

A STUDY ON THE IMPACT OF CORONA VIRUS ON THE INDIAN ECONOMY

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Abstract

This research paper provides information on the devastating effects of the global epidemic Covid-19 corona virus on the Indian economy. The epidemic that has spread in India has shattered the country's economy. A nationwide lockdown to prevent the spread of the corona virus has put a damper on the country's economic growth. On March 21, 2020, with the implementation of lockdown across the country by the Prime Minister of India, Hon'ble Shri Narendrabhai Modi, human life became deserted and desolate. With the closure of businesses, industrial units, schools, institutions, administrative offices, manufactured firms, etc. in the country, the entire economy has come to a standstill. The economy came to a standstill as the production process in the service sector, industrial sector and agriculture, the three main pillars of the economy, came to a halt. Corona shut down city-to-city, rural-to-rural, state-to-state, and country-to-country transactions. Which also had a detrimental effect on international trade? Thus, the entire economy slowed down due to the Corona virus spreading in India as a whole. The closure of several plants, large and small industrial units, home industries, markets, local markets, farm produce, etc. operating in India was a major blow to the government's revenue.

Keyword:- Economy, Growth, Development, Industrial Sector, Agriculture, Business.

OBJECTIVE OF RESEARCH STUDY

The present research study has studied how the corona virus has affected the Indian economy. What is the impact on the industrial sector, agriculture, service sector and human life working under the Indian economy? Those matters are covered in this study.

1. To study how the Corona virus has affected the Indian economy
2. To study gross national income and per capita income due to corona virus
3. To study how the corona virus has affected businesses and employment
4. A study of how corona virus has affected human life

HYPOTHESES OF RESEARCH STUDY

The hypotheses are more important for research study. An estimate is put with center by this present study and conclusions and suggestions are presented based on its observation that is proved important for future research.

1. The corona virus has slowed down the country's economic growth.
2. The lockdown has had a detrimental effect on business employment.
3. Corona viruses have been shown to reduce the amount of products produced.
4. The corona virus has been shown to have a detrimental effect on people's quality of life.

RESEARCH METHOD

The information is collected based on the basis of secondary information in this research study. In which research information is collected through newspapers, references and internet.

IMPACT OF CORONA VIRUS

The first case of corona virus in an elderly woman in India was reported on January 6, 2020 at the General Hospital, Thrissur, Kerala. Since then, there has been a steady increase in cases of corona virus. Given this global epidemic, the only way to control it was through social distance. In this connection, the Prime Minister of India, Hon'ble Shri Narendra Modi, declared a 21-day lockdown across the country on 24 March. Due to the lockdown, people in rural areas lost contact with urban areas and faced many difficulties and problems. Because it was the turn of most of the middle and poor people who were involved in the retail business to sit idle. There was a shortage of food and other basic necessities at home. They were put in a very miserable

situation. The 21-day lockdown imposed by the Prime Minister was extended to 90 days due to the sharp rise in Corona cases in India. Due to which the condition of the middle and poor class people became very poor.

1. Impact of Corona virus on business

The primary, industrial and service sectors, the main source of the economy, collapsed. As a result, the country's economic growth slowed down without a source of production and income. The lockdown caused by the corona virus brought the wheels of economic development of all the countries of the world to a standstill, as there was no other option but to stop the corona virus. Which in turn had a very sweet effect on business? In the scorching heat of April-May, some workers were seen walking on the road or on the railway tracks with their luggage and small children starving and thirsty. Some of these were killed in rail accidents. Some laborers cycled 300-400 km to reach the village. The story of all these laborers is no less than the story of Satyajit Ray's film. Corona was followed by bruises on the legs of migrant workers, and her heart melted at the sight of the bouts of hunger and thirst. Even plague-like epidemics may not have happened.

2. Impact of International Trade :-

Another problem caused by the corona virus is a sharp decline in international tourism. In pursuit of which the income on international tourism related services, such as transport, housing, etc. is obtained through 50% consumption tax. The export tax applies to both outbound and inbound (tourist) services which include: accommodation, food and service activities; Water, air and other transport; And entertainment and other services. The effects of COVID-19 have been unprecedented in the areas of tourism, hospitality and recreation. In the housing and accommodation sectors, quarterly income was down 75% Travel agents saw a 50% decline in bookings in March 2020. By 2020, airlines around the world will have a revenue of 113 billion. All scheduled flights to India were canceled. With international travel halted in mid-March 2020, the World Travel and Tourism Council (WTC) estimates that global travel will decline by at least 25% by 2020.

Even before the lockdown period, Indian trade i.e. imports and exports have already seen a slight decline for a number of reasons. For the pre-lockdown period between April 2016 and February 2020, India's trade exports declined by 1.5% compared to the same period last year, while imports fell by 7.3% to 436\$ billion. Foreign trade is expected to collapse during this period and it will take many years to recover from the economic losses that have occurred at the moment.

3. Corona virus related economic crisis in India and the effects of foreign policy

Given the current situation, countries around the world are facing the Corona virus, which has had serious consequences and widespread damage to the country's economy. According to the International Monetary Fund (IMF), the economies of many countries around the world will face negative per capita income growth. A recent forecast by the World Trade Organization (WTO) signaled a clear decline in world trade. In the decade after 1993 the year 2020 has witnessed the biggest decline of 13% and 32%. The International Monetary Fund (IMF) has also signaled a slowdown in economic growth. As a result, the Indian economy grew by only 1.9 per cent of GDP in 2020.

4. Impact of Affected industries and inflation

Imports and exports were the hardest hit by the global Corona epidemic. China is one of the largest exporters of raw materials to India. However, the supply chain was damaged due to the sharp rise in raw material prices due to the closure of factories as a result of the Corona virus. While other products such as gold, masks, sanitizers, smart phones, pharmaceuticals, consumer durables, etc. have seen their prices rise, the aviation sector and automobile companies have also been hit the hardest. Globally, the airline and travel industry came to a standstill with no landings or take-offs and no travel restrictions.

5. Corona virus affects India's total GDP

The Corona virus has caused the world's largest economic collapse to date. The corona virus has affected the development of almost every country and is responsible for the decline in GDP worldwide. India, like other countries, has been affected by the virus, which has resulted in a decline in sales and revenue in almost every industry. In the third round of the Corona epidemic in 2020, India's GDP growth slowed to 4.7%. In the first quarter of 2021, India's gross domestic product (GDP) plummeted 23.9 per cent amid lockouts due to the corona virus. Trade due to corona, The unprecedented shutdown of industries and services has had an impact on everything from manufacturing to real estate, from hospitality to mining. It was the sharpest decline in the 41year history of the Indian economy.

6. Impact on academic work

The corona virus has affected education systems worldwide, leading to the closure of schools and universities. V According to figures released by UNESCO in March, COVID-19 imposed a nationwide closure of schools and universities in 165 countries. As many as 1.5 billion students worldwide were affected by the localized outflows, with most 87% of higher education universities also affecting their students' educational structure by

closing classes and relocating each class virtually. Findings from a survey of 195 students surveyed at a major university show that there is a growing concern about the mental health of such students.

7. Impact on religiosity

The special importance of religion and faith in the world is seen in India. Indian culture is based on religion. Worship of gods and goddesses is of special importance among Indian Hindus. At the same time, as India is a secular country, people of different religions celebrate their festivals with fanfare, but the Corona virus has had a devastating effect on the worship services of various religions in India. All temples, mosques, gurdwaras and churches in India were ordered to close, as well as the suspension of any religious activities, festivals, fairs and celebrations. The relief wing of the religious institutions sent medical supplies and other aid to the affected areas. In the United States, Trump designated March 15, 2020, as the "National Day of Prayer for the hope and prayer of God over the people of our nation."

8. Impact on private sector employees

The lockdown resulting from the Corona virus has wreaked havoc on the job landscape in India. According to the Center for Monitoring Indian Economy (CMIE), there were 86 million employees in the private sector in India during 2019-20. Of these, about 21 million lost their jobs between April and August. As of August 20th 2020, the number of jobs lost, from industrial workers and private company workers, had risen to 3.3 million in just one month.

9. Impact on Metro and Railway transactions

The outbreak of the Corona virus led to a lockdown in the country from March 31, which led to a nationwide shutdown of Metro trains from September until the government allowed the resumption of services due to a strict ban on activities and travel across the country. Which caused huge revenue loss to Metro? On September 17, Union Minister for Housing and Urban Affairs Hardeep Singh Puri told the Lok Sabha that the Corona had caused a loss of about Rs 2,000 crore to Delhi, Bangalore, Lucknow, Chennai and Kochi Metro Rail Corporation. As well as all Metro services were suspended during the lockdown.

10. Impact on the travel and tourism industry

In India, the lockdown caused by the Corona virus has had a devastating effect on the travel and tourism industry. As well as tourists coming to India from abroad due to the closure of air services which were found to be stuck at that place. According to the Confederation of Indian Industry (CII) and the hospitably consulting firm Hotelier, tour operators, including both online and offline as well as inbound and outbound, have lost 4.77\$ billion. The entire value chain, which is linked to travel and tourism, lost about 5 trillion to 65.57 billion, while the organized sector lost 25 USD Dollar billion.

FINDING OF THE RESEARCH STUDY

Given the findings of the present research study

1. Businesses have been hit hard by the lockdown given to control the corona virus.
2. The Corona virus has led to the closure of international trade between the two countries, leading to a shortage of goods in the country. As a result, imports and exports were adversely affected.
3. The Corona virus also affected India's industrial sector. Inflation was exacerbated by the cessation of production and the increase in effective demand.
4. In the third round of the Corona epidemic in 2020, India's GDP growth slowed to 4.7%. In the first quarter of 2021, India's gross domestic product (GDP) plummeted 23.9 per cent amid lockouts due to the corona virus.
5. As many as 1.5 billion students worldwide were affected by the localized outflows, with most 87% of higher education universities also affecting their students' educational structure by closing classes and relocating each class virtually.
6. On September 17, Union Minister for Housing and Urban Affairs Hardeep Singh Puri told the Lok Sabha that the Corona had caused a loss of about Rs 2,000 crore to Delhi, Bangalore, Lucknow, Chennai and Kochi Metro Rail Corporation.
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CONCLUSIONS

Thus, the Corona virus has had a devastating effect on the Indian economy. Many small and large industries operating in India were shut down and businesses collapsed. As a result, millions of people fell victim to unemployment. In some cases, people became depressed and even committed suicide. The epidemic of the corona virus has ravaged the entire economy. From the above it can be said that the Corona virus did not leave even the smallest industry or shop in its grip. The virus also killed millions of people. Thus, it is safe to say that it will take a long time to reverse the effects of the Corona virus and get the economy back on track.

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