidation and many other problems faced by the country we were unable to make it happen. Again we were short of the target this year also as per the economic survey. Thus, a high growth rate, production, manufacturing hub, the export-oriented economy will make it happen easily. This can be true when we see Atma Nirbhar Bharat as an opportunity in the near future.

**6. Achieving a target of 5 Trillion Economy:** India targets to be a 5 trillion economy by 2024. As per the World economic outlook (2019) released by the IMF, India is the fifth-largest economy in the world with a GDP of \$2.94 trillion (*World Economic Outlook Reports*). Though India's GDP growth rate was already missing its admirable growth rate targets and the advent of the COVID-19 pandemic has made it even more challenging, as per the experts, the admirable growth rate of India should be between 9 to 10 percent whereas India only achieved 6.8 percent in 2018-19. As per the Economic survey 2019-20, it is projected to remain between 5 to 6.5 percent in the year 2020-2021 (*Economic Survey*). With the coming of COVID -19, it was projected to decline even further as the international market has been affected largely. But this Atma Nirbhar Bharat has given new hope to this 5 trillion economy vision as making India self-reliance and emerge it as an exporter in the world can help India to achieve its target or even hit closer.

**7. Accomplishing SDG Targets:** India has signed and ratified the sustainable development goals (*India Voluntary*) and declared its National determination targets to accomplish sustainable development goals. Which includes eliminating poverty, hunger, health, reduce its Maternal mortality rate and Infant mortality rate, eliminating T.B, doubling farmer's income, etc. but with the strike of COVID-19, these targets become more difficult to attain in this present pandemic situation throughout the world. Atma Nirbhar Bharat can play a pivotal role in accomplishing these targets. India needs to revamp its health sector and infrastructure sector. The GDP percent contribution to the Health and infrastructure of India is very low as compare to other world countries. Atam Nirbhar Bharat can change this scenario and can make us self sufficient which can further help India in attaining its national determined goals.

**8. Doubling Farming Income:** The farmers in our country were already dwindling with lots of problems like the availability of finance, drought, floods, etc. But with the COVID-19

which affected the international trade at large created a new hurdle for the farmer who exports their products in the International markets. but the vision of making India self-reliant will require a lot of raw materials to support the production of many new products in India for example Aromatic Plants for the Chemical and pharmaceutical industries for making new drugs in India. It will generate new demand for the farming sector. The development of new industries in India further fills the gap of the machine, technology, and new research and development in the farm sector which will enhance productivity and will help in doubling farmer's income by 2030.

**9. Boosting Rurbanisation:** There are around 2.5 Lakh Gram Panchayats in India which cover approximately 65 percent of our population. These rural areas lack Infrastructure facilities which hinder their growth. If India wants to become self-reliant then it should nurture the growth of its rural areas. There are many schemes launched for the development of these rural areas but still, India has to travel a long distance. In the time of this Pandemic throughout the world, these areas are largely affected as lots of people and small businesses have been shut down. Lack of digital connectivity at the time of COVID-19 can further segregate these areas from the cities. Therefore, Atma Nirbhar Bharat which envisaged to provide fiscal stimulus in the infrastructure area can help in the development of these areas and further lead to generate new job opportunities for the people. Hence, we should focus on making these rural areas as the rurban areas with all the facilities for making India self-reliant.

**10. Revamp Health Sector:** In the recent budget, India allocated just 1.28% of its GDP for the health sector, far less than the WHO recommendation of at least 5% (Chandna, Himani). The health sector of India is far behind the first world countries. Though according to the economic survey 2020 the expenditure on health has steadily increased in the last five years (2014-2019) (*Government's Expenditure 10*) but India has to travel a long way to reach a satisfactory level. In the times of COVID-19, our health sector has been largely burdened. Atma Nirbhar Bharat which contributes almost 10% of the GDP can help India's health sector to a large extent. India was largely dependent on the export of many medical types of equipment around the world. But now as international trade has been largely hurt. India started producing and manufacturing these products on their own for eg: India who exports oxygen tanks from the USA and from other countries around the world has now started manufacturing them on their own (Kaul, Rhythima). This is a step forward in self-reliance India.

**11. Digital India:** India has a huge potential for digitization. In the wake of the COVID-19, we are here meeting on a virtual platform in every meeting conducted by the departments and making work by home possible. All are going towards digital banking system and digital platform is in great demand all over the country at such times. Thus, it indeed has given us a great opportunity to make use of such digital technologies to become a smart citizen. India is one of the largest software exporters in the world (*India's Software, ITeS exports clocks at \$111 b'.*) With the fiscal stimulus provided under Atma Nirbhar Bharat, it can greatly boost its digital economy. It will help in developing new job opportunities for the youth in all sectors especially the health and education sector which are in great demand during this pandemic.

## CHALLENGES

With every opportunity, there comes a challenge and we will have to tackle those to make the best out of it.

**1. Availability and access to Finance-** Money has been a huge challenge in any venture you start. Here also we came across financial shortages in the economy to better channelize all efforts. Due to pandemic, there had been a lockdown of all the activities that had hurt the institutions worldwide. Every nation is reeling under financial stress. This stimulus provided by the Indian government to the nation must be channelized to make the best use of it. People in remote areas will also require new technology to make use of the provided money for its intended target completion. Banking sectors are also reeling under huge NPA and are due to the loan period moratorium given by the govt, there has been huge speculation of recovering as many have lost their jobs due to the pandemic.

**2. Deficiency in required Skill-** Every work is different and requires specific skills to do that job. Thus skills are a prerequisite for doing a job in a better way. We are talking about the digital economy but a huge population has remained untouched by the digital sector for many reasons like fear of theft, education, activeness, risk averting people, traditional believers, etc. So they completely lack skills to operate under such initiatives. Though India had launched PMKVY (Pradhan Mantri Kaushal Vikas Yojana) which targets to skill 10 million youth during the 2016-2020 periods (*Skill development data*) we still have to go a long way to achieve that level and to tap the energy of vibrating youth to achieve the target of self-reliance. New technologies like Artificial intelligence and robotic, machine learning, etc. require huge technical skills. Thus skill up-gradation is the need of the hour.

**3. Technology hinders and High Capital to Output Ratio-** Technology plays a vital role in making country self-reliance as the new world demands automation and it is an era of the internet revolution.

If India wants to compete with the other world countries, India should focus on technology up-gradation otherwise India will not be able to compete with the other products of the world For eg: India is the largest producer of textiles in the world but still imports clothes from other countries, therefore we should optimize the technologies for the production of finished goods in our own country. But the production cost of these finished goods is high here in India as compared to the first world countries. The high capital to output ratio affects the demand for those products. Therefore, India should also look for outsourcing its production as the cost of making those goods there is comparatively low or India should look forward to developing its technology by new Research and development in these fields.

**4. Infrastructure-** One of the pillars of the Atma Nirbhar Bharat Abhiyan is the infrastructure itself and that's why it holds critical importance while calculating its success. Infrastructure is the backbone of any economy; if the health sector is not sufficiently provided with infrastructure then there will always be a gap between services to be provided as it happened in many states during this pandemic. Therefore, there is a huge challenge in such scenarios that should be addressed properly. Infrastructure like health and education should be the priority while



considering the opportunities of the scheme. Infrastructure facilities must be upgraded to the best level under this scheme as it plays a vital role in deciding the competence of any sector as well as the country as a whole. Many items like roads, constructions, entrepreneurship, etc. all depend on the infrastructure of the area, services provided thereon, and processes required in the completion of any project. As road provides connectivity, transportation will be smooth and this connectivity to the last man will provide them opportunities and will make India a self-reliant country.

**Last Mile Connectivity-** There are huge gaps in every aspect of our country. For eg; digital literacy gap, rural-urban divide, penetration of services, rich-poor divide, etc. The main reason behind this is the lack of access to mainstream schemes by the people of our country. Thus, the scheme should cover the last man standing even in the remotest corner of our country. Thus making the best use of the schemes we should not leave any stone unturned, then only, India can become self-reliant.

## CONCLUSION

India has a huge demographic dividend and this scheme has come with lots of opportunities to take India to the next level of development. But as mentioned above, there are challenges too that should be addressed in an efficient way to circumvent any adversaries in its path. At the times when economy has faced a huge set back, a scheme like this could be a possible way to bring down the pressure occurred due to huge job lose and prevent India from a economic depression and put India back in the forefront of development.

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