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Impact of COVID-19 on Business Sector Leading to Job Loss and Causing Derailing of the Economy

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Abstract: *This paper basically tells about the novel coronavirus Covid-19, and how it rapidly spread across the world. The pandemic has reinforced the links between, environment, health, and the Indian economy. Majority of the factories and businesses, shuts down, suspended flights, stopped the trains and restricted movement of vehicles and peoples, because of the world's biggest lockdown. Crises like financial crises, health crises, faced by many countries which collapse in commodity prices. The Indian economy is witnessing a significant slowdown in seven years with the GDP growth at 4.7% in Q3 2019-2020, which brings economy towards recession with this pandemic COVID-19. Because of this pandemic COVID-19 this is the first time both advanced economics and market are in recession.*

Keywords: covid-19, employment, business loss, lockdown effect, economic effect.

I. INTRODUCTION

On 31st December 2019, a cluster of cases pneumonia of unknown causes in the city of Wuhan. China was reported to the WHO, and WHO declared the coronavirus disease a pandemic. WHO named this virus as Coronavirus disease 2019 it means COVID-19, (CO- Corona, VI- Virus, D- Disease, 2019- 19) in the month of February 2020. The very first case was traced in china on 17th November 2019 and from there it started spreading among half of the country. Coronavirus is a large family virus that causes illness. It ranges from the common cold to more disease like Severe Acute Respiratory Syndrome (SARS- COV) and Middle East Respiratory Syndrome (MERS- COV). The virus also spread via touching the infected things, infected person or positively tested patients. Till date no vaccine is discovered for the deadly corona virus, but many patients have recovered from it by using some precaution like maintaining social distancing, using mask, washing hands regularly, using sanitizer after every 30 minutes avoiding contact with your face and eye frequently, maintain good hygiene etc. According to the look under a microscope Coronaviruses got their name. The virus surrounded by an envelope with protein spikes consist of a core of genetic material. The word Corona means "crown" in Latin. The worlds most developed countries like USA, Britain, Spain, Germany, Italy etc. are badly affected by the corona virus. Because of domestic slowdown and international recession India was badly affected. Learning the lessons from the most developed country like Spain and Italy, India started putting its machinery and materials into motion to curb and prevent the disease. On Thursday 12th March the World Health Organization (WHO) declared that the virus is now a pandemic, and then the USA President Trump announced a 30 days ban on all travel from the EU to the United states. In India the first case was reported on 30th January 2020 in southern state of Kerala. On 22.03.2020 The Prime Minister of India order to maintain a one-day **Janta Curfew** and the entire country was declared to be a 21day nationwide lockdown from the midnight of 24.03.2020, in order to contain the spread of covid-19. At that time total case numbers in India were relatively low with only 492 confirmed case. It all started with closing of theatre, gyms, malls, school, colleges complex, and the public places where the risks of spreading virus are too high. However, the total tests conducted at that point were so low, in the order of 20,000, that it was impossible to know what the true infection rate was, or how the disease was spreading. The decision which were taken to impose lockdown was in the face of deep uncertainty, and required weighing up the consequences to livelihood against the risk of an uncontained outbreak. As on 29.04.2020, more than 31000 cases pf coronavirus have been confirmed in India more than 1000 death. Taking into consideration its severe intensity, seen in the context of India having the highest rate of density population in the world, the governments, both at union and states levels, took necessary actions to prevent the spread of this pandemic. It was all the more so when it is known that this deadly disease has no medical cure.

One thing is sure: COVID-19 is the quintessential 'black swain'. "Black swans and their prevalence is extremely unlikely and their impact is extremely high, that was conjointly the case for the 9/11 coup de main (terrorist attack) in 2001 or the world monetary crisis of 2008/2009. Resultantly everything and each activity, exclusion the activities about and regarding with the essential provides came to a whole grinding halt". The development within the atmosphere because of such an internment was a bright side, but the toll on economy because of this internment is just too early to be calculable. Therefore, in this paper we review about how the lockdown affected on jobs and on the Indian economy.

A. Objectives

The outbreak of the covid-19 pandemic is an unprecedented shock to Indian economy. To tackle this pandemic situation, from food, security and extra funds of healthcare, to sector related incentives and tax deadline extensions government of India has announced a variety of measures. The objectives of this paper is to understand the impact of covid-19 on job, to understand the impact on different sector, to understand the impact of covid-19 on Indian economy and to find out the challenges for different sector in Indian economy.

B. Covid-19 and its Impact on Different Sector.

- 1) **Travel & Tourism:** The Travel and Tourism Industry was the one of the first sector which is affected by the coronavirus outbreak. The nationwide lockdown deeply impacted the country's travel and tourism sector by all modes of sector being suspended. The Indian association of tour operators estimates that the hotel, travel and aviation sectors to incur losses of up to Rs 8500 crores due to travel restriction imposed on foreign tourists. The centre for Asia pacific aviation India (CAPA India) in a report had said that the Indian aviation industry, excluding air India, would incur losses of \$500-600 million IM q4 of fy20 because of pandemic. It has been estimated that the larger tourism industry in India contributes to about 10% of the GDP. As per the archaeological survey of India the total revenue from ticketed monuments was Rs 247.89 crore in fy13, Rs 302.34 in fy19 and 277.78cr in fy20 (April-Jan). the Indian tourism industry is projected to book a revenue loss of Rs 1.25 trillion in 2020.the impact on the inbound and outbound passengers is most severe in couples of months. India's total foreign exchange earnings (FEE) stood at Rs 210,971 Cr and foreign tourist arrivals (FTA) stood at 10.9 million accounting for about 60% of foreign tourist arrivals during 2019, with Maharashtra, Tamil Naidu, Uttar Pradesh and Delhi. Indians government as well as government across the globe, forward booking for various conference and leisure travel booking to foreign destination have been cancelled. The biggest concern is the economic loss to the travel and tourism sector in this lockdown, travellers still follow the social distancing norms and there will be restriction such as booking of alternate seats, but than even bigger worry for the sector is how long it would take to recover after removal of all the restriction. "Ankur Bhatia, the executive, director of travel technology and hospitality company Bird Group says that "fear and apprehension would be there in the minds of traveller till the time a long-term solution of coronavirus comes. He added, the sector taking a longer time than expected to recover."
- 2) **Agriculture:** The lockdown effect on agriculture and immediately after this the government announced INR 1.7 trillion package, mostly to protect the farmers. A) due to issue in transportation, the inability to access market for production as well operation of market. B) the non-availability of labour, these are problem in agriculture at the moment are primarily. Some parts of agriculture like wheat and paddy effected which have the luxury of deploying technology for harvesting they are relatively more insulated since they often do not have to depend on large numbers of manual labour, the shortage of migrant labour has resulted in a sharp increase in daily wages for harvesting crops, However, crops are drastically hit because they more dependent on migrant labour.
- 3) **Entertainment:** The coronavirus also effected the events and entertainment sector, the events and entertainment management association has sent out an SOS signal to the government seeking urgent intervention as the industry that employ 60 million people which effected following the national lockdown. Due to covid-19 pandemic all the national or international events are postponed or cancelled from which 60 million staff and 10 million have been directly impacted. The association said Losses for the first two months are already over Total Rs 3000 crore, Around 52.91 % of companies saw 90% of their business being cancelled between March-July 2020 due to coronavirus According to the report based on the survey conducted by Events and Entertainment Management Association (EEMA) conducted a member with 170 companies. The survey conducted to examine the impact of coronavirus on the live events industry.
- 4) **Automobile Industry:** Due to lockdown 240,000 units production have been reduced, in automobiles sector. Each day loss of production is causing the industry a loss of over INR2,300 Cr in revenue on average, aggregating to over INR48,700 Cr over 21 days. A report from McKinsey & company claims that the us and eurozone's economies could take until2023 to recover from the impact of the crisis in an optimistic scenario with an average global GDP drop of 4.7%. It has to source a large amount of materials varying from plastics, and electronics, steel to non-ferrous metals. Most of the vehicle makers have either own bases for the supply of materials or have suppliers based in china, The supply chain must be robust to ensure seamless production on a daily basis. These also have been seriously affected by the coronavirus crisis. It is said that India will be the world's fourth largest passenger vehicle market by 2021.

- 5) *FMCG & Retail*: The impact of covid-19 on India's top FMCG industries and services, as, Grocery retailers, which account for more than 60% of store-based retailing sales, have been permitted by the government to continue operations during the lockdown as they sell essentials and consumers healthcare products. Due to panic buying, grocery retailers saw an initial uptick in demand as, due to disruption in supply chains, they struggled to replenish stocks, that resulting in stockouts. non-grocery specialists, especially footwear specialist retailers got impact on their revenue which went into a complete shutdown due to covid-19. Categories such as breakfast cereals, rice, instant noodles, pasta, edible oils and cooking ingredients saw among the highest gains. Spike in demand for personal care products, especially bar soap, liquid handwash and sanitizer, because of growing awareness of maintaining high hygiene standards to prevent the spread of covid-19. Rest of the personal care like colour cosmetic, fragrances, deodorants and skincare are expected to witness a fall in demand in the short time. ITC, Hindustan Unilever, Godrej consumer products have increased their manufacturing of most products lines, including hygiene products and increased the production of necessities.
- 6) *IT Sector*: During this financial year 2020, IT services companies will see a significant slowdown in growth, as they infected by the covid-19 pandemic. In this IT sector Top software companies like exporters- Tata Consultancy Services, and HCL technology, Infosys will be impacted by the reduced technology spending by clients in the US and Europe. In fiscal year 2020, According to the National Association of Software and Services Companies. India's software and services exports grew 8.1% to \$147 billion. Due to lockdown and the heat of pricing pressure, client bankruptcy and slower client decision making "In the near future, the companies could feel the revenue loss. In Indian IT firm's growth forecast reduced to 3-6% from 6-8%, Due to business impacted from covid-19, and it expected to follow Accenture.
- 7) *Textile Industry*: Several garments/textile factories in China have halted operations that in turn affecting the exports of fabric, yarn and other raw materials from India, Due to coronavirus outbreak. Due to the panic situation created by the Covid-19 outbreak the demand for textile products abroad and domestic sales have come down to a grinding halt. Due to the lockdown, it is tough to guess when all sorts of textile-related factories are closed it will be allowed to open. The business community is scared on, supply chain disturbance, cash crunch, manpower-related issues. Due to lockdown, many workers will rush to their hometowns or villages or workers in big units controlled by corporations reside in labour colonies adjacent to the factory premises. The daily wage worker who forms 80 per cent of the workforce in garment factories, who running here and there, is on roads or back in his hometown, the majority of workers are migrants from Uttar Pradesh, Orissa, Bihar and other states. There is a possibility, some workers were forced to stay back in the absence of means of transport following the lockdown, and India has more than 2,000 spinning mills with different spindle capacity. All shipments are on hold and expiry of letters of credit may result in renegotiation of prices, raw material and electricity expenses are not being incurred, but rest all other issues may occur direct loss to mill owners. It would not be smooth and easy to restart.
- 8) *Pharmaceuticals Industry*: The pharma industry of India relies heavily on import as of bulk drugs Despite being one of the top formulations of drug exporters in the world. In an interaction with ET Health world Charu sengal, Partner and Leader, Lifesciences and Healthcare, Dellite India, discusses how the pandemic has impacted the pharma sector and shares insights on vaccine development and management of disease outbreak. Some small companies may find themselves under stress and they can be a source of the additional capacity to the larger player. During this Covid-19 period, some companies are seeing increased demand and started incentivizing employees in the production function who are supporting plant operation. Like others pharma companies are too looking for new sources of incomes from owned assets as well as using digital mechanism for meetings and conducting business.
- 9) *Building & Construction*: There is hardly any place that has remained unaffected by the severity of the Novel Coronavirus or the Covid-19 pandemic in today's globalised world. From the ruthless Covid-19 Almost every commercial activity is suffering. Under the Environment Laws and the Real Estate (Regulation and Development) Act, 2016, lack of capital and credit avenues to insolvencies, is now marred by the Covid-19 pandemic, Construction and Engineering sector, which was already reeling with multiple challenges from multiple frauds and regulatory burden with no likely relief in sight. Due to the lockdown, government put restrictions in place, which result all the construction activity and most of the business activity across the country has halted.
- 10) *Education*: The state governments across the country temporarily started shutting down schools and colleges due to Coronavirus pandemic. All the major entrance examinations are postponed including medical, engineering, IIT, JEE MAINS, law, fashion and designing courses, agriculture, as well as the delay in admission process happened. A ringing alarming bell mainly in private sector universities in this situation. Some employee and faculty of the school or colleges may face salary cuts, bonuses and increments can also be postponed. Technology may play an important role in the lockdown period like online class, work from home and study from home. In India, as well as in other country some private schools could adopt online

teaching methods. Because of Low-income, private and government school may not be able to adopt online teaching methods. The opportunities for learning, students will also miss their offline classes, meals and may result in economic and social stress.

- 11) *E-Commerce*: The global outbreak of coronavirus has badly impacted business models, as well as operation supply chain networks. Online marketplaces like Amazon, Flipkart, have increased spike in demand for personal hygiene products such as sanitizer, hand washes, toilet essentials such as toilet papers in addition to daily necessity items like floor cleaners, wet wipes, etc. majority of Indians have more faith in the store shopping as they can touch and feel the product and can negotiate discounts over the counter before buying it. A great majority of B2C e-commerce retailers can offer free delivery, buy one get one free, exchange offer, and discounts which draw customer to shop online. Amazon started selling only grocery related. In this situation e-commerce played very important role by selling things on online platform by taking care of hygiene and safety.

C. *Covid -19 and their impact on jobs.*

The labour market impacted of the covid-19 it reveals the devastating effect on workers, hundreds of millions of enterprises worldwide in the informal economy According to the latest report of ILO. Because of Covid-19 unemployment may rise to 35% from 7.6 % resulting up to 135 million jobs could be lost and a total no. of 174 million become unemployed, about 120 million people might be pushed back into poverty in India and 40 million into abject poverty which will hit the consumer income, savings and spending says the report. The Covid-19 effected by India's most vulnerable in terms of job loss, which occur in poverty increase and that will reduced per capita income which will result in a steep decline in the GDP According to a new report by international management consulting firm Arthur D Little. The Indian companies and the government partner to ensure that the people who loses their jobs are available to MNCs looking to shift base to India and thus provide Indian companies and labour immediately relief. According to Naukri.com, hit by Covid-19 pandemic and nationwide lockdown, India saw a huge decline of 61% in hiring activity in May, also the hiring was led of hotel, restaurant, travel, and airlines industries (-91%), followed by retail(-87%), auto/ancillary (-76%), and BFSI (-70%) in month of May. At least one in 10 Indian jobseekers confirmed he/she has been laid off according to latest survey by Naukri.com. According to Pawan Goyal, (chief business officer, Naukri.com) said that "the extension of the lockdown has resulted in a continues decline in hiring for the 3rd consecutive month. In a recently survey conducted with recruiters and HR heads, report shows that about 39% respondent said that critical hiring is still taking place, and we are seeing the same situation with industries such as, healthcare company, insurance sector, pharma, IT-software, posting and recruiting jobs during the lockdown. Senior professional's employees with over 11 years of work experience were working in either HR or admin (12%), sales (12%), Operation/supply chain (11%) or marketing (11%) roles. At per the latest Naukri survey conducted with 50,000 jobseekers the hiring activity is down by 61%, it is encouraging to see that more than 50% of jobseekers are utilising the time at hand due to the lockdown for career advancement self – development. Courses like data science and analytical course (22%) followed by digital marketing (20%) and finance and risk management are the top courses being picked up by the jobseekers to skill themselves. One of the main reason job losses is Social distancing, specifically those Indian society's lower economic strata. Between February and April 2020, nearly 46% the share of households that experienced a fall in income. Several households unorganised monthly paying jobs losses increased due to lockdown. Inflation rates on goods and services including food products, grocery products and fuel were expected to rise later this year.

The no. of people employed was most impacted by the coronavirus lockdown in India which was around 280 million. People between the ages of 20 and 44 were most impacted by the coronavirus(covid-19) lockdown with over 27 million young people losing their jobs in April 2020 and unemployment went up to 24% till may 2020. The most devastating impact of the virus and the lockdown had been on the economically backward classes who is below poverty line in terms of limited access to proper healthcare and other resources.

This resulted that the government had launched various programmes and campaigns like under the Pradhan Mantri Garib Kalyan yojana, 312 billion Indian rupees were accrued and provided to around 331 million beneficiaries that include women construction workers, farmers, and senior citizens. The labour participation rate was most impacted by the coronavirus lockdown in India dropping to around 35% in April 2020, as many of their lost their jobs in that time. The participation rate slowly increased to 38.7 % as of 24th May 2020.

According to Radhika Pandey, India economy was already passing through a period of slowdown, she also said that, "Major employment generating sectors such as Real state, Tourism, Construction, Hospitality have cut down their service leading to unemployment. Many migrant returning their home because of job losses, as the small firms and their employees affected by the lockdown and covid-19.

Unemployment hits 23.5% in April, a sharp spike from 8.7% in March. Scenes of desperate migrant workers, especially daily wage earners from different cities and states, fleeing cities on foot to return to their villages. As construction stopped, and cities suspended public transport, informal jobs, which employ 90% of the population, were the first to be hit. The new data shows India's unemployment figures are four times that of the US, large companies like media, aviation, retail, shops, hospitality, automobiles have announced massive layoffs, and small medium businesses likely to shut shop altogether. CMIE's data shows the devastating effect the lockdown has on India's organised economy. Out of the 122 million who have lost their jobs, 91.3 million were small traders and labourers. But a fairly significant 18.2 million self-employed people and 17.8 million number of salaried workers have lost their work. According to Mahesh Vyas, CEO of CMIE told to bold "it is imperative that India weighs the economic cost of the lockdown on its people".

D. Covid-19 and their impact on Indian economy.

In 2019-2020, the Indian economy was in its worst phase in the coronavirus outbreak, with growth in the GDP falling to a 11 year low of 4.2%. The economy grew by 3.1% in the January-March quarter of 2019-2020, against 5.7% at the same time a year ago, the slowest growth in at least 8 years. According to national statistical office data, the manufacturing sector has grown merely by 0.03% in FY 2019-20 compared to 5.7% in the previous year. The growth of the construction sector, which is responsible for a spill over effect on several other industries, too declined to 1.3%. Gross capital formation has also remained low in FY 2019-2020, while the growth of deposits in banks declined to 7.9% compared to 10% in the previous fiscal hinting at low level savings. Bank credit growth more than halved to 6.1%, compared to the previous fiscal 13.3% that shows people consumption too will be lower. Due to a 2.8% contraction in investment and 3.6% fall in exports, real GDP growth has fallen to 4.2% in 2019-2020, which is the lowest since 2008-2009 when it was 3.1%. On the outside, there has been a fall mainly in manufacturing, construction as also in the two heavyweight service sector--- trade, hotels, etc, and financial and real estate services." Said D.K. Srivastava, EY India's chief policy adviser. GDP estimates for India downward by 0.2% points for the fiscal year 2021 to 6%. Service sectors like Hotels, Aviation, Restaurants, Retail, Jewellery, Ports, shipping auto, logistics, tourism, drugs, metals, electronic goods pharmaceuticals, MSMEs and retail among other having high impact in terms of risk on account of COVID-19.

According to the report, namely linkage, supply chain and macroeconomics factors, are three major channels of impact for India for Indian businesses. At least 6,600 Indian entities have legal linkage with companies in countries with a large number of Covid cases shows the data of the Dun & Bradstreet. And business activity in the foreign market is slow which implies a negative impact on the top line of these companies. According to the World Bank's assessment, India is expected to grow 1.5% to 2.8%. and IMF projected a GDP growth of 1.9% for India in 2020 because the global economy is affected by the Covid-19 the worst recession since the Great Depression in the 1930's. According to KPMG, the lockdown will effect on the Indian economy and opportunity will largely depend on how quick the economy recovers and the pace at which the supply chain issues are addressed.

China's share in India's import is more than 25%, for automotive parts and fertilisers. Around 90% of mobile phones come from China to India, and 65 to 70% of active pharmaceutical ingredients. China is India's 3rd largest export partner and accounts for around 5% share. In China, about 72% of companies are located in cities like Jiangsu, Shanghai, Beijing, provinces of Guangdong, and Shandong.

India could also be a beneficiary of positive flows since it appears to be the least-impacted market. The report also says that. In 2019-20, gross capital formation at current prices, has fallen to 29.7 per cent of GDP as commodities like metals, upstream and downstream oil companies, could witness the impact of lower global demand impacting commodity prices. In 2020-21, the growth outcome will depend on the agriculture, defence service, and the subdued performance of manufacturing, construction According to sources. If policy action is not taken urgently GDP could fall below 5% in FY 2021, According to CII. It is said that the government should take some strong fiscal stimulus to the extent of 1% of GDP to the poor, which would help them financially and also manage consumer demand.

In Indian businesses 53% of market impacted of COVID-19 on business operations Shown by FICCI survey. As the cases increase, we believe that W-shaped recovery is the most likely scenario for India. According to the survey, 42% of the respondents said that up to three months could take for normalcy to return. One of the report said that, in FY 2020-21 GDP contraction of 10.8 per cent while the growth of 0.8 per cent GDP in FY 2021-22.

The IMF world economic outlook shows the growth projection which present a reality in annual percentage changes in the GDP. De-growth estimated in the year 2020 at minus 7.5% and projected growth of 4.7% in 2021 on the Eurozone leading projected, 1.9 per cent in 2020 and 7.4 per cent in 2021, at least minus 3 per cent in 2020 and 5.8 per cent growth in 2021 as against a contraction of the global economy projected. Assuming that global recovery starts in the second year of 2020.

The trend however reveals that the curve has been meandric with absolute uncertainty. Due to the COVID-19 outbreak India's trade impacted around USD 348 million by The United Nations Conference on Trade and Development (UNCTAD). For India, the overall trade impact is estimated to be at 64 million dollars for the textile sector, 129 million dollars for the chemicals sector, the automotive sector at electrical machinery at 12 million dollars, metal and metal products at 27 million dollars, leather products at 13 million dollars and wood products and furniture at 15 million dollars. The Union Finance & Corporate Affairs Minister, on 24.03.2020, announced several important relief measures, To minimise the effect in the economy caused by the COVID -19 outbreak especially on statutory and regulatory compliance matters related to several sectors, GST, in areas of income tax, Insolvency & Bankruptcy code (IBC) fisheries, custom and central excise, Banking Sector and Commerce, Corporate Affairs which intend to boost the Indian economy.

E. Steps taken by the Indian Government

The Central Government, has taken the following decisions in these directions:

1) Income Tax

- a) For financial year 2018-2019, date for income tax returns extended from 31.03.2020 to 30.06.2020.
- b) linking date of Aadhaar-PAN card to be extended from 31.03.2020 to 30.06.2020.
- c) Due dates for issue of notice, intimation, filling of return, notification, approval order, furnishing of return, sanction order, statements, applications, reports, the other documents and cut-off date for completion of proceedings by the authority and any compliance by the taxpayer including, investments for roll over benefit of capital gains under Income Tax Act, investment in saving instruments, Wealth Tax Act, Black Money Act, STT law, Prohibition of Benami Property Transaction Act, CTT Law, Equalization Levy law, Vivad se Vishwas law where the time limit will be expiring between 20.03.2020 to 29.06.2020 shall be extended to 30.06.2020.
- d) Self-assessment tax, for delayed payments of advanced tax, TDS, STT, CTT, TCS, equalization levy, regular tax, extended between 20.03.2020 and 30.06.2020. There is No late fee/penalty shall be charged for delay relating to this period.

2) GST/Indirect Tax

- a) For the financial year 2018-2019 GST annual returns, which is due on 31.03.2020 has been extended till the last week of June 2020.
- b) Under Sabka Vikash Scheme Payment date shall be extended to 30.06.2020. No interest will be charged if the payment is made by 30.06.2020.

3) Financial Services

- a) Relaxations have been provided to customer for 3 months to the debit cardholders to withdraw cash for free from any other banks.

4) Corporate Affairs

- a) During a moratorium period from 01.04.2020 to 30.09.2020, No additional fees shall be charged for late filing in respect of any document, return, statement etc.
- b) Independent Directors (IDs) are required to hold at least one meeting without the attendance of Non-independent directors and members of management As per Schedule 4 to the Companies Act, 2013.
- c) Within 6 months of incorporation newly incorporated companies required to file a declaration for Commencement of Business.

The Indian Government announced a COVID-19 package worth Rs 15,000 crore to on health infrastructure till March 2024 on 09.04.2020. The state governments and Union Territories to develop COVID-19 hospitals, setting up of laboratories, purchase of personal protective equipment, medicines and consumables, procurement of essential medical supplies, and for strengthening health systems.

F. Steps Taken by the RBI (Reserve bank of India)

- 1) RBI has already taking measures to infuse much needed liquidity from incentivising banks to encourage credits flows via HFCs, MFIs, NBFCs to MSE and consumer segment to counter the severe impact on MSME cash flow and sustainability.
- 2) Indian stock market can be crashed with overall uncertainty and lack of demand with no investment can be seen in near future as, on 12.03.2020 the worst crash of Indian stock market by 2352.6 points on the single day which may be concern for all the Indian economic advisor and for the Indian economists. But Sensex and Nifty gained a little adding value of about USD 66 billion to investors wealth. A trade impact of more than USD 350 million on India due to this outbreak, according to UN report, it makes India one of the worst affected country in terms of economics.

- 3) All commercial banks (including small finance banks, regional rural banks, and local area banks), all-India Financial Institutions, co-operative banks, and NBFCs (including housing finance companies) ("lending institutions") are permitted between 01.03.2020 and 31.05.2020 to grant a moratorium of three months on payment of all instalments.

The RBI has also published its Monetary Policy Report on 09.04.2020 in which it has commented on different aspects of economy, factor affecting rural demand, augmenting quarterly projection model, media sentiments on economic growth, it can be forecasting under uncertainty in a cyclical downturn. The Monetary Policy reports also said that in relation to Impact of COVID-19 on Global Growth do not seem very encouraging. RBI decided to open a special liquidity facility for mutual funds of Rs.50, 000 crores on 27.04.2020 which shall be used by banks exclusively for meeting the liquidity requirements of mutual funds by undertaking against debentures and certificates of Deposit (CDs), the collateral of investment grade, corporate bonds, and extending loans. According to PTI report, Fitch Said that, "the biggest contribution in global GDP for 2020 comes for emerging market, excluding china, where we can see that 6-7% GDP falling in Brazil and Mexico, and 5% in India and Russia.

In respect to the approved expansion plans, around 33 per cent expect it to for more than 12 months, and 61 per cent of the respondents expect to postpone for a period between 6 to 12 months. Surveyed firms of nearly 25 per cent of the firms have decided not to postponed their fund-raising plans where 60 per cent have postponed their fund-raising plans for the next 6-12 months. Surveyed firms around 34 per cent said that exports would take a hit by more than 10 per cent, and 43 per cent have reported that they do not predict an impact on exports.

According to Dun & Bradstreet, GDP estimates for India downwards by 0.2% points for the FY 2020 that is to 4.8% and by 0.5 per cent for the FY 2021 to 6%. India is expected to grow 1.5 per cent to 2.8 per cent according to the World Bank's assessment, and the global economy is affected by the COVID pandemic and lockdown which hit several sector including agriculture, MSME, civil aviation, hospitality which also resulted the worst recession since the Great Depression in the 1930s.

KPMG Asian nation Chairman and chief executive officer Arun M Kumar said: "Apart from providing strong safety nets for the vulnerable, a spotlight on making certain job continuity and job creation are going to be imperative and there's pressing have to be compelled to mobilise resources to stimulate the economy for enhanced demand and employment", opportunities can mostly rely upon however quickly the economy recovers and therefore the pace at that the availability chain problems are addressed .

It's expected that the course of economic recovery in Asian nation are going to be sander and quicker than that of the many alternative advanced countries.

In imports, the dependence of Asian nation on China is big, One of the highest twenty merchandise (at the two-digit of HS Code) that Asian nation imports from the globe, China accounts for a significant share in most of them China is the world's largest exporter and second-largest importer. It accounts for 13% of world exports and 11% of world imports. 1/3 of machinery and almost 2/5 of organic chemicals India purchases from China. more than 25% of china share depend on India. Around 90% of certain mobile phones come from China to India and 65% to 70% of active pharmaceutical ingredients.

Pharma, chemicals, and electronics businesses may face supply-chain prices issues goes up to 10% According to CLSA report. Some commodities like oil companies, metals, could witness the impact global demand impacting commodity prices. In FY 2021, GDP could fall below 5% if policy action is not taken urgently, According to CII. It is said that the government should take some strong fiscal stimulus to the extent of 1% of GDP to the poor, which would help them financially and also manage consumer demand. The growth of economy is slow due to covid-19, and it will take around 2 years for normalcy to come back across sectors. some sectors are set to see immense growth in the post-COVID era – FMCG, B2C specialised lenders, gold-dependent companies, pharmaceutical companies and food retail to name a few.

During the 21-day lockdown period, 80 percent of all production activity is stopped, the economy will lose Rs 35,000 to 40,000 crore on a daily basis, the total loss to anywhere between 6.3 lakh crore and 7.2 lakh crore According to a forecast by Care Ratings. Even in the organised sector, while the government has issued advisory to enterprises not to cut salaries and lay-off workers, given difficult conditions they may have to lay-off their employee.

As a damage-control measure, the union finance minister Nirmala Sitharaman announces, financial relief package for those whose lives have been severely impacted by the lockdown, on 26 March. Finance minister Nirmala Sitharaman announced that for three months, an extra payment of Rs 500 would be credited to women who had Jan Dhan bank accounts opened under the Pradhan Mantri Jan Dhan Yojana, as a part of relief package. The total package of Rs 1.7 lakh crore announce for the migrant workers, Accredited Social Health, Activists sanitation workers, or ASHA workers, as well as the urban and rural poor get direct benefit, as the money transfers to their bank accounts and through food rations.

II. CONCLUSION

From this paper it concluded that, this Corona Virus pandemic effected the Indian job opportunity as well as Indian economy. How there was a great loss incurred in job as the industry were closed because of lockdown. Losses of job and unemployment occur in each and every sector like hospitality, events and entertainment industry, travel and tourism industry, IT industry, construction industry and textile industry etc, which impacted a higher percentage fall in GDP and effected the economy. The Prime Minister of India has already taking policy measures to tackle the economic challenges arising from COVID 19, as also on the stability of Indian economy. The level of GDP fall in India, it is believed that India is more vulnerable, since its economy has already been ailing and in a deep-seated slowdown for several quarters, much before the COVID-19 outbreak became known. The different and urgent need had taken to cope up with this virus as well as effect of lockdown in industry. A combination of financial market, monetary policy, and fiscal policy is needed to help the impact of this lockdown and virus on the business and people. In this paper, the government or state government, or RBI had taken different measure so that people get relief in this lockdown as their business shuts down or migrant workers started moving to their hometown. Hence, better coordination from other country and global co-operation to be expected in the terms of health of people and economic development. If we do things in proper way we may able to fix challenges.

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