



COVID-19 EFFECT ON INDIAN INFORMAL SECTOR

Presenter,
Kunal shekhar
MBA RM 08

OVERVIEW

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BACKGROUND

- According to the International Labour Organization (ILO) report, over four out of five people, which is around 81% of the world total work population is around 3.3 billion working people are suffered in their employment .
- the International Labour Organization (ILO) report, says that 40 million or more informal workforce may face extreme poverty because of covid 19 pandemic.
- In India 80 percent of workers from the informal sector lost their jobs as the lockdown progressed. Among these, daily wage workers, street vendors, small enterprises, and retailers were completely choked for various reasons.



RESEARCH AIMS

- TO understand the impact of the covid-19 on informal sector.
- TO understand post lockdown consequences faced by informal employment.
- To understand the post COVID Economic conditions of formal and informal sector of India. for understand the migration due to the COVID-19 lockdown.



METHODOLOGY

Secondary Data Methodology

secondary sources:

- past research papers
- Articles and publication
- government reports
- Internet



FINDINGS

1. Indian economy before & after covid 19:

- Indian economy before covid 19 pandemics growing with 4.18% GDP as world's second largest Economy in 2019.
- after the covid 19 in 2020 the Indian economy went down to 3.1% according to the ministry of statistics.
- The GDP of India has decline from 35.35 lakh crore RS in 2019-20 years 1st quarter to 26.90 lakh RS IN 2020-21.



FINDINGS

2.COVID-19 effect on Indian informal employment:

In India, informal economy employment is generated in four sectors agriculture, construction, manufacturing, and skilled-based services.

Covid-19 makes a drastic downfall on informal employment in all sectors.

Sectors	Pre- Lockdown (2019-2020)			Post Lockdown (2020-2021)		
	Unemployed	Seeking Work	Working	Unemployed	Seeking Work	Working
Agriculture	6.14	10.75	83.08	69.92	20.43	9.65
Construction	4.55	7.69	87.76	83.85	10.84	5.31
Manufacturing	2.22	5.12	92.66	79.96	13.07	9.97
skills based Services	2.72	7.42	89.86	76.32	14.2	9.47

FINDINGS

3.COVID-19 negative impact on the incomes and the life of migrants:

The covid-19 pandemic first the first lockdown, about 400 million daily wage workers downfall in the poverty.

Most of the population of migrants are from Bihar and the Uttar Pradesh States and other migrants are from Madhya Pradesh and the Rajasthan States.

In the COVID-19 pandemic, migrants face multiple difficulties in daily life related to their daily wage, their family survival, and health care issues.

Most of the migrants are from a rural background but they live in metro cities and small cities for decades for their livelihood.

most of Migrants don't have their own home and they used to live in rental homes, even they haven't any savings for their future survival.



CONCLUSION

The result of this research was indicated that after the covid 19 lockdown condition of the informal economy of India is drastically went down and most of them who are employed in the informal sector has lost their job and they don't have any income to survive, even they don't have house or land security, and they also suffered from health security issues.



RECOMMENDATION:

- **The government of India must support the local products and local productions because if production is increasing at the local level laborers get jobs and incomes .**
 - **subsidary or tax-free duties on salaries and wages for the limited financial period, it helps the small scale industries for the reconstruction of their businesses.**
 - **government should be reforming the provisions of low working capital at low interest rate Ford entrepreneurs and small Enterprises.**
 - **Health Insurance is provided by the government on a low cost.**
 - **Government must change their education system and make helpful and useful education for the students of India.**
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THANK YOU

