

COVID-19 effects and upcoming challenges in the Indian economy

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Abstract

The COVID-19 pandemic is an unprecedented shock to the Indian economy. Indian economy was already down before covid 19, after lockdown and migration in India, Indian economy fell down and all jobs and income resources are outbreasted. Covid-19 affected many aspects of economy. And this impact on many sectors like hospitality, tourism aviation and travel, sectors automobiles, sectors and many more. This pandemic affect every aspect but mostly breakdown economy and social institutions and relations. Demand and supply chains the economy is likely or phase a protected period of slowdown after facing upcoming challenges Indian economy is gradually increasing.

Keywords:- COVID-19, financial institution, Indian economy, aggregate demand, Pandemic.

Introduction

Corona virus disease 2019 is a such type of disease which has been caused by the contagious disease by the virus SARS -COV-2 this was firstly identify in Wuhan China, December 2019. This disease happen quickly and spread all over the world. Symptoms maybe bring one to fourteen days after exposure of the virus. Already people are at a higher risk of developing server symptoms some people continue to experience a range of effective 19 for years. After infectious and damage to organ has been observed.

Comedy 19 transmits when infectious particles are breath in our come into contact with the eye, nose or mouth. Transmission of covid- 19 happen because of touching of people who are infected ,and touching of our eyes nose or mouth

after touching surface or objects that have been contaminated by the virus.

Corona virus is a global disease in the time of 2019, coronavirus disease 2019 is a highly contagious infectious disease caused by several acute respiratory syndrome corona virus 2 (SARS- COV- 2). This is a most effective disease in whole world, because of this disease more than 6 million that worldwide. It has emerge as the most consequently global health crisis since the era of the influenza pandemic of 1918. Coronavirus was officially named Serve Acute virus to buy the international committee on the taxonomy of viruses based on phylogenetic analysis . This pandemic is transforming society in profound ways often social and economic inequalities in its wake.

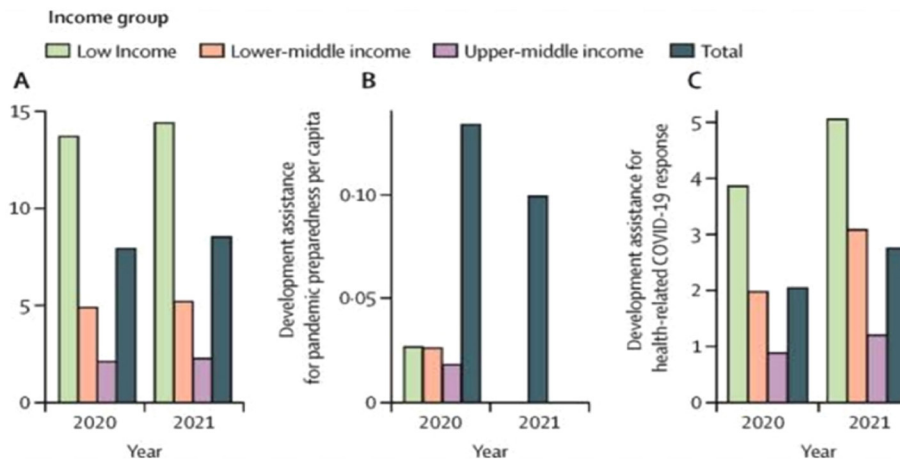


Photo: Global investments in pandemic preparedness and COVID-19 ...

Covid -19 in India

India is a second most populated country in the whole world . Covid- 19 become pandemic in the whole world . And Covid- 19 has spread in India on 30 January 2022, in three towns of Kerala, three Indian medical student who had written from muhan .And in India first lockdown announced in Kerala on 23rd March, and in the rest of the country on 25 March.

Covid-19 effects on Indian economy

Covid-19 pandemic has been affected many aspects of the society. And this disease become a worst disease for whole the world and in India also, Indian economy has been also affected because of this covid-19 pandemic. As per the official data released by the ministry of statics and program implementation, the Indian economy contracted by 7.3% in the April June quarter of this fiscal year.

In 2020, an estimated 10 million migrate workers return to their home town because of lockdown. In the pandemic time because of lockdown lot of people lost their jobs and their lives that time. In the second wave of covid-19 government was helping to the people and also

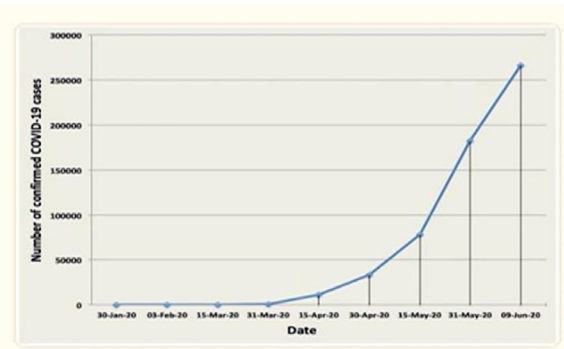


Figure 1.

Line diagram showing trajectory of confirmed novel coronavirus disease (COVID-19) cases in India.

those workers are coming back to their home and government was also helping for fod to the people. In the second wave of covid-19 period has brutally exposed and worsened existing vulnerabilities in the Indian economy.

India’s 2.9 trillion economy reminded shattered during the lockdown period, expect for some essential services and activities. In covid-19 period all the business, factories, shops, transport services down the shattered, lockdown impact on economy and losses of economy, people

were facing many problems like lack of jobs, no food and also no integration to society so that's why people also suffering from mental disease like overthinking, depression and many more psychological disease. People didn't have food and all and also suffering from covid-19 that time they were feeling isolation.

In the informal sector of the economy have been worst hit by the global epidemic India's GDP contraction during April to June could will be above 8% if the informal sectors are considered. Private consumption and investments are the two biggest engine of India's economic growth. All the major factors of the economy were badly hit expect agriculture. Many different different sectors of Indian economy has been affected by covid-19.

Hospitality sector-

In many states have imposed localized lockdown. Hospitality sector is facing a repeat of 2020. Hospitality sector includes many businesses like restaurants and breakfast and night clubs and more. The sector include a very large contribution in India's annual GDP has been hit hard by restrictions and confused imposed by the states.

Tourism sector-

Tourism sector also affected by covid-19 because of this pandemic and lockdown, millions of Indian started bouncing back after the first wave. Tourism sector contributes nearly 7% of Indian annual GDP. Because of tourism Indian economy is struggling to recover from the initial loss suffered by the business in 2020.

Aviation and travel Sector-

Aviation and travel sector establishment faced a massive struggle during the second wave of covid-19. Because of covid-19 pandemic this sector affected, and Indian economy also affected

. because of now broder travel sector does not look good.

Automobiles sector-

The automobile sector is expected to remain under pressure in the near term due to the covid-19 situation in India.

Real estate and construction sector

The real estate and construction sector also affected because of covid-19. And this actor is facing a distruption during the second wave of covid-19. The situation has not been grave as of 2020 for this sector.

Review of the select literature

R. Ramakumar and Taneja Kanikar (2020), explained that the impact of COVID -19 pandemic on the Indian economy. Indian economic impact of the COVID -19 pandemic in India explain the impact of covid- 19 and make in Indian economy over a decade period to the pandemic. India's capacity to deal with a new crisis was week when the endemic hit march 2020. We estimate that India's GDP growth rate in 2020 to 2021 from 4.3% of the 15% and the chances of on early revival in the Indian economy.

Sinha Kumar Rajesh (2022), exploded that covid-19 impact on Indian economy and society. Because of covid-19 global economy has badly affected and society also like never before. Objective of this research is impact of the virus on the global economic and social landscape. Particular of vast majority of common people. Data has been collected through government commercial data, also used them extensively for the relevant research and how it has impacted the society, industry and to the people. That will again help our society to get back on the path to progress and prosperity.

Thakkar and Sunita (2022) examine that the impact of covid-19 on Indian economy. Mostly on the social and economical health of the country. To identified the impact of covid-19 on Indian economy. In the various sector of the country. Data Has been used in this study is secondary in nature and the suitable statistical tools and techniques has been applied for the analysis. The Situation of covid-19 badly affected on the various sectors of economy. The growth of every sector of economy fell down. Now government of India trying to improve our Indian economy . And also Increasing the health problems and unemployment situation.

According to Kapoor yadav (2020), explained the concept of self reliance is still unclear. India needs to produce goods in accordance with the global standards, which in turns means that India must invest heavily in research and development project. At the covid- 19 time India must redefined itself reliance strategy. Because India was a self reliant economic before 1991. India now is a developing country.

India's response to the pandemic:-

Indian economy has been decreased after Covid 19 in lockdown period. After this situation for increasing India economy the Prime Minister of India, Narendra Modi, announced a package of 20 lack crore, for increasing 10% of India's GDP. This announcement aim was to increase economy and make country independent in the global supply chain competition. Also increasing in India like labours , migrants and for other people who barely affected by Covid 19.

In this policy we can see 5 pillars-

1. Infrastructure:-in Indian economy that boost individual productivity and help society. We can see many types of infrastructure like irrigation , communications, power

and transportation. This have to promote economic development indirectly and also development for the modern India.

2. Economy:- India has a mixed economy. India is known as informal domestic economies because of covid- 19. Economic growth has been decrease in many sectors. So it requires a jump rather than incremental change in Indian economy.
3. Our Indian System:- in the last time economy was not too good but after coming new technology's in 21st century Indian economy growth is being good.
4. Demography:- social skills and policies are must for increament Indian economy.
5. Demand:- India's demand chain has been displace due to covid-19 and in India for increase economic must take to exchange of goods so India should be strengthened of supply and demand chains.

Upcoming challenges in Indian economy

During the covid-19 many economic factors affected and Indian economy decreased. After covid-19 pandemic time lot of challenges were facing our Indian economy these all are:-

Weak demand-

Because of low income growth has been down and covid-19 hit economy faces at the moment is dwindling demand this factor that could delay India's economic recovery for a longer period after the second wave. In Indian economy and GDP growth head crashed.

Commodity price impact-

Corona virus bring the world financial system to weak and after lockdown people were facing many problems the variation casualty test indicates that the risk, transmission among

agricultural community is zero, agricultural products excluding sugar in the post crisis period.

low income-

Covid-19 is a global pandemic hazardous. Indian population is very high but during covid-19 income of Indian people was decreasing . Indian economy has been down that time.

Unemployment-

In the covid-19 period a nation lockdown was imposed from late March till may 2020. All the jobs has been restricted. Unemployment rate refered to the percentage of unemployment person in the labour forces. Person dropping in and out of the labour force may also influence the unemployment rate. Because of employment many problems arise in the houses like poverty lack of food domestic violence etc .

High inflation-

The pandemic give a larger shock on supply than it did demand.through supply chain destruction in the- case of essential goods, food, medicine and industrial goods. This aggravated cost push inflation. India's dependency on oil import continuous to affect India's inflation.

Conclusion

The situation of covid-19 in India , economically condition is badly affected in various sector in India , mainly in the three sector of economy these all are agriculture and allied sector, industry and service sectors.these all has been affected at a great level. In every sector growth of economy fell down. According to Indian report GDP fell down and after covid-19, gradually economic growth is increasing. Lots of people losses their jobs and their income resources because of migration in lockdown Time. The rate of unemployment has been increased. The

Government of India RBI is trying their level best to maintain the health of people and also Indian economy various packages by Indian government are trying to increasing economy.

Impact of covid-19 is a big impact likely on the GDP growth rate at least for the year 2020-2022. Now at present economic impact of covid-19 in the long run will depend on the recovery rate . This time a strong leadership efforts will be required from the government but it will take time to get into action at all levels.It is a suggestion that the government should adopt a two pronged approach deals with the economic crisis.

Importance of the study:-

In Indian economy impact of the covid- 19 pandemic , India is largely disruptive. In this study has been seen the effects of covid- 19 and also upcoming challenges on the Indian economy. In this study both the points has been added these are affected and upcoming challenges. Also mentioned Indian economy and economy is decreasing in the lot of sectors .and also implemented on the population of India because of knowing upcoming challenges GDP can be implemented. And also Indian government typing to implement in our indian economy conditions.

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