

THE ECONOMIC IMPACT OF COVID

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ABSTRACT

The introduction of corona virus has comprehensively influenced the entire world's economy. This has large affected people because the entire industrial channel has gone down. WHO has declared it epidemic on March 11, 2020. The half-year of the year 2019-20 has ended with the six year minimum economic process rate of 4.6 percent. The economy was expected to be fine on the crescent mentioned above. With the coming of novel corona virus, the bounce in the economy and the hope of being fine for the same person has not only been difficult but also impossible. In addition to the current challenges, the new challenges presented by the COVID have provided an important economic disruption and demand imbalance and equilibration, with a huge potential to shut down the economic vehicle. The first case of the novel corona virus in India was detected on January 30, 2020. Upon initialization, the number of cases was quite low until March 15 and every infected person was a reference to the history or infected person. Therefore there is no status of lockdown. If this virus continues to be severe or enters India, the situation of the Indian economy can be so bad that it is going to be for years. The industry which is directly or indirectly accustomed to countries that are already closed or the track of the lock down, they have affected, but in the lock down in India, the other can have the worst effect on other industries. This text has been done to discuss the above mentioned effect and the measure the effect of the corona virus.

Keywords: Economy, Pandemic, Industrial Impact, Lockdown, Food Security.

Introduction

This article discusses the economic effect of COVID-19 crisis on all industries across the country. The introduction of corona virus has actually comprehensive and worse effect on the whole world economy. The introduction of an unwanted epidemic COVID-19 has fastest the whole world. The effect of the COVID is so serious that the world Health Organization has declared it a viral disease. However, the government of India has announced the extension of the measures of dealing with the fund related to the security and health care related to the sector related to the sector and the deadlines. With long international lockout, global economic recession and interference in demand and supply chains, the economy is probably facing a long period of recession. It has influenced the whole world, including every industry including education. it was started from the Wuhan city of China, which was the main source of this virus. Then it spreads all over the world, but in the beginning, the community transmission was very little symptoms. The number of people who affected from was quite low. Most cases were connected to the travel history. The effect on the Indian economy is often important if the virus continues to enter the country, which is ready to keep an extended lasting effect. This study disclosed the probable effect of shocks on Indian industries in different sections and advocated policy recommendation for that area.

How It's Different from Past Pandemics

It is not possible to compare other global crisis like the financial crisis of 2008. At this point we face recent challenges, which preclude simple comparison with the past:

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- This is a worldwide epidemic.
- It is not focused on the low-medium term countries.
- Interest rates are at historical low level.
- The planet is very integrated.
- It is causing the current crisis spillover effect in the entire supply chain.
- We have destroyed the demand as well as provided the above-mentioned facts are often seen in the light of recent business events.

As an example, car manufacturers such as Volkswagen, Ferrari, suspended production in Europe. Different areas such as transportation, entertainment, retail, hotels and restaurants etc. are stricken from lockdown. Tourism sites are deserted. Different business fairs and programs have been canceled. All types of public festivals and sports events have been canceled. Airlines has started by closing the entire fleet of its airplanes and started to say to the employees of the demand for salary. One of the world's largest airlines Lufthansa reduces 90% of its long-distance flights and cancel 23,000 flights by the end of April. About 10 million people have already lost their jobs. The big cinema homes are off all their cinema halls. Media groups and television network have to face sudden decline in advertising revenue. It may probably only be a list but not exclusive.

Review of Literature

Since this word is not old. It has come in the world as well as the economy and there is no more than 8 months old history around the world. Therefore, more literature has not been written on the subject matter. Although some authors and researchers have worked on it and are constantly working with it, so that the potential economy can come back with injury estimates until the end of the COVID in the whole world. There are many literatures

Dr. Debdas Rakshit and Ananya Paul (June, 2020) researchers have explained the history of novel corona virus along with the detailed discussion on the influence of corona virus on industries. This may be the only paper that has discussed the effect on the overall industry performance with industry specific analysis.

Researcher **Girish Jadhav (2020)** has covered a study on the evaluation of corona's infrastructure in the special context of the Indian economy. He has started with development estimates which have been modified downwards. He announced it with the help of mixed reports of national and international agencies. In his research, he has given some recommendations to attract the attention of India's policy makers so that they can get help in completing the seriousness of the corona in the dead set.

Nuno Fernandes (April, 2020) like other studies in the study, the world recession in the industries, the world has been included in the world, and different economies of different countries have been included with its effect. It also attempts to come back with the thick estimates of COVID 19 potential global economic costs under various scenarios. Although a better part of the research was to describe that there is no relation between mortality and economic effects. Hardly a researcher has studied it. They also clarify that the economic effect of corona should not be compared to other flu because of its influence of COVID19.

Results and Analysis

The effect of corona epidemic can turn a road change in life. The economic situation of social further individuals has become the worst. The effect has been analyzed in three different areas. These are primary sector, secondary sector and repair sector.

Primary Sector

The industry of the primary area is the industry which are engaged in the production of the primary product i.e. production and production of raw materials. With the contribution of more than fifteen percent in the total gross domestic product of the country, the approximately forty four percent of the total employment is generated through the first area. It mainly constitutes two areas which are agriculture and mining.

- **Agricultural Industry:** This area is influenced by both ways. Domestic still for export, in the case of tea, the effects is the largest, because India is one of the most important exporters of tea. Due to the lock down the world, there has been a huge effect on export. The other vertical crops did not slow down due to lack of labor and the crops were ready, they have not been used because the consumption of the hotel is identified and the other similar areas.
- **Mining Industry:** Epidemic has also influenced the demand for metals and minerals. Price have not been declined due to not demand.

- Secondary Sector:** In the secondary area, they come to the industry which is used in the production by using the primary product. The country's total gross domestic product is contributed to almost twenty five percent of the total employment is generated by the secondary area. It constitutes different area such as manufacturing, automobile, cloth, pharmaceuticals. The effect of the world epidemic on different sub-areas of the secondary field is incredibly big. As an example, the pharmaceutical industry has influenced the large level; due to the lack of raw materials, which is usually imported from China, and due to the COVID, the push of individuals towards the hospital for other diseases has been reduced. In the same way, the electronic industry of India is basically dependent on China for raw materials but also for the raw material. Due to the lockdown, the immediate production has been stated in the manufacturing industry. The material has been procured or has become old or sucks or in the form of finished goods in the warehouse. Cash crunch also affected it. Just imported in the case of automobile industries were closed and the production of heavy decline in production as sales. This industry has suffered high salary cuts which have affected the income of the person at large level. The textile industry is the huge amount of employment provider. The temporary closed for the current industry has created a barrier for people at large scale. Exports gave good amount revenue to the current industry, which also decreased due to ban on exports. Construction and engineering industry, dependent on 100 % labor, and the movement of workers in their homes has created an obstacle to wake up this industry because even after the lockout in the country, labor is not moving towards cities.
- Service Sector:** with the contribution of more than fifty four percent of the country's total gross domestic product, the total of the above employment is generated through the secondary area. It constitutes different areas such as tourism, health care, information technology, retail etc. if any industry has affected large scale in all areas, it is the tourism area. The opposite areas is now getting up and are being cured, the tourism industry is made in the locked position. There is no possibility of growing the industry at their old level before two years. According to FICCI, the health care industry is the center of corona epidemic. Although this area has not affected a large level, because the demand in the public sector hospital has increased, the private sector has supported the government. The closure and revenue is automatically in the retail sector, which is not available by closing shops and malls for all those goods. Suring these areas, the loss of work is an introduction of an external lack in highest level. Although, the product available in his scope, essentially heavy cuts have been seen. In demand the sectors like airline, cargo and ships have been temporarily closed because the cross-country transmission is to be closed for the transport industry. The current industry is particularly serious on the commercial industry that many companies have planned to close their business and some of them have become bankrupt.

Let's allow the entire effect to different areas on a different test within a very tested within its area. The table below describes the effect of the COVID on each industry: while considering the positive side of this epidemic, there are some things that can build an extended period of India for the future. However, the epidemic has opened a new era of Opportunities for India. Being the easiest growing economy around the world, India can follow the global economy after china, if the probability has been redeemed. There are some factors that support the first is the second largest population in India, so it is large labor availability with the low age and the average age of the twenty-nine years. Even domestic demand is incredibly more. With the fifth largest economy of the earth, its highest purchasing power is at the third level in the world. Therefore, despite the number of adverse acts of this epidemic, India is made at the top.

Conclusion and Recommendations

Conclusion

The Corona has made things worst over the period. However, the government of India is trying to adopt all measures such as tax benefits and tax relief and providing opposite relief measures. Vaccination has changed the scenario although and the effect is now being reduced to day-to-day and the economy is accelerating. Apart from this, our honorable prime minister has also announced the economic package for different areas of the economy. However, the extent to our economy has collapsed require a strong fiscal and measures and measures from our policy makers. The effect is undoubtedly unpredictable and very large, which can take a lot of time to be altogether, though it is often revived with the suggestions below

Recommendations

- The primary measures of adopted by the government should fix those people who are worst influenced i.e. labor. They should be financially strong so that they can meet their daily needs and return to their workplace in other cities.
- A disaster management plan should be made so that the epidemic can often be controlled better.
- Corporates will be forced to contribute to its corporate social respective fund for this year and the next year, to contribute to its corporate social respective funds.
- Small industries will be given almost lending to interest or zero interest so that these industries can be taken back in their traditional functioning.
- The government will provide a tax relief window which is providing random tax relief for the industry for the purpose of the epidemic for their industry.

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