

PROJECT REPORT
ON THE TOPIC :

**IMPACT OF COVID-19 IN
THE INDIAN ECONOMY**

PROJECT REPORT

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TITLE OF THE PROJECT

IMPACT OF COVID-19 IN THE INDIAN ECONOMY

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INTRODUCTION

Human coronaviruses were first identified during 1960 and were responsible for damaging upper respiratory tract infections. Since 2003, at least 5 new human coronaviruses have been identified, including the severe acute respiratory syndrome coronavirus [SARS], which resulted in significant morbidity and mortality in China. It seems that the coronaviruses infecting humans and causing respiratory disease is heterogeneous and quite widely distributed. During December 2019 similar coronavirus COVID-19 was identified in Wuhan, China.

The epidemics of COVID-19 have been recorded over 200 countries, territories & areas along with China and infected more than 26654 humans, affecting severely around 575, '1/14 cases². On March 11, 2020, World Health Organization changed the status of COVID-19 emergency within 42 days from Public Health International Emergency (January 30, 2020) to a pandemic (March 11, 2020)³. As on 11th April 2020, as the situation of the world still looks grim, numbers of COVID-19 cases are more than 1,614,405 and the worldwide death toll is more than 967894.

In India, the first case of COVID-19 was reported on 30th January 2020, originating from a student who traveled from Wuhan, China although successfully recovered from the infection on 14 February 2020⁵. As of 11th April 2020, The Ministry of Health And Family Welfare has confirmed a total of 6565 active cases, 642 recoveries, 1 migration and 239 deaths in the country from 31 State/UT including 66 foreign cases.

On 24th March 2020, prime minister of India announced 21 days complete lockdown for 1.3 billion Indians immediately from midnight, it means no one could leave their home for 21 days, but it seems to be the tip of the iceberg as a notion is that the war with the unseen virus may result in an extended shutdown. The lockdown includes schools, offices, factories, parks, temples, railway stations, and even the airspace. In a recent column for the Hindu, Jean Dreze, a prominent Belgian-Indian economist said "almost everybody in India's informal economy-a huge share of the country's workforce-has been hit by an economic tsunami.

ECONOMIC IMPACT OF LOCKDOWN DUE TO COVID-19

It is estimated by ICRA rating agency that amid COVID-19 crisis the Indian economy may grow at just 2% in the current fiscal. The lockdown will have an adverse country where people are much more at risk from the serious consequences of poverty if they go several weeks without working. A predicament protocol has been promulgated in India that avert people from leaving the place they are, however essential supplies, grocery stores, pharmacies, and banks continue to serve for certain hours as deliberated by the Government Public transport have been completely suspended till further orders.

Due to the lockdown, the manufacturing sector of non-essential items in India is shut, resulting in the reduction of workforce and no possibility to hire new employee, which means that disposable income in the economy will fall, ensue fall in aggregate demand and as the deflationary gap between aggregate demand and aggregate supply upsurge there are cogent chances that the Indian economy may be pushed to a situation of recession. As per the Asia Development Bank, on 20.03.2020, the COVID-19 outbreak could cost the Indian economy between \$387 million and \$29.9 billion in personal consumption losses⁷. The number of afflicted sufferer in the USA, Italy, and Spain has already surpassed China and India's postulated sequences is becoming perilous and will have an adverse catastrophic impact on the Indian economy.

As the lockdown will continue, the Indian economy will experience a large but temporary decline in consumption growth of 2pp (percentage points), due to precautionary behaviors and policies adopted by various authorities. It is estimated that with travel bans and precautionary behavior abating after three months, India's hit will be \$640 million but if the situation worsens and there is prolonged lockdown consumption expenditure in India may decline by \$1.2 billion. A report issued by the UN Conference on Trade and Development estimated that India could lose \$348 million and declared it among the top 15 most-affected economies, after the EU, the US, Japan, and South Korea.

COVID-19 and the lockdown that followed may have an adverse influence on the Indian economy in two ways, one externally, it includes: weaker global demand, supply chain disruptions, Lower commodity price, and Risk-off and Global financial shocks. Second internally that is through the domestic channels, which include: Reduced discretionary spending, factory shutdowns, and travel restrictions. It is evident that there will be a cuneate array of concurrently functioning jolt resulting from the COVID-19 pandemic.

The first apprehension is related to supply-side shock resulting from shutdown and suspension of international trade in China, secondly India may experience a fiscal shock as the pandemic has been declared as public health emergency and third shock will arise from oil price as due to fall in global demand we may witness fall in their prices. The financial markets in India are highly volatile, and are reacting to these shocks in perpetuity and the situation will remain the same for an uncertain period. Considering these shocks, the lockdown will cost India around USD 120 bn.

The manufacturing and services sector have come to an abrupt stop and interrupt domestic supply chains. As the revenue of the companies reduces, the contractual laborers and daily wage earners will be in the line of fire. The impact of all this will vary by sector, but services would be hit particularly hard and there is a risk of long-term loss of demand and capacity in both industrial and services sectors if the crisis prolongs. Credit Rating Information Services of India Limited on February 20, 2020, stated that India that economy of India will be in great danger if the pandemic continues for a long period. As the household sector has been asked to remain indoors, the aggregate expenditure will fall, giving a jolt to circular flow of income in the economy. With flights grounded, Visas cancelled, Transportation suspended, empty hotels, malls, multiplexes and restaurants closed the businesses in India is at all-time low.

Due to uncertainties, doubts and less clarity about the cause of pandemic, demand for poultry products has considerably reduced. Physical restrictions have caused the service sector to be adversely affected. Fall in business volumes and suboptimal utilization of resources will result in losses to companies. All this may lead to damage the credit portray.

GDP growth during the next fiscal is expected to plunge to 3.5% in pandemic aftermath the pandemic in India and the consequent lockdown for 21 days pose a

material risk to the economic outlook of India. The adverse effects that will follow can dwarf the gains from the sharp drop in crude oil prices, and the anticipated monetary and fiscal stimuli. The unemployment rate according to

Centre for Monitoring Indian economy projects a spike in the unemployment rate in the first week of April 2020 to 23.8%, the labor participation rate fell to 39% and the employment rate was 30%⁸.

The lockdown to curtail COVID-19 has stalled workers under the rural jobs guarantee scheme, leaving daily wage workers with little to fall back on. As major businesses are put on hold, it has mainly hurt daily wage earners, contractual laborers, and self-employed workers in the informal economy in rural and urban areas, pushing them out of jobs amid the nation's high unemployment rate. MGNREGA employs 266 million workers, of which 128.1 million are active, according to the website, in the ongoing financial year 77.5 million holds individuals from 54 million households have been employed under the scheme⁹. The rising unemployment rate means less distribution of income and less purchasing power which would lead to negative savings and fall in the consumption expenditure. The deficient demand thus arising may create a situation of recession with a long term impact on the Indian economy.

Considering the catastrophic impact of the lockdown on the Indian economy, it may be argued that the government should have been relaxing as far as the complete lockdown of the economic activity. However, if we assess the Swedish model, unlike India, they did not impose restrictions rather they advised people for self-discipline. State epidemiologist Anders Tegnell at the National Institute of Public Health advised the citizens of Sweden to continue the economic activities until and unless they are visibly sick, irrespective of the fact that their family members were infected. As on May 4, 2020 there are 22721 people infected in Sweden out of the total population of 10.3 million as compared to India where out of the total population of 1380 million 42836 are infected in Sweden, 2769 people have lost their lives due to pandemic whereas 1389 people lost lives in India^{10,11}. In both situations India's decision of lockdown is justified, perhaps it believes in saving lives will save the economy.

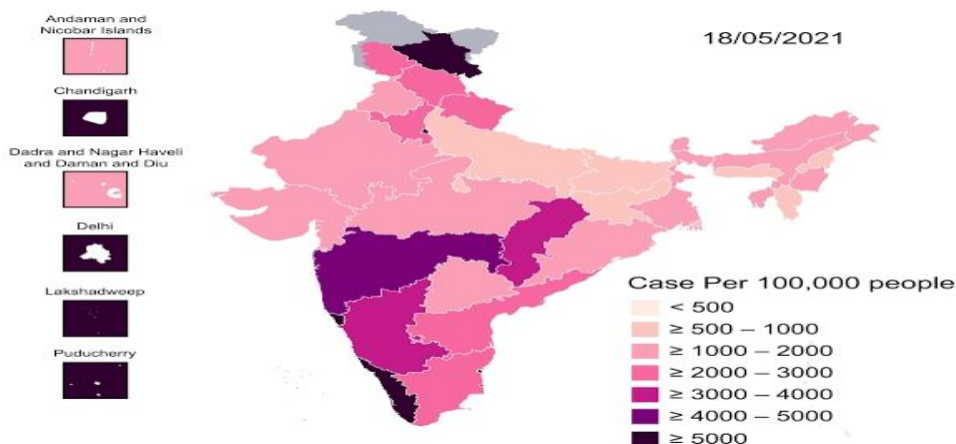
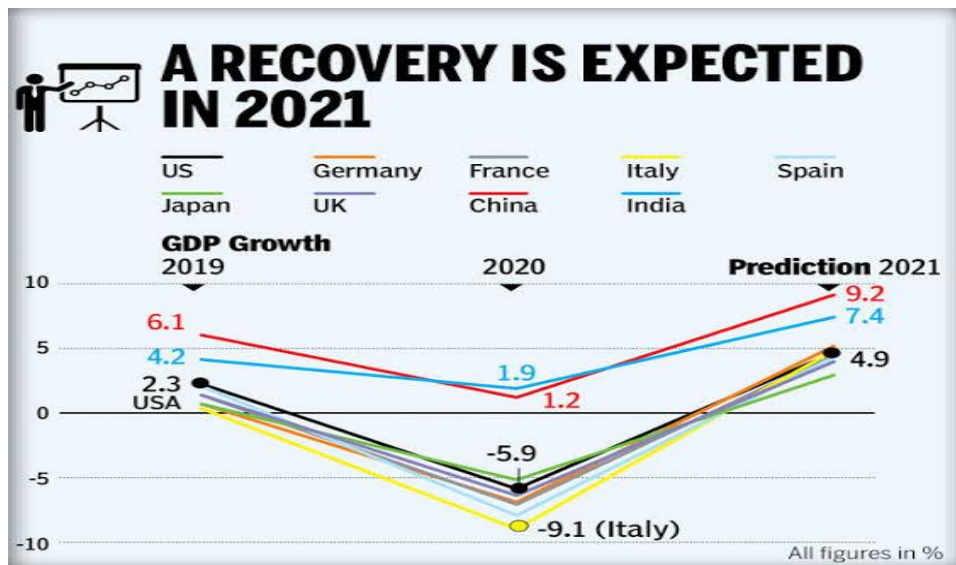
FUTURE PERSPECTIVE

The COVID-19 has created a grave situation and what is petrifying is that we are not sure when the situation will normalize, until then India has to fight a lonely battle. India has little policy firepower to give a consequential shove to progress, and the pandemic has created more stringent barriers. The biggest challenge in front of India is to finance the government deficit, which is rising due to increased expenditure and reduced revenue. Though there is marginal support due to fall in the global oil prices, it will take a long time to reduce the deficit. One may expect rationalization of all direct taxes and corporate taxes, in order to augment businesses. There will be a precipitous deceleration in global growth and India's trade, what is unforeseeable is the magnitude of the impact on the economy through domestic channels of production (supply) and consumption (demand). With the number of COVID-19 cases continuously increasing, the impact of the virus on global sentiment, economic and otherwise, has been immense.

COVID-19 has created a barricade for the Indian Human Resource anticipate with great apprehensions job dismissal and salary cuts are expected in the vulnerable service sectors, which include airlines, tourisms, malls, multiplexes, restaurants, retailers, film industry, Pharmaceuticals, etc. As companies are not able to generate revenue the employers may reduce their cost by reducing their workforce. The cash flow in the economy is curtailed due to less economic activity resulting in an adverse impact on all payments including to those for employees, interest, loan repayments, and taxes, thus making the Indian economy vulnerable.

Convalescent plasma therapy is highly recommended, as it has provided moderate success with SARS and MERS ; this has been rolled out in 20 health centers and will be increased this month (May 2020). India has expertise in specialized medical/pharmaceutical industries with production facilities, and the government has established fast-tracking research to develop rapid diagnostic test kits and vaccines at low cost. In addition, the Serum Institute of India started developing a vaccine against SARS-CoV-2 infection. Until we obtain an appropriate vaccine, it is highly recommended that we screen the red zoned areas to stop further

transmission of the virus. Medical college doctors in Kerala, India, implemented the low-cost WISK (Walk-in Sample Kiosk) to collect samples without direct exposure or contact. After Kerala, The Defense Research and Development Organization (DRDO) developed walk-in kiosks to collect COVID-19 samples and named these as COVID-19 Sample Collection Kiosk (COVSACK). After the swab collection, the testing of SARS-CoV-2 can be achieved with the existing diagnostic facility in India.



LEARNING CURVE

Every difficulty gives an opportunity to learn, COVID-19 is no different. With a reduction in pollution, less petrol consumption and no road accidents, this dark cloud also has a silver lining. There is no guarantee that such types of situations will not occur in the future, provided there should be learning. One such learning is for the companies is to equip themselves with remote working, many companies have faced this situation that their employees are not well versed with the technology advancement due to lack of training and many companies do not have the feasibility to promote work from home.



People have realized the importance of technology in business. Various platforms are being used by employers to train their employees. It is turning out a win-win situation for employers and employees. Employees are getting flexible timings, they are able to maintain work-life balance and able to save more as they do not spend on commute.

Employers, on the other hand, are benefitting as the cost of the establishment has reduced, better work-life balance of the employees has increased their productivity¹². Working from home could be the new normal for many employees as more major employers and CEOs, including Mondelez, Nationwide and Barclays, talk about a permanent shift to work from home and reduced office space¹³. "HR heads of Axis Bank, Bank of Baroda, RPG Group, Vedanta, EY, Cognizant, Titan, Deloitte, Whirlpool, PayTM, SaintGobain India, viewed virtual workplaces are the future of work."

Lockdown has left organizations with no plan for contingencies and continuity. Proper hygiene and safety for employees is a musty organization irrespective of the situation, if proper care is taken then the companies can continue their work, proper screening of the employees sterilization of office establishment, setting up of medical and counseling team and distribution of safety kits to the employees could be some initiatives that companies could have followed to prevent a complete lockout.

COVID-19 has created a big roar due to barrier in communication, proper and clear instructions to the employee is missing, like the government has asked the schools not to accept the fee for three months but if schools will not accept the fee how they will pay the staff. Those organizations that are having an open line of communication with their stakeholders are able to face the challenges.

According to the System of Air Quality and Weather Forecasting and Research (SAFAR) one positive impact of the lockdown is remarkable control of air pollution, with no vehicles immersing dangerous gases, no fires in blasting furnace, level of nitrogen oxide in the atmosphere since March 5, 2020 have fallen by around 45% in Mumbai and Pune, and by 50% in Ahmedabad, as compared to the levels recorded in 2018 and 2019¹⁴.

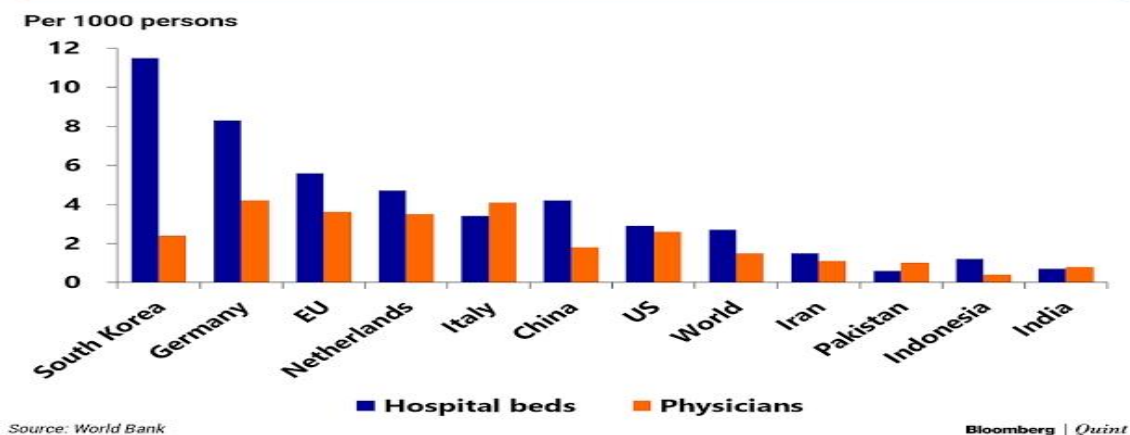
India may shift the line of production temporarily in a phased manner to those places where the epidemic is controlled and capture potentially 40% of their competitor's market by enhancing the make in India concepts. Although the Wuhan coronavirus outbreak could have a significant impact on the Indian pharmaceutical industry unless it is brought under control over the next few months, it also provides an opportunity for India's pharmaceutical manufacturers to grab share from their Chinese competitors.

IMPACT OF COVID-19 IN INDIA AND THE GLOBAL ECONOMY

As per the official government guidelines, India is making preparations against the COVID-19 outbreak, and avoiding specific crisis actions or not understating its importance will have extremely severe implications. All the neighboring countries of India have reported positive COVID-19 cases. To protect against the deadly virus, the Indian government have taken necessary and strict measures, including establishing health check posts between the national borders to test whether people entering the country have the virus. Different countries have introduced rescue efforts and surveillance measures for citizens wishing to return from China. The lesson learned from the SARS outbreak was first that the lack of clarity and information about SARS weakened China's global standing and hampered its economic growth. The outbreak of SARS in China was catastrophic and has led to changes in health care and medical systems. Compared with China, the ability of India to counter a pandemic seems to be much lower. A recent study reported that affected family members had not visit the Wuhan market in China, suggesting that SARS-CoV-2 may spread without manifesting symptoms. Researchers believe that this phenomenon is normal for many viruses. India, with a population of more than 1.34 billion—the second largest population in the world—will have difficulty treating severe COVID-19 cases because the country has only 49,000 ventilators, which is a minimal amount. If the number of COVID-19 cases increases in the nation, it would be a catastrophe for India. It would be difficult to identify sources of infection and those who come in contact with them. This would necessitate multiple strategies to handle the outbreak, including computational modeling as well as statistical and quantitative analyses, to rapidly develop new vaccines and drug treatments. With such a vast population, India's medical system is grossly inadequate. A study has shown that, owing to inadequate medical care systems, nearly 1 million people die every year in India. India is also engaged in trading with its nearby countries, such as Bangladesh, Bhutan, Pakistan, Myanmar, China, and Nepal. During the financial year 2017–18 (FY2017–18), Indian regional trade

amounted to nearly \$12 billion, accounting for only 1.56% of its total global trade value of \$769 billion. The outbreak of such viruses and their transmission would significantly affect the Indian economy. The outbreak in China could profoundly affect the Indian economy, especially in the sectors of electronics, pharmaceuticals, and logistics operations, as trade ports with China are currently closed. This was further supported by the statement by Suyash Choudhary, Head—Fixed Income, IDFC AMC, stating that GDP might decrease owing to COVID-19.

Healthcare Is Less Abundant In India Compared To Global Average



Economists assume that the impact of COVID-19 on the economy will be high and negative when compared with the SARS impact during 2003. For instance, it has been estimated that the number of tourists arriving in China was much higher than that of tourists who traveled during the season when SARS emerged in 2003. This shows that COVID-19 has an effect on the tourism industry. It has been estimated that, for SARS, there was a 57 and 45% decline in yearly rail passenger and road passenger traffic, respectively. Moreover, when compared with the world economy 15 years ago, world economies are currently much more inter-related. It has been estimated that COVID-19 will hurt emerging market currencies and also impact oil prices. From the retail industry's perspective, consumer savings seem to be high. This might have an adverse effect on consumption rates, as all supply chains are likely to be affected, which in turn would have its impact on supply when compared with the demand of various necessary product items. This clearly proves that,

based on the estimated losses due to the effect of SARS on tourism (retail sales lost around USD 12–18 billion and USD 30–100 billion was lost at a global macroeconomic level), we cannot estimate the impact of COVID-19 at this point. This will be possible only when the spread of COVID-19 is fully controlled. Until that time, any estimates will be rather ambiguous and imprecise. The OECD Interim economic assessment has provided briefing reports highlighting the role of China in the global supply chain and commodity markets. Japan, South Korea, and Australia are the countries that are most susceptible to adverse effects, as they have close ties with China. It has been estimated that there has been a 20% decline in car sales, which was 10% of the monthly decline in China during January 2020. This shows that even industrial production has been affected by COVID-19. So far, several factors have thus been identified as having a major economic impact: labor mobility, lack of working hours, interruptions in the global supply chain, less consumption, and tourism, and less demand in the commodity market at a global level, which in turn need to be adequately analyzed by industry type. Corporate leaders need to prioritize the supply chain and product line economy trends via demand from the consumer end. Amidst several debates on sustainable economy before the COVID-19 impact, it has now been estimated that India's GDP by the International Monetary Fund has been cut down to 1.9% from 5.8% for the FY21. The financial crisis that has emerged owing to the worldwide lockdown reflects its adverse effect on several industries and the global supply chain, which has resulted in the GDP dropping to 4.2% for FY20, which was previously estimated at 4.8%. Nevertheless, it has been roughly estimated that India and China will be experiencing considerable positive growth among other major economies.

COVID-19 DRIVING UP UNEMPLOYMENT

*As India faces a grim economic scenario due to the second wave of pandemic in India, the government needs to step in to create employment opportunities, writes **GYAN PATHAK**.*



The second wave of COVID-19 beginning from February 2021 has not only severely impacted the economic recovery in India, but has also threatened a contraction in its GDP and consequently a sharp spike in unemployment. S&P's moderate and severe downside scenario has estimated a hit of 1.2 – 2.8 percentage points to India's growth, and the latest CMIE's 30-day moving average puts the unemployment rate at 8.2 per cent as of May 9, 2021, an increase of 2.5 per cent compared to the previous month.

We saw an upward trend in economic recovery from October 2020 until the outbreak of the second wave of the pandemic, which caused severe disruption in the economic performance of the country due to fresh containment measures,

curfews, and local lockdowns. It could result in a contraction at least during the present quarter April-June 2021.

Unemployment in the country in the last year since May 2020 has been fluctuating on a month on month basis until January 2021. It means that in one month people are getting employed and the next month they end up losing it. However, since the beginning of 2021, it has worsened. The unemployment rate in January was 6.52 per cent which rose to 7.97 per cent in April, and 8.2 per cent on May 9. For urban India, it was 9.78 in April, but in rural India, it was 7.13. The condition further deteriorated for urban areas to 10.54, and for rural areas, there was a minor improvement to 7.04 percent on a month on month average basis as per CMIE data.

The latest trend shows unemployment in the urban areas has been worsening faster than in the rural areas.

The situation is alarming for both areas but the situation in urban areas would be more difficult to handle due to the shutting down of economic activities in recent weeks. It is likely to worsen further.

The highest unemployment rate in April 2021 was in Haryana at 35.1 per cent, followed by Rajasthan 28, Delhi 27.3, and Goa 25.7 per cent.

Jharkhand and Tripura had an unemployment rate of 16.5 and 17.3 percent respectively, while Bihar, Himachal Pradesh, Jammu and Kashmir had over 11 per cent. West Bengal, Uttarakhand, Uttar Pradesh, and Kerala had over 6 percent of unemployment. It indicates a worsening situation across India.

With more than 7.35 million jobs lost, the unemployment rate rose from 6.5 per cent in March to 7.97 per cent in April, and the outlook remains weak with several states extending lockdowns and containment measures to curb the record rise in coronavirus infections, deaths, and caseloads. There has been a fall in available jobs in the market. The situation is most likely to remain stressed in May and June.

IHS Markit survey has shown that the manufacturing sector was still losing jobs in April, though the rate of contraction was the weakest in the current 13-month sequence of job shedding.

The labour force participation rate has declined to just below 40 per cent in April. It may be not out of place to mention here that the participation rate included the

number of people with jobs and those seeking one for themselves. It is clearly a case of non-generation of jobs in sufficient numbers in the present state of our economy.

There were minor job losses in February and March despite the outbreak of the second wave of the pandemic which was not so ferocious as in April.

The data of the CMIE showed that the number of employees, both salaried and non-salaried, fell from 398.14 million in March to 390 million in April.

It was the third consecutive month of fall in jobs, which was 400.7 million in January this year.

The number of unemployed people actively searching for jobs has also been increasing very fast. In January 2021, about 27.95 million people were actively looking for jobs, which rose to 29.47 million in February, and 33.85 million in April.

The rate of unemployed people not searching for jobs also increased from 15.99 million in March to 19.43 million in April. Demand for labour in the market has sharply come down and hence job-seekers are disheartened and have even abandoned their effort of looking for a job.

The massive fall in the number of people in jobs is being seen among all classes of employed people – salaried, casual, and self-employed. The fall in the number of employed people, the fall in labour force participation, and the rise in unemployment with unemployed not searching for jobs is too critical a situation, which requires urgent attention from the government.

HOW THE PANDEMIC HAS AFFECTED EDUCATION?

Education is one of the worst affected sectors in India during the pandemic. It has thrown a new challenge in every student's life. The learning process of around 32 crores students in India has suddenly come to almost a halt during Covid-19.

According to the UNESCO report, about 14 crores of primary and 13 crores of secondary students are affected. And, that made every student resilient and getting adapted to the new challenges.

They opted for technological platforms to have an uninterrupted learning process. Even many educational institutions cancelled their classes, examinations, and internships among others, and took to the online medium.

Thus, Covid-19 has also taught many ways to emerge victorious from the pandemic both from students and teachers.



Teachers assigned work to students via the internet, delivered lectures via online video conferencing using different apps like Zoom, Skype and various Google apps. Though the scenario was not similar everywhere, it was still a challenge of good internet penetration in rural areas.

The government has also postponed the examinations of secondary and higher secondary classes and later conducted examinations strictly adhering to the Covid-19 guidelines.

CAN WE RETURN TO OUR EARLIER LIFESTYLE AFTER THE CORONA VACCINE IN INDIA IS ADMINISTERED?

Most medical experts will tell you that the world has changed forever. The life we used to live cannot be brought back. Don't let your hearts sink. The good news is that the vaccines have been found to be effective and the time will come when we will all possibly be safe from COVID.

But there is a lot that we still don't understand about COVID-19 and COVID vaccines for that matter. Scientists and researchers have insufficient data.

At this moment, after all the clinical trials across the world spanning the year 2020 and involving hundreds to thousands of people, what scientists know for sure is that the vaccines trigger an immunogenic response, which means that our bodies will produce antibodies when it recognizes the coronavirus. Most of these COVID vaccines have been proven to be highly effective in preventing a coronavirus infection.

So why are scientists saying that normalcy may not be restored even after we get the corona vaccine in India? That's because there's a lot of fogginess surrounding these questions:-

- How long will the corona vaccine of India be effective?
- Will people need fresh doses of the COVID vaccine again after an interval?
- And if booster doses are necessary, how soon after the first 2 doses, will the booster doses be administered?
- Since the coronavirus is evolving rapidly, will the corona vaccine of India be effective against the future mutant COVID strain?
- Will COVID vaccines prevent asymptomatic infections?

OBJECTIVES OF THE PROJECT

- **Abstract**

COVID-19 is a disease caused by a new strain of Coronavirus. CO stands for corona, VI for virus and D for disease. This research paper focuses on impact of the outbreak of pandemic Covid-19 on Indian Economy. Covid-19 makes adverse impact on many sectors of Indian Economy. This paper depicts the impact of Covid-19 on different sectors of Indian Economy.

The main Objectives of my project is to spread awareness on the Amid COVID-19 and the fact how it has caused a devastating destruction in the Indian Economy.

The major Objectives are mentioned as below:

- **To Study the Importance of Impact of COVID-19 Nationally and Internationally**
- **To Examine the Advantages and Disadvantages of Lockdown**
- **To Let Others Have An Idea to Deal With It In Future**
- **To Make Citizens of India aware of the Economic Loss Incurred**
- **To Make Everyone Understand The Situation That Might Occur If Necessary Measures Aren't Taken on the Same**
- **To Have a Summary of the Affects of COVID-19 on Unemployment**
- **To Have an Analysis on the Affects of it on Education**
- **To Suggest my Thoughts on it**
- **To Share My Thoughts as well as To Propose Solutions For the Same**

METHODOLOGY

Research Design

Subsequently, using Sen's Innovative method (Sen 2012), the trends of the number of daily new cases and number of daily deaths have been explored. This study is focused primarily on identifying the changes in the trend of the epidemic data (daily new cases / deaths) and this would be useful for dynamic formulation of management policies. As the trend is expected to vary over time, the slope would definitely be of interest for comparison. On the other hand, the intercept would keep changing over time, and would have been important if the objective was to identify a single trend and project it over some time period in future. As would be shown in the analysis, a single trend over entire time period fails to identify the short term variations, which would be critical for public epidemiological policies.

The goal of this study is to determine the effects of COVID-19 Pandemic on the Indian Market. The proposed methodology consists of various phases : data collection, data processing, feature extractions, data analysis using various sources.

- SOURCES OF DATA

- Primary Source

- Secondary Source

- **PRIMARY DATA**

The data that has been collected for the making of the project is completely based on my personal observation and through several websites also it has been discussed in within the family and friends about the situation of **COVID-19**.

To conclude it all I would like to say that the materials used in the Project Report might be similar as it is all a mixture of same thought process and experience that we all had gone through during this Pandemic.

- **SECONDARY DATA**

The Secondary Data that has been collected for the completion of the Project Report are as follows:-

1. Newspaper.
2. Internet.
3. Offline Surveys.
4. Journals from World Cat organization.
5. Help of my previous school teachers and few intellectual friends.
6. Online statistical analysis

Thus the study carried out has analyzed the primary data with the rationale and validation of the present secondary data.

RECOMMENDATIONS:

SOLUTIONS TO UNEMPLOYMENT CRISIS IN INDIA:

1. Education

For every problem in the world, Education stands as the strongest solution. Education is the basic right of any citizen and it should be provided with minimum fees. Right from equal educational facilities, to skill-based and computer knowledge, Education system can and should be improved.

2. Career guidance

Job seekers who are educated but could not figure the right career path should consult a career guidance expert. Every industry has numerous career opportunities but Indian workers lack complete awareness about the same. A career guidance expert can help job seekers understand the industry know-how, zero down on the best career option and choose the right career path for them.

3. Skill-based training

Every job role requires a specific skill set and every job seeker should get trained at those skills. These skills training sessions also include resume building training, interview preparations through mock interviews and everything that can help job seekers become employable.

4. Job referrals

Many job seekers fail to find the right place to work. Job referrals in top companies can help job seekers prepare and crack interviews accordingly. To eradicate unemployment, it is important for job seekers to find the right company and get placed with a deserved salary. This will minimize the frictional unemployment crisis in India.

Unemployment can also be eradicated if every fresher graduate is given an opportunity to work in the companies. Additionally, if job seekers receive the right career guidance, get trained and employable, then every top company would want to hire them. Education, career guidance, skill-based training can together solve the unemployment crisis in India.

WAYS INDIA'S GOVERNMENT CAN IMPROVE GDP

Income for farmers.

In India, 40% of the population works in agriculture and small-scale farming supports many poverty-level communities. However, the Indian government has historically kept prices for agricultural products low in favor of the consumer, despite the lower profits for farmers. The recently introduced 2020 Farm Acts will allow farmers to sell their products to the highest bidder, allowing them to seek higher incomes. When farmers are prospering, they support other sectors of India's economy through their own consumption. Products like fertilizer, working attire and tools are necessary for farmers, especially as they expand their business. This increase in expenditure directly creates jobs for others.

Through government expenditure and Investment in Infrastructure.

The government controls the amount the nation spends on public matters each year. However, government spending is necessary to increase the overall GDP per capita. This year, incomes have declined for Indian citizens, meaning private consumption has also decreased. By spending money on building and repairing roads and bridges, the government will provide citizens with greater ease and efficiency in their work and create jobs in construction. Furthermore, by using more funds to pay higher salaries, private consumption will once again increase, promoting higher business investment and improving the market for imports and exports. By spending a certain amount of money, the government would benefit from the economic boost created as a result.

Urbanizing India's rural populations.

Urbanization drives economic growth, and because India's farming population is so prominent, moving some of these farmers to cities would allow them to get jobs in manufacturing. Not only would this increase agricultural productivity by decreasing the number of farmers using the same amount of land, but it would help grow some of India's medium-sized cities into more prominent urban landscapes. The government can promote migration to city areas by providing incentives to rural

populations, including investing in better infrastructure and urban services, such as transportation and water management. In addition, new urban populations would create a resurgence of the housing market and give banks more lending opportunities. Inevitably, more development and urbanization would create new opportunities for international investments and manufacturing exports.

Becoming competitive in high-potential sectors.

India has the opportunity to create as much as \$1 trillion in economic value by establishing itself as a competitive manufacturer of electronics, chemicals, textiles, auto goods and pharmaceuticals. These sectors accounted for 56% of global trade in 2018, while India only contributed to 1.5% of global exports in these areas. Greater urbanization and an increase in the manufacturing labor force would allow India's government to make this a reality. Currently, the country's imports constitute a greater percentage of global trade than its exports. By increasing competitiveness in these sectors, India would not only increase its potential for exports but also decrease its reliance on imports, curbing the amount of money spent by citizens on foreign products.

While the path to economic recovery is not always as straightforward as it seems, India's government has several means through which it can improve incomes for everyday workers. The government not only has an incentive but an obligation to create a better quality of life for its working class, which is the foundation of India's economy. Improving India's GDP per capita would directly benefit the nation and its citizens. Greater opportunities for manufacturing exports, foreign investments and urbanization are all benefits the country would reap from its own investment in its working class.

CONCLUSION

The purpose of this research was to identify the effects and strategies from dealing with the **Impact of COVID-19 in the Indian Economy**.

Based on the analysis it can be concluded that India had severally faced crucial problems regarding it's economy but it has seen the worst phase of it along with the COVID-19 Pandemic.

Above in the project report we've discussed about various factors such as Impact of COVID-19 in the Indian Economy, It's Future Perspective, it's Learning Curve, we have also discussed about the Impact of Pandemic in the Indian as well as in Global Economy, and not to forget about how has it driven up the unemployment rate in India also the affect it has left behind on Education.

Even though the situation seems to be controlling us in every aspect we must not forget the warriors spreading awareness in the same.

Although there are few measures that could be taken to slowly & smoothly improve the bad that has already been done. I have mentioned my part with the support of my Superior **Dr. SAMPA BISWAS (De)** on how to avoid any further economic loss.

REFERENCE

The websites I had seek help from are mentioned below:-

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“Impact of COVID-19 in the Indian Economy”.

Which also helped me in doing a lot of Research and i came to know about so many new things.

Secondly i would also like to thank my parents and friends who helped me a lot in finalizing this project within the limited time frame.

SUPERVISOR'S CERTIFICATE

This is to certify that Ms. **AQSA ALA** a student of B.Com. Honours in Accounting & Finance of **RAMMOHAN COLLEGE** under the University of Calcutta has worked under my supervision and guidance for her Project Work and prepared a Project Report with the

“IMPACT OF COVID-19 IN THE INDIAN ECONOMY”

.....

which she is submitting, is her genuine and original work to the best of my knowledge.

Signature:

Place:

Name: **DR. SAMPA BISWAS (De)**

Date:

Designation: **Associate Professor**

Name of the College: **RAMMOHAN COLLEGE**

STUDENT'S DCLARATION

I hereby declare that the Project Work with the title
“IMPACT OF COVID-19 IN THE INDIAN ECONOMY”
submitted by me for the partial fulfilment of the degree of B.Com. Honours in
Accounting & Finance under the University of Calcutta is my original work and has
not been submitted earlier to any other University

[Institution for the fulfilment of the requirement for any course of study].

I also declare that no chapter of this manuscript in whole or in part has been
incorporated in this report from any earlier work done by others or by me. However,
extracts of any literature which has been used for this report has been duly
acknowledged providing details of such literature in 'the references.

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