

**IMPACT OF COVID-19 PANDEMIC IN INDIAN ECONOMY\***

BY

**Dr. Govardhane Sachin Ranu\***

Asst. Prof. Dept. of Geography V. V. Mandal's S. G. Patil Arts, Science & Comm. College, Sakri,  
Dhule, Maharashtra' [sachingovardhane@gmail.com](mailto:sachingovardhane@gmail.com)

**Dr. Borase Sudhakar Jagannath\***

Asst. Prof. Dept. of Geography, G. E. Society's RNC Arts, JDB Comm. & NSC Sci. College Nashik  
Road, Maharashtra. [borasesudha@gmail.com](mailto:borasesudha@gmail.com)

**Abstract:**

The epidemic of Covid – 19 has spread not only across the country but all over the world and its outbreak is an unprecedented blow to the Indian economy. The Government of India has announced a number of measures to address the situation, ranging from additional funding for food, security and healthcare to sector-related incentives and tax extensions. The long-term nationwide lockdown, the global economic downturn, and the relative disruption of supply and demand chains have left the economy facing a long period of recession and are likely to continue to do so. This study has shown the potential impact of the shock on various sectors such as the manufacturing sector. This research paper seeks to present a set of policy recommendations for financial services, banking, infrastructure, Indian agriculture, real estate, other services and specific sectors.

**Keywords:** Covid – 19, Indian Economy, Varies sectors.

---

Received 06 June 2021, Accepted 20 June 2021, Published 26 June 2021

\*Correspondence Author: Dr. Govardhane Sachin Ranu

**1. Introduction:**

Outbreaks of the corona virus pose a serious threat to billions of people worldwide. In addition to being detrimental to human health, global trade is affecting the entire economic system and trade and commerce worldwide. The first outbreak of the disease occurred in December 2012 in Wuhan, China. The World Health Organization (WHO) is fully monitoring its global threat and thus it is declaring 30 January 2020 as a public health emergency of international concern. The virus began to spread at an unprecedented rate in various countries around the world on March 11, 2020, forcing the WHO to declare it an epidemic, now the whole world is facing this useless and harmful enemy. Many countries are under lockdown and everything has come to a standstill, including normal life, social and social conditions. The first case of corona virus was reported in Kerala on January 30, 2020. As many patients were found in different cities of India, on 24th March 2020, the Government of India declared

a lockdown in every corner of the country and took necessary action. The metropolises of Delhi, Mumbai, Ahmadabad Kolkata, Chennai are densely populated which has given rise to a spurt in cases of covid-19 and these cities are the engines for growth and development of Indian Economy

## **2. Objectives:**

The entire business world is in the cycle of the corona virus. As the virus is having a severe and rapid effect, companies need to come up with appropriate strategies to deal with this difficult situation. Therefore, the objectives of this study are as follows.

1. To understand the impact of Covid – 19 on the Indian economy.
2. To find out the challenges for different sectors in Indian economy
3. To create awareness among the people about impact of Indian economy due to Covid – 19.

## **3. Sources of Research Papers:**

The study is descriptive nature. Secondary Sources such as Books, Research Journals Magazines, Internet and Daily News papers.

## **4. Impact of COVID-19 in Various Indian Sectors:**

Covid-19 has set foot in India and has taken the country into a major crisis. Corona virus disease has become a world-changing phenomenon and is not only a humanitarian crisis but also an economic and social crisis. This affects the business environment and it grows worldwide and many times over. Due to the rapid spread of the corona virus, a number of factors are bound to limit their business operations, which hinders the economic functioning of many industries that contribute to growth. The impact on different sectors of the economy is highlighted below.

### **4.1 Primary Sector:**

Primary sector includes information and manufacturing and raw material related industries. The sector employs about 43.21% of India's population and contributes about 16.1% of Indian GDP. It supplies raw materials to the secondary sector and provides the basic necessities of human life.

#### **4.1.1. Agricultural industry:**

Travel restrictions for lockdowns in the agricultural sector have led to a shortage of agricultural workers, leading to a decline in production. Also, the lockdown period (epidemic) all over the country (or across the continent) is consistent with the harvest season of the "Rabi" crop, but due to the shortage of labor, the crop remained in the field without any problems. The markets for the raw materials used

for this have gone down and so have the complaints of the farmers. The revenue of tea-based industries has declined significantly as most of their production is now being exported.

#### **4.1.2. Mining Industry:**

Outbreaks appear to be exacerbated by the overall demand for metals and minerals all over the country (or continents), which has led to lower rates. Mining firms have also seen their share prices fall sharply.

#### **4.2 Secondary sector:**

The secondary sector employs about 24.89% of the population and accounts for 29.6% of Indian GDP. It embraces industries engaged in the production and distribution of manufactured goods or construction activism, which provides support to both the primary and service sectors.

##### **4.2.1. Manufacturing Industries:**

The manufacturing industries are picking up the brunt of the corona virus as they discontinue their production in a short time. The value of the goods in the production center or warehouse of these industries has come down and the machines have been idle for a long time. The biggest hurdles that industries faces are cash flow disruptions and supply chain disruptions.

##### **4.2.2 Automobile Industry:**

With almost all plants shut and imports being sealed up, there is a steep decline in production and sales of the automobile companies impelling them to declare pay cuts. The situation will be awful even during post lockdown period due to fall in income levels.

##### **4.2.3 Textile and Apparel Industry:**

This industry is workplace for over 45 million people in the country but temporary closure of production units has increased their hurdles leading to lay-offs. The terminations of exports and imports have adverse impact on the spinning mills in India as the exports of fabne, yam and other materials have disrupted.

##### **4.2.4. Pharmaceutical and Chemical Industries:**

These industries are heavily dependent on imports of large quantities of drugs and raw materials from China. Import restrictions also affect these industries.

##### **4.2.5. Electronic Industry:**

The finished goods and raw materials used in this industry are mainly supplied to China. The spread of the corona virus has reduced the good production and sales of electronics and also disrupted the supply chain.

#### **4.2.6. Solar Power Industry:**

Solar power project builders depend on Chinese imports. About 80% of the solar modules and solar cells used in India are from Chinese manufacturers. Thus Indian solar project developers began to face a shortage of raw materials and their stocks were limited.

#### **4.3 Service Sector:**

About 31.9% of the population is employed in the service sector which accounts for 54.3% of Indian GDP.

##### **4.3.1. Tourism and Hospitality Industries:**

Tourism and hospitality is the biggest industry in the corona virus crisis and the most important industry to resume this initiative. The lockdown has hampered the flow of tourists, hitting the tourism and hospitality industries.

##### **4. 3.2. Transportation Segment:**

Outbreaks appear to be exacerbated during this time of year. Airlines, cruise and road cargo operators have been hit hard by border closures and travel restrictions. Some airlines are not even in a position to refund their customers for flights canceled due to lockdown.

##### **4.3.4. Healthcare Segment:**

According to FIICCI, the healthcare department is at the center of this global test. Demand for this specialty has grown significantly as a result of recent corporate scandals. Private hospitals are available to provide the government with all the help it needs.

##### **4.3.5. IT Segment:**

IT segment is reeling under corona virus crisis as there is immense dwindle in global deal activities as well as growth rate. They are downsizing their work force to tussle with the presence scenario.

##### **4.3.6. BFSI Segment:**

Covid-19 has impacted the BFISI department with its annual report on the waste of their business and the increase in their non-performing loans. In this emergency situation, employees as well as operating and technical difficulties were shown by the banks and the lack of agility in the banking and financial system.

#### **4.3.7. Media and Entertainment Industry:**

The corona virus has forced the release of many films to be postponed, shooting has calmed down, and cinemas cannot harm the industry.

#### **4.3.8. Retail Segment:**

The closure of shops and malls that do not sell essential commodities has led to an increase in revenue and a lot of loss of jobs. Retail stores selling essential commodities have increased demand for export-oriented retail shelves.

#### **Conclusion:**

In India, this has not yet begun in a systematic manner and needs to be prioritized along with the steps to address the health crisis. By rationalizing the tax rate or providing a tax rate, the impact of Covid-19 on the Indian economy will be curtailed, perhaps after the implementation of the measures. As for the measures needed to combat the economic impact of the rapidly spreading corona virus, government policymakers need to implement substantial targeted financial, comprehensive economic stimulus and policy rate cuts to help normalize economic policy as the Covid-19 crisis continues. , Probably a challenge for producers I will have to face numerous fronts. Producers will also need to look beyond their own financial consciousness if they need to coordinate closely with the public sector to create the necessary plans for the safety of the people and the turmoil of their work while keeping the lights on in public works. Some will be brown, but austerity measures must be taken to safeguard long-term goals.

#### **SOURCES AND REFERENCES:**

- Dr. Kishore Kumar Das and Shalini Patnaik (2020) The Impact of Covid – 19 in Indian Economy – An Empirical Study, International Journal o Engineering and Technology Vol.11, Issue 3, pp-194-202
- Nilofar Izhar (2011) “Geography and Health A Study in Medical Geography. A.P.H. Publishing Corporation New Delhi.
- Sudashan, R. M. (2011). India’s National Rural Employment Guarantee Act: Women’s Participation and Impacts in Himachal Pradesh, Kerala and Rajasthan.
- S.K. Shelar (2012) “Introduction to Medical Geography”. Chandralok Prakashan. Kanpur-208021(India)

- S.J. Borase and S. K. Shelar (2017) Environmental Impact on Human Health-A study in Medical Geography Research paper
- S.J. Borase and S.K. Shelar (2019) Comparative study of infected patients with malaria and dengue in Nashik District Research paper. Electronic Interdisciplinary International Research Journal (EIIRJ) Volume – VII, Special Issue – XIV pp.11 -21
- S.J. Borase (2020) Impact of Covid -19 on the Rural Life Research Paper AJANTA Prakashan. Volume – IX, Issue III, July- sep, pp 36-40
- V.J Kamble & S.J. Borase (2020) State wise Depiction of Covid – 19 in India Research Paper AJANTA Prakashan Volume – IX, Issue III, July- sep, pp 59-64
- Daily News paper- Times of India, Lokmat Times, Divya Marathi