



In Association With



Dev Samaj College of Education for Women, Ferozpur, Punjab

Published Proceedings of National Level Webinar on Covid- 19 Pandemic: Impact and Challenges before
Higher Education Sponsored by ICSSR,

New Delhi

Chief Patron

Shriman Nirmal Singh Ji Dhillon, Chairman College managing Committee

Webinar Convener

Dr. Rajwinder Kaur, Principal

Webinar Directors

Dr. Gagandeep Kaur, Dr. Parmvir Singh (Assistant Professors)

Impact of the COVID-19 Pandemic on Indian Economy

Silky Valecha

Assistant Professor

Dev Samaj College for Women, Ferozepur

The outbreak of the Covid-19 pandemic is an unprecedented shock to the Indian economy. The economy was already in a parlous state before Covid-19 struck. The economy was as of now in a parlous state some time recently Covid-19 struck. With the delayed country-wide lockdown, worldwide financial downturn and related disturbance of request and supply chains, the economy is likely to confront a extended period of lull. The size of the financial affect will depend upon the length and seriousness of the wellbeing emergency, the term of the lockdown and the way in which the circumstance unfurls once the lockdown is lifted. In this paper we portray the state of the Indian economy within the pre-Covid-19 period, survey the potential affect of the stun on different portions of the economy, investigations the approaches that have been reported so distant by the central government and the Save Bank of India to enhance the financial stun and put forward a set of approach proposals for particular segments.

Keyword: - Pandemic, prolonged, economic shock, lockdown, segments.

Introduction

The World Health Organization (WHO) on 12th March announced the recent outbreak of the novel corona virus disease (COVID-19) a pandemic, crumbling away Rs. 11.4 trillion of shareholders wealth. The impact of corona virus pandemic on India has been largely disruptive in terms of economic activity as well as a loss of human lives. Almost all the sectors have been adversely affected as domestic demand and exports sharply plummeted with some notable exceptions where high growth was observed. Since agriculture is the backbone of the country and a part of the government announced essential category, the impact is likely to be low on both primary agricultural production and usage of agro-inputs. Several state governments have already allowed free movement of fruits, vegetables, milk etc. Online food grocery platforms are heavily impacted due to unclear restrictions on movements and stoppage of logistics vehicles. Apart from this, insulating the rural food production areas in the coming weeks will hold a great answer to the macro impact of COVID-19 on Indian food sector as well as larger economy. Various businesses such as hotels, airlines are cutting wages and layoffs for workers.

Also, around 3,000 crore losses have occurred in the live event industry (Goyal, 2020). ght stop selling non-essential products in India to concentrate on critical supplies. Many rapid-growing consumer goods enterprises in the country have dramatically reduced their business and attention toward the essential products. UltraTech

Cement, Aditya Birla, Tata motors are some major companies that have halted or limited their activities temporarily. Some activities of iPhone suppliers in India have been halted. Many young start-ups were affected as the funding dropped. On March 23, 2020, stock markets in India experienced their most significant drop in history (The Indian Express, 2020). Indian Government has initiated several steps to solve the crises, starting with food security, and increase funding on health care, to sectors related to support and prolonged tax schedules. (Shah, 2020). This research paper summarizes the impacts of COVID-19 in India based on three segments, to be specific, essential divisions, auxiliary divisions and tertiary divisions.

Methodology

To respond to the global COVID-19 outbreak, the economic implications of COVID-19 on specific dimensions of Indian economy are analyzed in this study. The situations of COVID-19 certainly have an adverse effect over different sectors and segments of Indian economy. To analysis the impact of Covid outbreaks both various secondary sources has been used. These all has been useful to know the impact of corona virus on different sectors of the economy thoroughly. Moreover, insights about the effects of the pandemic on various sectors such as agriculture, medical industry, finance, information technology, manufacturing and many others are also provided. These insights may support strategic decision making and policy framing activities for the top-level management in private and government sectors.

Impact of Pandemic

i. Agriculture and supply chain

COVID-19 influences a few hones in agribusiness and supply chains. Starting reports uncover that certain collect hones are influenced by the need of accessibility of vagrant laborers, strikingly in north-western India, where wheat and beat were developed. There will be challenges within the supply chain since of transport issues and other concerns. The costs of wheat, vegetables and other crops have diminished, but buyers still pay more. News reports show that the closing of lodgings, eateries, desserts and tea shops amid the lockdown is as of now undermining the deals of dairy, though chicken agriculturists were extremely influenced by rumors, particularly on social media that chicken is the transmitter of COVID-19 (Mahendra Dev, 2020). Nearly all financial action has been cut off by the lockdown. In metropolitan ranges, there's a critical misfortune of compensation and work for transient laborers and the destitute. The predication by the Center for following the Indian economy shows that swelling expanded from 8.4% in mid-March to 23% amid the 1st week of April. In expansive cities, unemployment expanded to 30.9% on April 5. The shutdown will cause issues for transient laborers and the destitute that lives unsteady conditions and anticipated to confront hunger and deprivation. perfect way. The most perfect way to combat this immediate need is to create significant utilize of social welfare programs to secure their lives with nourishment and reserves. Indian Government

responded unequivocally to the circumstance and announced a \$22 billion bolster plot that comprises basic supplies and cash exchanges. The \$22 billion in financing is as it were 0.85% of Indian's net residential item (GDP), which is much lower than the plans proposed by the USA, Europe and other Asian nations (Mahendra Dev, 2020).

ii. Secondary sectors

The COVID-19 outbreak has severely affected the global economy, hampering industries across various fields around the world. The transmission of the diseases has forced countries into lockdown, anticipating the economy of a deflation. As the virus influences most of the developed countries dramatically, its effect on India is comparatively smaller than others but has a more significant impact on the businesses and economy of the country. Nearly 55% of electronics are manufactured in China; these have already slipped to 40%, in response to the corona virus outbreak and subsequent quarantine (Kumar, 2020). The IT industry has been India's dominant sector in economic development in the past few years. It performs a crucial role in satisfying the country's middle-class dream of achievements and idealistic professions. According to the industry professionals, competitors in India's IT services might face a considerable slowdown in growth throughout this financial year because of the COVID-19 outbreak. This study indicates that leading software exporters such as TATA Consultancy Services (TCS), Hindustan Computers Limited (HCL) and Infosys will be influenced by reduced technology investment from shareholders in the USA and Europe during the global lockdown.

Owing to imperatives in discuss travel and closure of cities and states to control the transmission of the COVID-19, India companies have confronted numerous client cancelations of ventures over the field. COVID-19 episodes are moreover impacting the pharmaceutical industry, as 70% of compelling anti-microbial items are fabricated in China. These compelling anti-microbial items are important to a considerable number of antibiotic-producing firms in India. But for keeping money, wellbeing benefit, fund and the genuine domain showcase are assessed to require on a noteworthy portion of the harm caused by the COVID-19 episode within the nation since Walk 2020. Additionally, the total impact of the virus on India's economy was estimated to hit about INR 8.8 trillion (Kumar, 2020).

COVID-19 has already incurred a substantial impact on Indian enterprises, and that employment is at significant risk over upcoming weeks, as companies are looking to decrease the workforce. Further, in recent times, the COVID-19 situation had already triggered an unexpected drop in financial activities. The present situation shows a significant level of impact on their business, as nearly 72% of the participants (Goyal, 2020). In addition, 70% of the analyzed companies are expecting a declining sale in the financial year (2020–2021). In terms of trade (import), China is the second largest importer and exporter. The report says that 13% of global exports and 11% of global imports. It has a significant influence on the Indian business sectors. In

imports, the dependence of India on China is large. Top 20 goods imports by India from the world, China has large shares on it. India contributes around 45% of China's cumulative electronic products. Roughly 1/3 of machinery equipment and almost 2/5 of the organic compounds that India collects from the country come from China (Goyal, 2020). China's involvement in India's imports for automotive parts and pesticides is more than 25%. Roughly 65%–70% of active antibiotic materials and nearly 90% of all cell phones are imported from China.

Several industries in India have been appeared to be undermined by the corona virus scourge, in China like shipping, drug store, vehicle, Smartphone, apparatuses, and textures. In reality, a supply chain can cause certain disturbances within the trade and showcase. In particular, the impacts of Corona virus are direct within the industry.

iii. Tertiary sectors

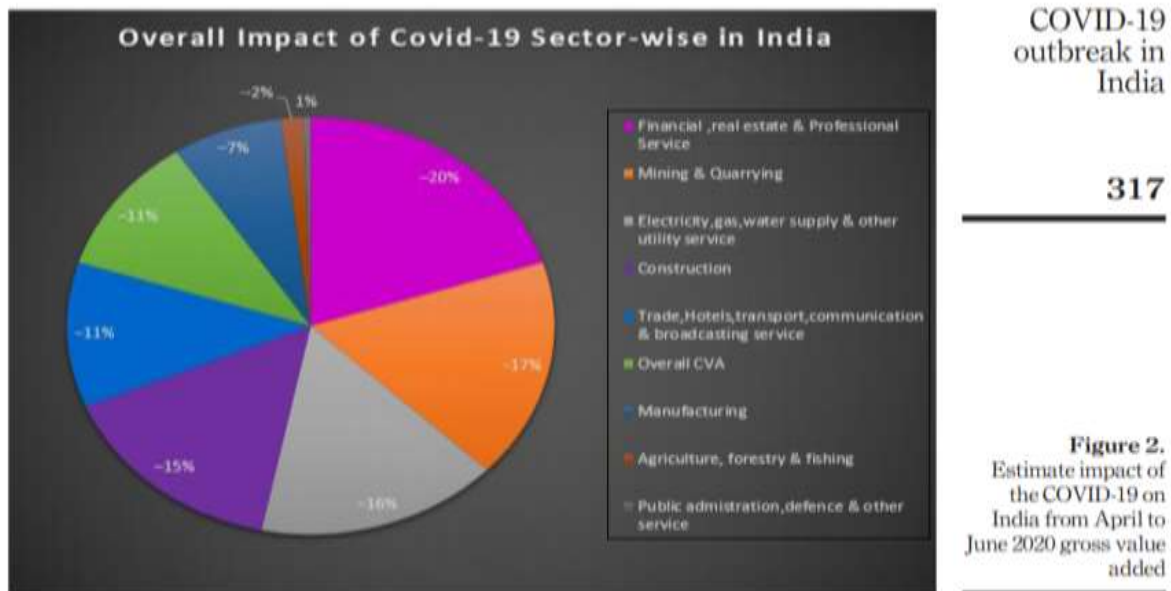
The COVID-19 episode in 2019–2020 has altogether affected worldwide instructive frameworks to an degree that it has driven to an inconclusive shutdown of school and colleges. As per the report on April 8, 2020, about 1.716 billion understudies have been essentially impacted in reaction to COVID-19 since of school shutdowns (UNESCO, 2020a). Closure of schools not as it were impacts learners, instructors and families but too influences the social and financial status of numerous. The shutdown of schools in reaction to COVID-19 have highlighted various worldwide issues such as computerized learning, nourishment frailty, childcare, web, wellbeing care and inability administrations. The consequent impacts are higher on destitute children and their families, coming about in irregularity in learning, unfavorable physical and mental wellbeing issues, childcare and related financial costs for families who are incapable to do work.

Owing to lack of resources or reliable internet access can protect students from rural and underprivileged families. Need of innovation or adequate organize network may be a challenge to steady learning, particularly for learners from underprivileged families (UNESCO, 2020b). UNESCO proposed utilizing separate instruction programs and online learning and assets that schools and instructors can use to screen and control learners to play down disturbance of instruction in reaction to closure caused by the COVID-19 (UNESCO, 2020c). Hundreds of libraries have incidentally closed to assist lighten the spread of COVID-19. It raises the challenge of maintaining distance learning for students without the internet at home

India has also been focused on historical and cultural hospitality, drawing domestic and foreign nationals around the year. It comes as no shock that a tremendous number of confirmed cases of COVID-19 in India include outside sightseers. With visas being suspended and visitor goal being closed down for an uncertain period, it is anticipated that the whole tourism esteem chain that covers lodgings, eateries, specialists, attractions and administrators would endure misfortunes of thousands of crores. Specialists think that a gigantic hit is likely to happen within the tourism industry and may conclusion up be harming the industry for the coming a long time (Muthukrishnan, 2020).

Airlines are said to be functioning with pressure after the Government of India has indefinitely suspended tourist visa. Nearly 600 international flights to and from India were suspended for varying periods. Approximately 90 domestic flights were canceled, resulting in a dramatic decrease in airline process and prominent local routes (Muthukrishnan, 2020). Private airport operators have requested the government to permit to implement a small passenger facilitation fee on airfares to compensate for the rising cost of operation.

Overall impact of COVID-19 Sectors-Wise has been shown in the below figure:



Conclusion

In view of the scale of disruption caused by the pandemic, it is evident that the current downturn is fundamentally different from recessions. vital situations such as these are calling for powerful and effective policy making in Health, industry, government, business and community. The sudden shrinkage in demand & increased unemployment is going to alter the business landscape. Adopting new principles like ‘shift towards localization, cash conservation, supply chain resilience and innovation’ will help businesses in treading a new path in this uncertain environment. Apart from this, a comprehensive economic development strategy is needed that consists of sector-by-sector schemes that support the economy to ensure the success of those with reliable and sustainable business models.

References

Choudhary, S. (2020), "Covid-19 impact: domestic demand for petrol, diesel, ATF and shipping fuel drop 10%", available at: <https://economictimes.indiatimes.com/industry/energy/oil-gas/domesticdemand-for-petrol-diesel-atf-shipping-fuel-drop-10/articleshow/74681471.cms?from=mdr>.

Das, G. (2020), "136 million jobs at risk in post-corona India", Livemint, available at: www.livemint.com/news/india/136-million-jobs-at-risk-in-post-corona-india-11585584169192.html.

Goyal, S. (2020), "What is the impact of coronavirus on Indian economy?", available at: www.jagranjosh.com/general-knowledge/what-is-the-impact-of-coronavirus-on-indian-economy1582870052-1.

Goyal, M. (2020), "Covid-19: how the deadly virus hints at a looming financial crisis", The Economic Times, available at: <https://economictimes.indiatimes.com/news/economy/finance/covid-19-crisis-how-the-deadly-virus-hints-at-a-looming-financial-crisis/articleshow/74752200.cms>

Khosla, S. (2020), "Impact of coronavirus on the digital payments segment in India", available at: www.dqindia.com/impact-coronavirus-digital-payments-segment-India/ Kumar, V. (2020), "Covid-19 and its impact on the Indian IT industry", available at: <https://industrywired.com/covid-19-and-its-impact-on-the-indian-it-industry/>

Mahendra Dev, S. (2020), "Addressing COVID-19 impacts on agriculture, food security, and livelihoods in India", available at: www.ifpri.org/blog/addressing-COVID-19-impacts-agriculture-foodsecurity-and-livelihoods-india.

Muthukrishnan, M. (2020), "COVID-19 and its impact on Indian economy", available at: <https://bfsi.iletsonline.com/covid-19-and-its-impact-on-indian-economy>.

Shah, A. (2020), "Sensex posts biggest gain in 11 years: investors richer by Rs 4.7 lakh crore", The Economic Times, available at: <https://economictimes.indiatimes.com/markets/stocks/news/sensex-logs-biggest-one-day-gain-in-11-years-investors-richer-by-rs-4-7-lakh-crore/articleshow/74810933.cms>.

The Indian Express (2020), "The Impact of COVID-19 over Economy." Express Healthcare, May 12, 2020. <https://www.expresshealthcare.in/amp/blogs/the-impact-of-covid-19-over-economy/420230/>.

<https://www.emerald.com/insight/content/doi/10.1108/IJPCC-06-2020-0053/full/pdf?title=social-economic-impact-of-covid-19-outbreak-in-india>

https://www.researchgate.net/publication/343809191_Covid_19_and_Its_Impact_on_Indian_Economy.<https://www.researchandmarkets.com/reports/5013544/impact-of-covid-19-on-the-indian-economy>.

https://www.journalijar.com/uploads/5f44de6e7b5b4_IJAR-32763.pdf.