

DIGITAL INDIA MISSION FOR REVIVAL OF INDIAN ECONOMY DURING COVID-19 PANDEMIC: OPPORTUNITIES AND CHALLENGES

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ABSTRACT

COVID-19 pandemic was the most serious and terrible disease for human beings worldwide. It was the biggest challenge in front of Indian economy how to face and handle this problem. Every sector of the economy i.e. agriculture, manufacturing, hospitality, tourism sector etc. were extremely affected by this pandemic. Due to nationwide lockdown in India, all economic activities were halted. Digital India Mission was one of the landmark missions in the history of India that helped the Indian economy to perform many economic activities via online mode. Digital India Mission boosted almost all sectors including banking, online shopping, e-commerce etc. Even in the daily working routine, dependency on the digital technology increased due to maintaining social distancing for the prevention of the spread of COVID-19 pandemic. 'Work from Home' was the main outcome of Digital India Mission. The Government of India took various transformative initiatives towards the development of the Indian economy. The present scenario of Indian economy has totally changed. Now the traditional economic system has transformed into online system during the ongoing COVID-19 pandemic. Businessmen, entrepreneurs, farmers, workers etc. have got the opportunity to learn new and innovative skills.

Keywords: Atmanirbhar, Digital India, Innovative, Skills, Transformation

INTRODUCTION

COVID-19 pandemic disturbs the normal life of human beings and smooth working of every sector of the economy across the globe. The COVID-19 pandemic is an ongoing dangerous global pandemic of corona virus disease 2019 which is caused by a virus, the severe acute respiratory syndrome corona virus 2 (SARS-CoV-2). The first case of novel corona virus disease was identified in Wuhan, China in December 2019. On 11 March 2020, the World Health Organization (WHO) has declared the novel corona virus outbreak a global pandemic. Due to this pandemic, various problems arise in the path of the Indian economy's development. The major problems are as intense rise in unemployment, decline in GDP rate, stress on supply chains, collapse of tourism and hospitality industry, etc. The nationwide lockdown in India affects the economic, social, political aspects of the India. Digital technology helps to maintain 'social distancing' and control on the spread of this disease to some extent. Moving towards Digital India Mission with the use of innovative methods has now become the new normal for the Indian economy. It is the essential need of the hour to revive the economy from this pandemic.

REVIEW OF LITERATURE

Shishir Sinha (2022) made a study and described that Digital Banking Units will provide an opportunity to boost digital transactions. An effective digital transaction ecosystem will give push to

research, development and innovation in Fintech space.

Sunil Kumar Khatri (2022) concluded that in our daily life we rapidly use Information Technology and computers that transforms the way of doing business. During COVID-19 pandemic, E-commerce becomes the revolutionary movement towards to uplift the business sector in India by continuously adoption of online services.

OBJECTIVES OF THE STUDY

1. To identify the status of Digital India Mission during COVID-19 pandemic.
2. To know the need of Digital India Mission during COVID-19 pandemic.
3. To evaluate the various government schemes to uplift the status of Indian economy during COVID-19 pandemic.
4. To study the digital revival initiatives in India during COVID-19 pandemic.
5. To aware the society about the use of digital technology during this pandemic.

RESEARCH METHODOLOGY

The research study is based on secondary data obtained from magazines, thesis, newspapers, reports, books and the like.

DISCUSSIONS AND RESULTS

Nationwide lockdown in India is from phase 1 to phase 4 (**Phase 1:** 25 March 2020 – 14 April 2020, **Phase 2:** 15 April 2020 – 3 May 2020, **Phase 3:** 4 May 2020 – 17 May 2020, **Phase 4:** 18 May 2020 – 31 May 2020) due to outbreak of COVID-19 pandemic which is not good for the economy's development process. In this situation, Digital India Mission proves the revolutionary initiative to bring back the economy towards development roadmap. The Indian Government increases expenses on digital activities to fulfill the dream of digital economy.

DIGITAL INDIA MISSION OUTLAY

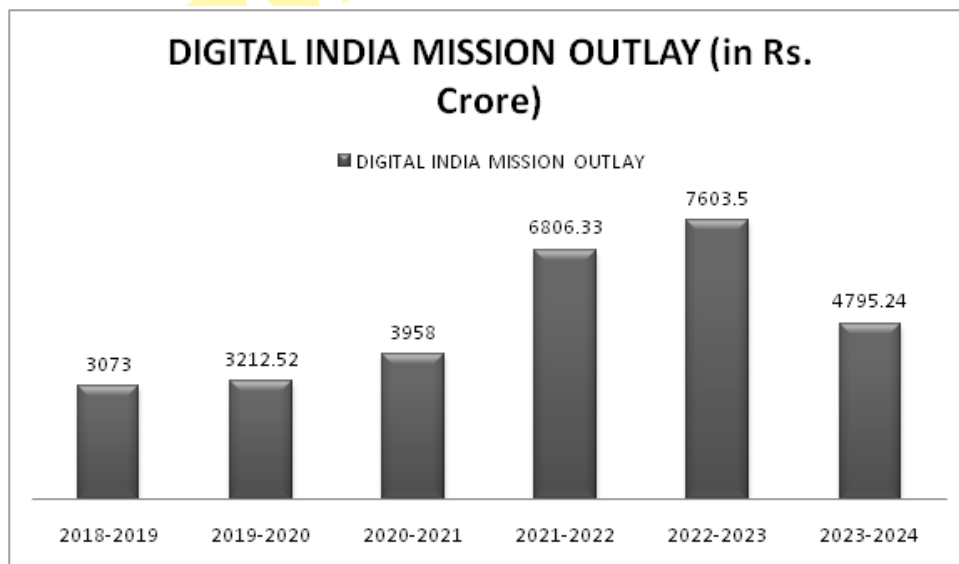


Figure 1

The figure 1 shows that the Government of India increases expenditure on Digital India Mission continuously for the smooth working of e-services in India from 2018-2019 to 2022-2023. The Government has increased the outlay for digital India programme by 23 per cent to Rs. 3958 crore for 2020-2021 compared to the actual allocation in the current fiscal during COVID-19 pandemic.

DIGITAL INDIA MISSION: LEADING STEP TOWARDS REVIVAL OF INDIAN ECONOMY

No doubt, Indian economy is very badly affected by COVID-19 pandemic. The economic stress grows rapidly due to outbreak of this pandemic. To curb the spread of COVID-19 pandemic during lockdown, only one medium i.e. digital platform becomes essential for all transactions related to businesses, banking, payment of all kinds of bills etc. Digital India is a flagship campaign of the Government of India launched on 1st July 2015 with a vision to transform India into a digitally empowered society and knowledge economy. Digital India Mission proves transformational path in front of Indian economy to do all economic activities digitally during ongoing of the COVID-19 pandemic. Indian people have got the opportunity to learn lots of new and innovative skills. Some of the revolutionary outcomes of Digital India Mission are as:

- **DIGITAL INDIA MISSION IN MANUFACTURING SECTOR**

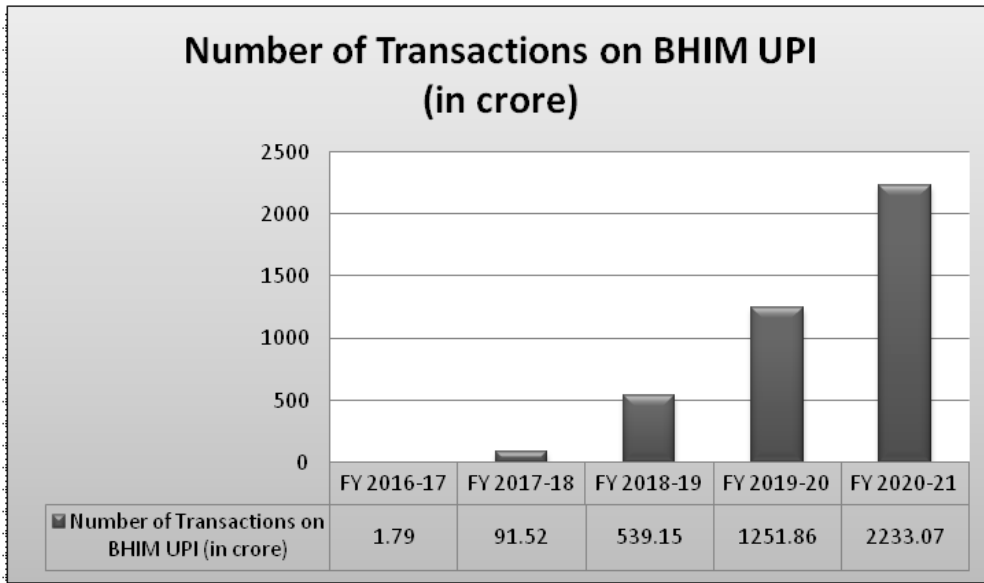
Industry 4.0 is known as the fourth industrial revolution that has enough capability to ensure sustainability in manufacturing industry and restoring the economy's financial health during COVID-19 crisis. Industry 4.0 Revolution is marked by the confluence of a lot of advanced technologies that come together to digitize manufacturing, value creation processes and related industries. Industry 4.0 for Make in India and Atmanirbharta for the manufacturing sector is the basic relevant instruments for a steady growth. It helps in maintaining the uninterrupted supply chains of goods and services in the Indian economy. To promote digital transformation in manufacturing, many institutions are already functional under the Smart Advanced Manufacturing and Rapid Transformation Hub (SAMARTH) Udyog Bharat 4.0 initiative. Its main target is to promote Industry 4.0 adoption, intending to spread technology solutions to Indian industrial units by 2025 through initiatives such as training, demonstration centres and awareness campaigns.

- **DIGITAL INDIA MISSION IN BANKING SECTOR**

The ongoing pandemic in India gives a sharp booster to digital banking. Online banking is the modern concept of banking that is useful to transfer cash amount, shopping, check bank balance, phone recharge, payment of bills etc. A large number of people are using digital channels of banking rather than traditional visits to different-different bank branches and face-to-face interactions with bank staff only to minimize the spread of COVID-19 pandemic.

BHIM UPI Transactions: Reaching New Heights

BHIM (Bharat Interface for Money) is an Indian mobile payment app based on the Unified Payments Interface (UPI) developed by the National Payments Corporation of India (NPCI) and launched on 30 December 2016. Its main motto is to facilitate e-payments directly through banks and encourages cashless transactions among people.



Source: <https://www.meity.gov.in/digidhan-mission>

Figure 2

The figure 2 represents that BHIM-UPI transactions have grown exponentially in the previous years from 539.15 crore in FY 2018-19 to 1251.86 FY 2019-20. This sudden and huge jump is due to COVID-19 pandemic. In FY 2020-21, the number of transactions on BHIM UPI is 2233.07 crore. It shows that people prefer to adopt digital payment modes to maintain the social distancing norms. The Finance Minister Nirmala Sitharaman made five major announcements in the General Budget for the FY 2022-23

Table 1 : Five Major Initiatives in Union Budget 2022-23

S. No.	Initiatives
1.	Continuous financial support to digital payments
2.	Digital Banking Unit
3.	Core Banking System in Post Offices
4.	New Taxation System for Virtual Digital assets like Cryptocurrency
5.	Central Bank Digital Currency

The table 1 shows that in Union Budget 2022-23, various revolutionary steps are taken to uplift the digital status of the economy. To mark 75 years of independence of India, the Government of India has proposed to set up 75 Digital Banking Units in 75 districts of the country with an intention to

promote financial inclusion.

● **DIGITAL INDIA MISSION IN E-COMMERCE SECTOR**

COVID-19 pandemic is responsible for change the behaviour and pattern of our lives. 'Staying Indoors' and 'Work from Home' become the new normal of life. This situation is to push the consumers towards online shopping. With giants like Amazon, Flipkart and Myntra, new entrants like PayTm, Shopclues etc. are also establishing a strong hold in the recent Indian market. As per Statista, India had around 224 million digital buyers in year 2018, which will rise to 329 million by year 2020, which is a highly rapid high rate due to COVID-19 pandemic.

Table 2

Major Government initiatives to push up E-commerce sector in India

S. No.	Initiatives
1.	As of November 2022, the GeM portal has served 12. 28 million orders worth Rs. 334,933 crore from 5.44 million registered sellers and service providers for 62,247 buyer organizations.
2.	In order to increase the participation of foreign players in E-commerce, Indian Government hiked the limit of FDI in E-commerce marketplace model to up to 100% (in B2B models)
3.	Heavy investment made by the Government in rolling out fibre network for 5G will help boost E-commerce in India

Source: <https://www.ibef.org/industry/ecommerce>

The table 2 highlights that Government of India takes essential steps to boost up e-commerce market in India. Other initiatives are like government e-Marketplace, Open Network for Digital Commerce (ONDC), Ease of doing business, Start-up India Portal, Consumer Protection (E-commerce) Rules 2020 etc. India's e-commerce sector flourishes a rapid pace.

DIGITAL INDIA MISSION IN RURAL AREA

With the innovative efforts of Indian Government, rural areas of the India follow the rules of digital economy. Digi Village aims to make the root of Indian Society – “The Villages” Digitally connected and every rural citizen digitally literate. During the COVID-19 pandemic, Government of India takes major steps to empower the digitally rural economy of India. On 24 April 2020, eGramSwaraj portal and SVAMITVA Scheme have been launched by Prime Minister Narendra Modi at the occasion of National Panchayati Raj Day to boost technological advancement in rural areas and focus on strengthen e-Governance in Panchayati Raj Institutions. These two schemes are launched through digital medium i.e. video conferencing between PM Modi and Sarpanches of village panchayats which is the revolutionary outcome of the Digital India Mission. eGramSwaraj aims to bring in better transparency in the decentralized planning, progress reporting and work based accounting. The purpose of SVAMITVA (Survey of Villages Abadi and Mapping with Improvised

Technology in Village Areas) Scheme aims to provide an intergrated property validation solution for rural India and to mapping the properties of villages by using drones technology. Its fundamental target is to settle property dispute matters.

OPPORTUNITIES FOR INDIAN ECONOMY IN THE FIELD OF DIGITAL TRANSFORMATION

Digital transformation uses the advanced technology to achieve progressive targets with more efficiently. Businessmen, entrepreneurs, workers etc. have got the opportunity to learn lots of innovative skills. There are various opportunities for Indian economy in the field of digital transformation such as:

- **India's Trillion Dollar Digital Opportunity:** India's Trillion Dollar Digital Opportunity is a revolutionary attempt of Ministry of Electronics and Information Technology (MeitY), Government of India to present India's Digital Vision and the capability of India to attain \$1 trillion of economic value of digital economy by 2025. The foremost aim is to determine the needs for progress in the future path of the digital economy.
- **Employment Opportunities:** Digital economy creates many new employment opportunities because of internet-based working increases in each field of the Indian economy.
- **Boost to E-Commerce:** Digitalization in businesses open the new avenues for marketing the product. In recent era of digital economy, businessman can sale any product or service quickly online to increase profits and provide better services to customers.
- **Practical Implementation of Digital Activities:** Digital India plays vital role during COVID-19 pandemic. Many of the digital activities practically implement in this pandemic such as online banking, online shopping, e-commerce, e-learning etc.
- **Atmanirbhar Bharat:** Digital India for Atmanirbhar Bharat is an Indian government initiative to provide high-speed network in both urban as well as rural areas. There are various schemes that lead the economy towards Atmanirbhar Bharat. Digilocker, e-sanjivini scheme, e-commerce, e-banking etc. are major initiative to build digitally self-reliant economy.

CHALLENGES FOR INDIAN ECONOMY IN THE FIELD OF DIGITAL TRANSFORMATION

There are numerous roadblocks in the effective implementation of digital activities.

- **Cyber-Crime:** Cyber-security is the top priority to overcome the problem of cyber-crime. Cyber-criminals steal vital information such as credit card account numbers of the customers. There is an essential need to prepare strong cyber-security teams that protect the confidential information and database of the customers. It is the biggest challenge in front of Indian economy to control the digital crime.
- **Financial Constraints:** Most of the Indian industrialists have no enough finance to adopt digital technology. Various small and medium scale industries are unable to reap the profits like large scale industries.
- **Digital Illiteracy:** Most of the small scale industries face too much struggle to adopt modern digital technology because of labourers are not fully digitally literate. Digital illiteracy is the main hurdle in the path of digital transformation.

- **Infrastructure Deficiencies:** Lack of infrastructural facilities is the major obstacle in the progress of digital transformation. Less number of mobile towers and low speed of internet are responsible for inefficient working of e-services in India.
- **Budget Allocation:** Budget 2023-2024 allocates Rs. 4795.24 crore for the Digital India Mission that is 37% decrease from the Budget 2022-2023's actual outlay of Rs. 7603.5 crore. It is the serious challenge to keep the smooth running of Digital India Mission.

SUGGESTIONS TO UPLIFT THE STATUS OF INDIAN ECONOMY DURING COVID-19 PANDEMIC

- To create more employment opportunities by government of India so that people can get jobs during COVID-19 pandemic.
- To develop the infrastructural facilities especially in rural and remote areas in India so that the dream of Digital India Mission can fulfill at every pace.
- To provide special facilities for those helpless and poor people who can't survive in the COVID-19 pandemic situation and provide basic amenities of livelihood.
- To establish special awareness camps for those people who have not technical knowledge about the digital techniques.
- To revive the Indian economy from the trap of COVID-19 pandemic, it is an essential to adopt digital transformation in every sector of the economy so that we all become 'Atmanirbhar'.

CONCLUSION

COVID-19 pandemic is not significant for economy's health. To handle this situation, Digital India Mission helps at every situation either maintaining social distancing or to promote online working related to each sector. If we all have the strong desire to win the fight against the invisible enemy corona virus, there is most pertinent path to adopt 'Digital India Mission' and make it crucial part of life.

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