

Covid-19 Scenario In India - A Review

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Abstract

In India, covid-19 has had a huge and negative impact on the Indian Economy. Various sectors affected and lost revenues from the last two years. Coronavirus created a massive gap for business entities, and most of the organizations, state government, and the central government lost the revenue. The purpose of the study is to focus on problems and issues related to covid-19 in Indian to provide necessary recommendations. Secondary data method selected for carrying research work. The article covered tourism, transportation, aviation, media and entertainment, pharma. Other related aspects are government monetary policy activity and RBI financial assistance to the Indian Economy.

Keywords: Covid-19, Coronavirus, Reserve Bank of India, industries, sectors, Monetary Policy, Fiscal policy.

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1. INTRODUCTION

Coronavirus infection first appeared in the China in late 2019. However, it began to spread to other parts of the planet in early 2021. ^[1] The outbreak of the Covid-19 pandemic has hit India's Economy like a ton of bricks. The economy was not in a good position at the time before Covid-19 struck.

The impact that Covid-19 has had on India's shutdown has increased the possibility of raw material and medicine prices rising Pharmaceutical Technology (2020). China is home to 13% of brand and generic manufacturers, and according to the FDA, 24 percent of pharmaceuticals and 31% of medical components were imported from India in 2018. Ameex, (2020). ^[2]

The severity of the coronavirus outbreak has revealed India's pharmaceutical industry's reliance on China for API supply Dadich, (2020). Human resources shortages in China's industrial factories caused supply chain problems and product export limitations from India Deloitte, (2020). COVID-19's rapid growth across in the world's boundaries and geologies has negatively impacted practically every country, posing significant financial risks to the global Economy Fernandes, (2020). With COVID-19 spreading rapidly in India, politicians are concerned about combatting the virus while limiting its economic impact McKibben and Fernando, (2020). ^[3]

2. Objectives of the Study

1. To study the Impact of Covid-19 on the Indian scenario
2. To understand the impact of covid-19 on various Indian sectors
3. To Study the RBI financial assistance to the different sectors
4. To study key remedial measures for monetary policy and

fiscal policy by RBI.

3. METHODOLOGY

Secondary sources of data are the research resources that are derived from existing literature rather than from the researcher. Secondary data is primarily from textbooks, magazines, journals, newspapers, government publications, and internet sources. ^[4]

4. Discussion

This epidemic is spreading worldwide, with countries reporting an exponential increase in cases and a higher incidence of deaths. Notify strategy steps to address the monetary challenges arising from COVID 19 and the Indian Economy's stability. Regardless, concrete strategies would need to be put in place to aid the Economy's recovery. To avoid default on salary, electricity dues, loans, interest, and other obligations in the entertainment industry, low-interest loans should be offered to multiplex participants immediately with a one-year moratorium. Employees should be provided a one-year ESI and PF deferral. ^[5]

During the Covid-19 problem, which has reached epidemic proportions, aviation is one of the worst-affected industries. As a result of the crisis, airlines have lost up to US\$ 113 billion in passenger revenue worldwide. Airfares have also been impacted due to a nearly 30% decline in bookings to virus-affected destinations Financial Express, (2020). ^[6]

As the COVID-19 outbreak affects different aspects of India's tourist and hotel business, occupancy has dropped drastically in the first quarter of 2020. Following a year of solid performance, the Covid-19 epidemic and the Center's

containment measures have led to a significant decline in foreign and domestic travel across tourism and business traveler categories. "In the third week of March 2020, the hotel sector in India saw a drop in occupancy of more than 65 percent as compared to the same period the previous year," says the report FIICI (2020).^[7]

However, India's projected GDP growth of 1.9 percent for Fiscal Year 2021- 22 is the highest among G-20 countries Yadav, (2020). India's predicament is even more severe, as we are already experiencing a slowdown and a drop in exports and manufacturing.^[8]

The monetary impact of the Coronavirus outbreak in India has been widely seen as negative. According to the Ministry of Statistics, India's development slowed to 3.1 percent in the fourth quarter of 2020.^[9]

The Prime Minister of the India has intimated forming an Economic Task Force to the idea Finance Minister Nirmala Sitharaman emphasized that other countries had done the same. India's economic upgrading as a percentage of GDP was estimated to be between 0.75 and 1.3 percent. Manufacturing, an essential part of any economy, is plagued by a complete lack of transparency.^[10]

However, the Prime Minister's package announced on May 12 contained former government initiatives, including the RBI announcements. The previous RBI liquidity disclosures were roughly Rs8 lakh crore (US\$110 billion). The Finance Minister's announcement also incorporated the financial package on March 26 of a package worth Rs. 170,000 crores (US\$24 billion).^[11]

Further, on April 14, the lockdown was prolonged until May 3, and after May 3, the lockdown was extended by the Indian government for another 14 days The Economic Times, (2020). More than 46,000 cases have been registered in India as of May 5, 2020, resulting in more than 1,500 deaths. Over 13,000 persons have made a full recovery GOI, (2020).^[12]

The World Bank and the other credit rating agencies have lowered India's growth for the fiscal year 2021, with the lowest results in three decades since the country's economic liberalization in the 1990s The Economic Times, (2020). According to the former Chief Economic Advisor, India should brace for a negative growth rate in FY21, and a 70 lakh crore stimulus would be required to overcome the recession.

The impact has been felt in trade, transportation, hotels, and tourism. Unemployment soared from 6.7 percent on March 15 to 26 percent on April 19 in less than a month Arun MG, (2020). An estimated 140 million individuals lost their jobs as a result of the lockdown. Transportation, construction materials, metals, and products will all see an increase. Businesses will reconsider their strategy of focusing on deals at the expense of productivity and benefit creation.

The Indian tourism and hospitality sector has emerged as one of the essential development engines in the nation's services sector. Given the country's rich cultural and historical legacy, diversity in ecosystem, terrains, and natural beauty spots, tourism in India has a lot of promise Indian Brand Equity Foundation, (2020).^[13]

These two sectors are vital to Economy, but the shutdown has the hardest damage. Taj Hotels, Club Mahindra, and Make My Trip are the leading market players in this business Sood, (2020).

The Indian media and entertainment sector is a rising star in the Economy, with rapid expansion. Zee TV, Cineworld

Cinemas, and Dish TV are prominent participants in India Brand Equity Foundation's entertainment industry (2020). The government has opened tourist attractions such as temples, but this is not something the general public needs because it can be avoided. During the lockdown, the hospitality industry has suffered the most because it was the last to operate by the government.

For the aviation sector, the government could suspend invoking bankruptcy under the IBC for aviation companies, bring ATF under the GST to provide long-term relief to airlines, provide rebates on landing, parking, and housing fees, or direct oil marketing companies to extend unsecured interest-free credit terms to the aviation sector. Recuperate all losses sustained by the aviation sector during this period, and the aviation industry will need to develop new cost-effective methods of operation following the COVID-19 scenario.

In the past, just a few people used hand sanitizers to avoid germs, but the need for such hygiene products is currently and going to be enormous. The sector must take advantage of the country's expanding technological wave to create something new and unique. Many pharmaceutical companies have launched their mobile applications. The government has launched the Aarogya Setu app, which allows users to find out if they met, were around, or be around a Coronavirus patient in the future The Wire, (2020). All statutory dues in the tourism and hospitality business, including GST, Advance Tax, PF, custom taxes, excise fees, water and power charges, permits, and bank guarantees, should be deferred for twelve months.

The pharmaceutical industry has room to expand, and it is still attempting to adapt and become self-sufficient. Because it aids in treating COVID – 19, India has exported Hydroxychloroquine pills to several countries. The pharmaceutical industry will benefit once a vaccine is developed.

Kailash Kumar Sahu and Dr. Pushkar Dubey (2020) The Indian government has taken various measures to address the concerns of MSMEs. However, analysts say that no remedy is adequate in the face of this disaster. Mr. Nitin Gadkari, a Union Minister, recently stated that India's MSMEs are on the edge of collapsing (Borpuzari, 2020). In order to address the economic situation and the COVID-19 dilemma, the government needs to enlist the help of the opposition. The current study examines the current state of MSMEs in the wake of the Coronavirus outbreak and the impact of a significant economic package on MSMEs and the country as a whole. Nirmala Sitharaman, the Finance Minister, announced a 20-lakh-crore economic package, including 3 lakh crores for MSMEs, to help them restart their operations. According to analysts, the actions taken by the central government with the adoption of such an economical package are inadequate; more measures, as indicated by former RBI governor Raghuram Rajan and Nobel Prize winner Prof. Abhijit Banerjee, among others, are required.

Anoop Misra and Hema S. Gopalan (2020), to avoid long-term negative health impacts, the COVID19 pandemic has prompted a holistic approach to neglected and marginalized populations. Economic pressures on the entire population must be alleviated, and legislative improvements must be

implemented quickly. Finally, national health initiatives for communicable diseases and NCDs (NCDs) must be revived and strengthened.

Prayas Sharma et al. (2020) We conclude that weather is an essential factor in determining the incidence rate of COVID-19 pandemic cases in India based on the findings of the analysis and discussion. The verified case of COVID-19 is highly linked with maximum temperature (C), minimum temperature (C), and temperature (C). These findings may be necessary for future study and policymaking in this field to reduce COVID-19's growth rate in India.

Hiranya K. Nath (2020) The economy suffers as the Covid-19 outbreak spreads in India worldwide. We would still not know the full magnitude of the devastation until the pandemic was passed. The overall impact will be based on the length of the outbreak, the restriction and preventative measures taken, and various other factors. It is almost certain that India would enter a major recession, with a significant drop in GDP and extremely high unemployment. The long-term effects will be determined by the adjustments people and businesses make and the government's policy responses. Given the restricted nature of available resources and other constraints, Indian policymakers must carefully analyze policy options and select those that have the most significant short- and long-term payoffs.

The researchers' primary concern is the publishing their findings in high-impact journals. Researchers must also examine several methods for increasing citations after a publication has been published. They are concerned about citation when their works are published because it is directly tied to the paper's quality and visibility. Researchers cannot improve the quality of their published papers; but, they can use some of these 33 essential elements to improve their publications' visibility.

Isha Goel COVID-19 has brought India's pandemic readiness to the test regarding health infrastructure, technical capabilities, and policy initiatives. The initial impact of one of the most strict lockdown procedures was noted to impede the virus's transmission. Simultaneously, it aided the country's crucial medical infrastructure, human resources, and technical advancements. In terms of case fatality and recovery rates, the COVID-19 pandemic in India was relatively mild compared to many other developing countries. On the other way, the crisis has exacerbated the country's pre-existing risks of economic slowdown, while the underfunded public healthcare system has erupted on the country's pandemic management strategy. The researchers have concluded from the preceding discussion that India's export and import had remained static during the COVID-19 lockdown. Following the COVID-19 shutdown, the Indian federal and state governments are confronted with a slew of social, economic, political, and institutional issues. The impacts of stagnating export and import are unknown to the general public; if they are revealed, the problem will remain to enslave the people as if it were a struggle. If the government fails to provide basic requirements, India's ability to compete globally will decline. In conclusion, the Indian government should consider export and import critical sectors to meet society's and economy's needs.

The sudden COVID-19 pandemic impacted most non-IT sectors, IT sectors, educational sectors, and financial sectors. While every industry is straining to keep up, they are preparing for ongoing development through various initiatives. The BFSI sector is vital since it serves and contributes to its economy

by providing services to the people. The way the BFSI sector operates has changed substantially due to privatization and digitization, and it is now very different from traditional banking procedures. COVID-19 has now surfaced, causing significant uncertainty in the BFSI business. There is no way of knowing when the situation will be under control. With that in mind, it is vital to review, understand, and create ways to continue providing consistently better financial services to clients, which can be termed the new usual scenario for the BFSI sector. It was evident that COVID-19 causes plenty of problems in the banking and financial sectors; nonetheless, it is critical to understand what can be done as a mitigation process so that unpleasant experiences can be turned into stepping stones.

India is a developing nation with an agro-based economy is likely the main reason why the pre-existing health dangers of COVID-19 have been greatly magnified in a socio-economic sense and why the pandemic has touched India as a whole severely — and not just economically. Even though there were initially only a few cases compared to the country's size Singh et al. (2020), this situation has drastically improved as of September 2020, with India now placed second around the globe in terms of the number of infections affected. Despite the government's launch of the previously mentioned suite of initiatives, many of the particular disruptions witnessed by the agricultural sector during the Rabi (spring) harvesting season of 2020 are expected to continue into the Kharif (autumn) harvest season due to the partial breakdown of supply chains and the agro-based economy, as well as a lack of storage space. The COVID-19 epidemic has become a worldwide issue. In this article, we discuss the prospects for Indian farmers of the Prime Minister's March 24, 2020 order to put the country under complete lockdown to prevent the spread of the disease. As a result of the lockdown, tens of thousands of people left large cities due to unemployment and returned to their rural areas to avoid the stress of raising a family in high-cost cities. They have returned to their villages jobless, in some cases having to fight for local jobs with other would-be migrant workers who have been unable to move to other towns suffering from starvation. Several districts in nine significant states—Bihar, Madhya Pradesh, Telangana, Jharkhand, Uttar Pradesh, Maharashtra, West Bengal, Odisha, and Gujarat—found to have a high overall vulnerability (index value more than 0.75) in every area of the country save the northeast. According to the majority of the five domains, these states were also highly vulnerable. Although our goal was not to estimate infection risk for a district or a state, we noticed a correlation between vulnerability and the present COVID-19 case concentration at the state level. At the district level, however, this association was less significant. During the shutdown, Indian internet users showed a considerable rise in online interest in alcohol-related queries. Once the lockdown is removed and people have the freedom to seek alcohol and treatment programs, it appears that the challenges connected with providing interventions for alcohol use-related disorders will approach'.

5. Recommendations

- Because of the Indo-Chinese political tensions, the company now has to focus on becoming self-sufficient in the pharmaceutical sector, which will lead to faster expansion and growth than previously. Still, we need to equip more hospital-related machines and other oxygen

- cylinders to reach and fill the rural and urban gap.
- Community hygiene awareness will have a tremendous long-term influence, but it will likely raise the PHC burden significantly in the short term (EP New Bureau, 2020). Gaps in care for patients with various illnesses, particularly chronic diseases, can long-term strain on healthcare.
 - The hospital industry needs to expand the number of branches, infrastructure, and other health equipment to reach patients in various places. Medicine and oxygen equipment need to be supplied over some time.
 - Hospitals need to equip more beds for the patients during emergencies.
 - The Reserve Bank of India needs to provide additional loan facilities to all the vendors, merchants, and ordinary people to recover from the pandemic.
 - Monetary policy and fiscal policies need to be changed according to the need of the situation.
 - RBI needs to provide financial assistance to all the industries to recover from the pandemic situation.
 - Necessary precautions need to be made for improving tourism and transportation for reducing coronavirus cases.
 - We are creating social distance awareness programs in both online and offline education systems in India.

6. Conclusion

Covid-19 disturbed the Indian economy, and many Indian sectors have seen negative results from their respective industries. The state government and the central government played a role in controlling the situation during the pandemic time. Reserve bank of India provided financial assistance to recover from the pandemic situation. The government of India is bringing the social distance concept to all the tourist places and education instructional to control the pandemic situation. Many of the people lost job opportunities, and business entities booked losses from last consecutive years.

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