
IMPACT OF COVID-19 ON SOCIO-ECONOMIC SECTOR

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ABSTRACT:

COVID-19 is a disease caused by the 'Nobel Corona Virus'. It spreads mainly by droplets produced as a result of coughing or sneezing of a COVID-19 infected person. The stop spread this kind of disease. Government followed nationwide lockdowns in whole India. Due to lockdowns in India many sectors are affected, like as social sector—Restrictions on free movement of citizens, restrictions on personal gathering. Increase in cases of domestic violence, restrictions on entertainment and restrictions on events (defence). In economical affection are—Bombay stock exchange, agricultural, textile, apparel, automotive, aviation, hostels and restaurants, poultry, chemicals, consumers durables, FMCG, pharmaceuticals, E-commerce and IT sectors. India's management of COVID-19 outbreak has been closely watched and appreciated by WHO, UN, IMF, ADB etc.

INTRODUCTION:**What is COVID-19?**

COVID-19 is a disease caused by the "Nobel corona virus". There are some common symptoms—

- ❖ Fever
- ❖ Dry Cough
- ❖ Breathing difficulty
- ❖ Some patients also have aches and pains, nasal congestion, runny nose, sore throat or diarrhoea.

About 85% of confirmed cases recover from the disease without any serious complications. However, 1 out of every 6 people who gets COVID-19 can become seriously ill and develop difficulty in breathing. In more severe cases, infection can cause severe pneumonia and other complications which can be treated only at higher level facilities (District hospitals and above). In few cases it may even cause death.

How does COVID-19 Spread?

COVID-19 spreads mainly by droplets produced as a result of coughing or sneezing of a COVID-19 infected person. This can happen in two ways—

1. **Direct Close Contact:** One can get the infection by being in close contact with COVID-19 infected person (within one metre of the infected person), especially if they do not cover their face when coughing or sneezing.
2. **Indirect Contact:** The droplets survive on surfaces and clothes for many days. Therefore, touching any such infected surface or clothes and then touching one's mouth, nose or eyes can transmit the disease.

- ❖ The incubation period of COVID-19 (time between getting the infection and showing symptoms) is 1-14 days.
- ❖ Some people with the infection, but without any serious symptoms can also spread disease.
- ❖ Which group of people are at higher risk of getting infected?
- ❖ People who have travelled to other countries in last 14 days and their family members.
- ❖ People coming from other states if they have been working with people who travelled to other countries in last 14 days.
- ❖ Family members and contacts of patients confirmed to have COVID-19.

- ❖ People older than 60 years of age and people with medical problems like high blood pressure, heart problems, respiratory disease/asthma, cancer or diabetes are at higher risk for developing serious complications.

How to avoid getting COVID-19 or spreading it?

(a) Practice Social Distancing:

- ❖ Avoid gathering such as meals, heats, gatherings in religious places, social functions etc.
- ❖ Maintain a safe distance of at least metre between you and other people when in public places, especially if they are having symptoms such as cough, fever etc. to avoid direct droplet contact.
- ❖ Stay at home as much as possible.
- ❖ Avoid physical surfaces such as table tops, chairs, door handles etc.

(b) Practice Good Hygiene: Wash your hands frequently using soap and water—

- ❖ After coming home from outside or meeting other people especially if they are ill.
- ❖ After having touched you face, coughing or sneezing.
- ❖ Before preparing food, eating or feeding children.
- ❖ Before and after using toilet, cleaning etc.
- ❖ While coughing or sneezing cover your nose and mouth with handkerchief, wash the handkerchief at least daily.
- ❖ It is preferable to cough/sneeze into your bent elbow rather than your palms.
Do not spit or short in public places to avoid the spread of droplets.
- ❖ Do not touch your eyes, nose and mouth with unclean hands.
- ❖ Ensure that the surplus and objects are regularly cleaned.

COVID-19 and Social Sector of India: On 22 March, 2020, India observed at 14 hours voluntary, public curfew at the instance of the Prime Minister Shri Narendra Modi ji. The government followed it up with lockdowns in 75 districts; where COVID-19 cases had occurred as well as all major cities. Further on 24th March the Prime Minister ordered on nationwide lockdown for 21 days affecting the entire 1.3 billion population of India. On 14th April he Prime Minister extended the ongoing nationwide lockdown till 3rd May. On 1st May, lockdown across the country was further extended by two more weeks till 17th May.

1. **Restrictions On free Movements of Citizens:** All local restrictions on citizens free movement worldwide home literally put a ban on free movement of their citizen's districts their homes in order to avoid community transmission. The various religious, cultural, social, scientific, spared and political mass gathering events like Hajj, Olympics etc. are cancelled. All types of travels are cancelled meanwhile efforts to restrict transmission of COVID-19 by restricting the movement have had an outstanding environmental efforts.
2. **Restrictions on Personal Gathering:** It has been strong as medical experts have advised and local authorities often mandated stay-at-home orders to prevent gatherings of any size, not just the larger events that were initially restricted. Such gatherings may be replaced by teleconferencing or in some cases with unconventional with activities such as a balcony sing-along for a concert, or a birthday parade for a birthday party. Replacements for gatherings have been seen a significant to mental health during the crisis.
3. **Increases in Cases of Domestic Violence:** In India has reported an increase in domestic violence and intimate partner violence attributed to lockdowns avoid the COVID-19 pendent financial insecurity; stress and uncertainty have lead to increased aggression at home, with abusers able to control large amounts of their victim's daily like.
4. **Restrictions on Entertainment:** The International Indian Film Academy Awards, planned to take place on 27th March was cancelled. Cinema halls were shut down by most state governments. Film bodies decided to stop the production of films. TV shows and web series till lockdowns. On 25th March, all video streaming service, jointly decided to offer only SD quality content on cellular networks. They also decided to lower the resolution to 480p to lower the stress on telecom networks throughout the lockdown during which there would be an

unprecedented surge in mobile internet consumption since people were confined to their homes. The Indian Broad Casting Foundation (IBF) said that four major broad casting networks in the country have decided to waive all fees for four channels for two months. The IBF is an organisation promoting the Indian television industry.

5. **Restrictions on Events (Defence)**—On 6th March the Border Security Force announced that the Wagah-Attari boarder ceremony would be conducted without any spectators as a precautionary measure, effective from the March. The Padma Awards ceremony that was scheduled to be held on 3rd April was postponed.

COVID-19 and Economical Sector of India: The Indian economy was as it is going through a sluggish phase ever since demonetization and GST was implemented. GDP forecast for 2019-20 was revised downwards from an optimistic seven percent to 5.4 percent. In view of this the government has announced deep tax cuts for business in August, 2019 to bring the economy back on track. The impact of these initiatives were seen in an uptick in the Purchase Managers Index (PMI) and Manufacturing Index for January and February 2020.

However COVID-19 has put paid to all hopes of revival of the economy in the near term—

- ❖ Amidst nationwide lockdown; the country's growth is estimated to have dipped below 5 percent for FY 2019-20.
- ❖ Around 400 million workers employed in the informal economy are at risk of falling deeper into poverty during these crises, as per a report by International Labour Organization. According to the estimates by Centre for Monitoring Indian Economy (CMIE), unemployment has risen from 8.4 percent in the week that ended on March 22 to 2.4 percent of the week that ended on April 5.
- ❖ **Bombay Stock Exchange** sensx fell from 40,363 points on February 24 to 25,981 points on March 23, it has now recovered to 31,159 as April. The valuations look attractive and unless another shock rattles the market, this is a good time to start making cautious and calibrated investments.
- ❖ **Agriculture:** The nationwide lockdown has left farmers across the country bereft of agricultural labour just before the crucial harvesting season. Farmers also worry about government procurement and their ability to sell their crops, given that many agricultural markets are closed, despite orders from the Home Ministry to exempt all farming activities from the shutdown. Unless the government acts soon, farmers in India will face a bleak future leading to bankruptcies and farmer suicides. This will severely dent India's ability to revive its economy since there will be a sharp decline in consumption in the rural sectors leading to impairment of the industrial activity.
- ❖ **Textile:** Production halts in China and lockdown in India have had an impact. Mainly because of dependence on China for textile raw materials including synthetic yarn, synthetic fabric, buttons, zippers and hangers. India also exports cotton yarn to China in bulk quantity and poor demand in China has caused cotton prices to come down in India.
- ❖ **Apparel:** Payment of at least US \$ 2 billion is stuck with foreign buyers because of deferment or cancellation of orders. Closure of retail stores across the country is also adding to losses.
- ❖ **Automobile:** The sector was already witnessing a sluggish demand for the last one year. The present situation has further aggravated the problem and compounded the situation with an acute liquidity crunch. China account for 27 percent of India's automotive part imports with Wuhan being a major auto hub, the supply chain of the automotives sector has been hit significantly.
- ❖ **Aviation:** With global travels is suspended airlines are looking at bankruptcy. It is possible that the government might bail the aviation sector in the near future.
- ❖ **Hotels and Restaurants:** Demand has declined substantially with owners struggling to recover the fixed costs. Pre-lockdown, hotel occupancy rates to percent decided to 20 percent with restaurants losing 30 to 35 percent of their business.

- ❖ **Poultry:** Untrue claims regarding transmission of COVID-19 through chicken and other meat have imparted the sales and prices of poultry items. Sector is facing a loss in the range of US \$20 million every day.
- ❖ **Chemicals:** Dependence on China for active ingredients and shortage of essential chemicals amidst the lockdown has resulted in a reduced production of organic and inorganic chemicals across India.
- ❖ **Consumer Durables:** Electronic appliances are experiencing a slowdown due to lock demand, reduced economic activity and supply chain dependencies with China and other impacted countries? India imports around 50 percent of its completely built units of consumer durables from China.
- ❖ **FMCG:** After the lockdown announcement, demand for essential FMCG products spiked up during to hoarding and panic buying by consumers. Grocery items, milk and hygiene products have seen a surge in demand while supply chain constraints have limited the manufacturing capacities.
- ❖ **Pharmaceuticals:** As per trade promotion council of India, the country imports around 85 percent of its total requirement of Active Pharmaceutical Ingredients (APIs) from China. Dependencies on China have impacted manufacturing operations in India. However, demand for essential medicines and safety equipment has gone up. Government has restricted the export of certain medicines and pharma products and is monitoring the overall inventory on regular basis.
- ❖ **E-Commerce:** Several e-commerce players are unable to service existing orders and are not accepting new orders, even when there is a surge in demand for home delivery. However, companies are trying to service essential items on priority basis.
- ❖ **IT and Ite:** Slow down in markets have reduced the influx of IT projects from International markets. Remote working has given rise in demand for communication tools, conference platforms, and cyber security apps, among others. These software tools are being used across sectors such as education, finance and HR to ensure business continuity.

CONCLUSION AND SUGGESTION:

- ❖ India's management of the COVID-19 outbreak has been closely watched and appreciated by WHO, UN, IMF, ADB and also the advanced economics like the US, UK, Italy, Germany, Spain, Japan.
- ❖ The investment bank, Goldman saches, expects a strong sequential recovery in India in the second half of the fiscal year. The economist intelligence unit has forecasted the GDP growth rate for 2020-21 for India at 2.1 percent when compared with China at 1 percent, and the US at 2.8 percent.
- ❖ Former RBI Governor Raghuram Rajan says that recovery will vary from industry to industry. It can be a U shaped (slow comeback) recovery curve depending on how organizations reform their work practices and the change in consumption pattern of consumers post lockdown.
- ❖ Immediate and urgent steps are needed to harvest crops and secure the formers. The government is allocating transport and other logistical support to move the crops from the fields directly to the warehouse with the help of the private sectors.
- ❖ Government should work with banks, NBFCs, insurance companies and large corporates for lending purpose and increasing the liquidity in the market.
- ❖ Large corporates can support the vendors in their supply chain by giving them financial support.
- ❖ Supporting the corporate sector to minimise adverse economic impact and facilitate quick recovery through immediate measures (such as credit support to SMEs) or medium to long measures (such as building infrastructure and undertaking policies) that help reposition India in the world's global value chain.
- ❖ Protecting income and employment, particularly for the more vulnerable sections of the society through implementing direct cash transfer programmes backed by adequate monitoring and evaluation mechanism and using existing digital payment infrastructure.

- ❖ Meaning the endemic and the resultant public health crisis through augmenting financial resources, increasing insurance coverage, and using technology solutions.
- ❖ COVID-19 outbreak has dealt a blow to the global economy but as the situation stands, it seems like the course of economic recovery for India will be faster than several other advanced economies. It is likely that India will come out as a viable and dependable destination for foreign investors.

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