

## Economical & Social Impact in India After Lockdown-2020

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**Abstract:**-Economic crisis is another fatal knock, Modi is also being scared that the economic epidemic will be more deadly than Corona, Prime Minister Narendra Modi has announced a three-week lockdown to save the country from the threat of corona virus and people It is also strongly advised not to get out of the house. But they also realize the epidemic of corona virus and the economic ramifications of such a long lockdown. That is when the PM has mentioned its economic consequences. The country's economists, rating agencies and industry organizations are also pointing to the threat of economic epidemics. The economic impact of this will be on the economic growth rate of the country, but the real ramifications can come in other ways discussed. There were talks and suggestions were also given by industry organizations but when there is a lockdown in the whole country and everything has come to a halt, then the measures to limit the economic impact have become very narrow. Economists and experts are also saying that the estimates that have been made about how widespread the economic impact will be may be different from the actual impact. They say that it is very difficult to accurately estimate the economic impact until there are no indications that the epidemic is under control. The forecasts that economists are looking at are far less frightening. Sectors such as airline, travel, tourism and hospitality are most visible now. Their business has stalled. Analysts say the impact of the last quarter of the current financial year in January-March is just immediate. Its real and widespread impact will be seen in the first quarter of the next fiscal year 2020-21 in April-June.

Saumya Kanti Ghosh, Chief Economic Advisor, State Bank of India, says that stagnating activity in the business, hotel, transport, storage and communication sectors could see a slowing of 0.90 per cent in growth. The impact will be much wider in the next financial year. Aditi Nair, principal economist of the ICRA rating agency, estimates that the growth rate in the January-March quarter may come down to 4.3 per cent. In the April-June quarter of the next financial year, the pace is expected to come down to less than four per cent i.e. at 3.9 per cent. CARE Ratings has surveyed CEOs, CFOs, investors, analysts, across sectors to estimate that the growth rate for the next financial year may fall by half a percent. Global rating agencies such as S&P and Fitch have also projected growth to decline. Most economists say most economic activity has taken off due to the current crisis and lockdown. Even after the lockdown opens, demand in sectors such as realty, textiles, construction, tourism, entertainment and automobiles will remain sluggish. It is estimated that due to lack of demand in real estate, prices may fall by 20 per cent. Due to weak demand, the condition of these sectors will be worse. If unemployment will increase due to sluggishness in all these areas, its effect will be seen in other areas also. The lack of demand from the Corona crisis can make the problem of unemployment more serious. This will have an impact not only on the unorganized but also on the organized sectors. Even though the government is urging the industries not to remove the employees and not to cut their salaries, but when the work of the industries is sluggish, they will have no way except to remove the employees. But to understand the economic impact of the corona virus, micro level There is a need to look at the impact, only then the economic rate and its impact on the common people can be understood.

It is well known that more than 90 percent of the workers in the country work in the unorganized sector. A large number of these workers earn their livelihood by doing small jobs. In addition, crores of people work through contractors. People who earn a living by rickshaws, e-rickshaws, autorickshaws, small shops are caught in the most difficult situation by lockdown. The direct effect of the economic activities of these people is that they do not have money left to live. It is also difficult to get financial help from the government because there is no record of their work. Due to the stagnation of construction activities due to Corona, crores of workers have become vacant. Their situation is also very bad. There is no question of laborers getting work on labor squares in every city. They do not yet know how they will get help from the government. They may get some relief with financial help, but economic activities are suffering. It is difficult to imagine how widespread the impact of the lockdown will be on these workers for three to four weeks across the country. An economist suggests that workers in these classes need immediate help. They should be provided with advance payment of social security pension, higher subsidy rations and working in MNREGA schemes and immediate wages. "Developed countries ahead of Corona are also helpless, India has been prevented if life is too heavy for the lives and decaying economy Danger "how the epidemic wreaks havoc and how thousands of lives and country and society are destroyed in one stroke, 21st century Most of the people in the world would have heard about it in stories. But the corona virus has made those stories and its awe again among the people.

The shadow of fear all over the world It has and has flown the parrots of the developed European countries claiming the state-of-the-art health system. In such a situation, what can happen to a developing country like India, it is nothing short of a nightmare. The corona virus, which has spread rapidly in the world for nearly two and a half months, has so far (17 March) killed more than 7,529, 1.84 lakh people from 159 countries have been infected. Knowing about Corona, industries are coming to a standstill. According to the UNCTAD report, "If Corona's havoc continues like this, then in 2020 the world income (global income) could decrease by 2 trillion dollars." It is estimated that the kit will reduce India's GDP by one percent. The initial setback could lead to 50 million jobs worldwide in the tourism sector alone. So, the epidemic Corona is now leading the world to the Great Depression. 159 countries of the world, including China, America, Italy, Spain, Iran, France, Saudi Arabia and India are in the grip. And every day new countries are becoming in this list of devastation. On December 26, 2019, corona virus havoc in Wuhan, capital of Hubei province of China and spread rapidly in the world. It is making the common man and the influential and powerful alike a victim. Queen Elizabeth II of Britain has been shifted from Buckingham Palace in London. US President Donald Trump also has to undergo a test. Sufi Georgia Trudeau, wife of Canadian Prime Minister Justin Trudeau, and Begona Gomez, wife of Spanish Prime Minister Pedro Sánchez, and famous British actor Idris Elba, also succumbed to the virus. Italy, Iran, Korea and Spain are most affected by the Corona infection after China. It is currently told in Stage-2 in India. Stage 3 is more dangerous, which is expected to spread after a month. That is, India is still in a safe position compared to countries like China, Italy, Iran, Spain. According to ICMR, India has a good chance of controlling the corona in the next 30 days as it is not yet spreading on a large scale.

Therefore, it can be prevented by chalk-proof preparation. So far (18 March) 148 people have been infected with Corona in India and three people have died. 13 people have passed out of infection. Maharashtra and Kerala have the highest number of corona infection cases in the country. 41 people are infected in Maharashtra and 27 people are infected in Kerala. Its fear has started appearing in the capital Delhi and surrounding areas. Roads, buses, metros of Delhi, Noida, Gurgaon have started appearing empty. The same situation is there in Mumbai. Malls, schools-colleges, universities have been closed. Companies are providing their employees with discounts and arrangements to work from home. There have been various restrictions on darshan everywhere from the major pilgrimage centers of the country to Mahakal, Tirupati, Shirdi, Siddhivinayak, Vaishno Devi. The spread of corona virus is also terrible. At first it is seen in a few people but then in two to three weeks it spreads towards the forest fire. Every day, growing figures around the world are testifying to this. So far 81,000 people have been infected in China, 21,157 in Italy, 22,000 in Iran, 8,162 in Korea, 5,753 in Spain and 1,657 in the US. It is clear that many countries ignored its call in time. Due to this, the death toll has increased very fast. In Italy alone, on March 15, 368 people died. The fear is that there is a complete lockdown in Italy, Korea, China. Health emergency has been imposed in America. The World Health Organization (WHO) declared it an epidemic on 11 March in view of increasing cases. In India, it was declared a national calamity on 14 March.

On the initiative of Prime Minister Narendra Modi, the heads of SAARC countries have taken the initiative to form a common strategy through video conferencing. India has proposed to create an emergency fund for this. Under this, India has also said to give an initial amount of ten million dollars. How prepared are we for this disease that looks like pneumonia? On this, Dr. Naresh Trehan, Chairman of Medanta Heart Institute, said, "Anti-microbial resistance is a serious problem for a country like India. According to the National Health Profile 2018 data, there are only 23,582 government hospitals in the country with 7,10,761 beds. Apart from this, there are only 2,900 blood banks. According to the data, 70 percent of India's population lives in rural areas. So, if it spreads in these areas, it will be very difficult to control in the population and severity of corona virus. "India's previous record in dealing with the epidemic does not raise much hope. According to data from the National Health Profile 2019, a total of 3,740 people died in 2018 due to acute respiratory infection (ARI). Between 2012 and 2018, about 7,950 people died due to influenza H1N1. How prepared are we in view of these circumstances? According to the Ministry of Health, "As of 13 March, 11,71,061 passengers have been screened at 30 airports in the country. In this, 3,062 passengers and 583 other related people have been admitted for hospital treatment given symptoms of Kovid-19. While 42,296 passengers were kept under community surveillance. Apart from this, 25,504 passengers have been screened at the ports. Similarly, about 1.4 million people have been screened at the international border. Right now to investigate the corona virus One lakh kits are being used while 10 lakh kits have been ordered. " On the lack of testing facilities in proportion to the population, a Health Ministry official says, "The government is fully prepared.

There is no need to panic in any situation. There will be no shortage of resources. The government has currently set up 52 testing labs across the country for corona testing. While 57 labs are doing sample collection. " In view of increasing cases, ICMR is going to increase the number of 52 testing labs to 71. How long will it take to develop the vaccine to prevent the corona virus? On this, Dr. R.R., head of the Epidemiology Department of the Indian Council of Medical Research (ICMR). Gangakhedkar says, "The biggest problem of corona virus is isolation." The good thing is that Pune-based National Institute of

Virology has managed to isolate 11 corona viruses. This step is most important to increase research. No matter how fast we work, it will take one and a half to two years to develop the vaccine. "The good thing for India is that the incidence of infection and mortality is very low here compared to China, Italy and America. So far, 0.1 people per 1 million population in India are infected. While the figure is 250 in Italy, 50 in China and five in the US. While three people have died in India so far, there have been 3237 deaths in China, 2503 in Italy, 958 in Iran. Says Dr Dhiren Gupta, Senior Consultant, Sir Ganga Ram Hospital, questioning the completion of government preparations, "A country with potential like China also got upset because of Corona. He got the hospital ready in 10 days. But, in 10 years no such project could be prepared in our country. If the case in the country is like China, then we are not ready for it at all. In view of the nature of the virus, the government should immediately create a thousand beds isolation care in every district. "To combat the corona virus that has caught the whole world, cities are completely locked down as well as roads, residential areas, The work of fogging in buildings, metro, trains has started. Apart from Delhi, Uttar Pradesh, Haryana, Maharashtra, Karnataka and other major states in India, schools to malls, multi-plexes etc. have been closed on the basis of cities till 2 April. Along with this, travel has also been banned in the world. For example, India has suspended travel visas for travelers coming from abroad till 15 April. Similarly, the US has restricted travel to 26 countries in Europe. Apart from this, the US has raised \$ 50 billion, China \$ 16 billion, Britain \$ 15 billion, European Union has raised \$ 25 billion. China has been the most affected by the Corona virus. According to the World Health Organization, there were 574 deaths on 23 January, which increased to 1520 on 13 February. But since then this figure has started coming down in China. After 7 March (till the time of writing the news) the death cases have come down. China's strictness on how this happened is the biggest step. He completely locked down cities to prevent infection. The companies closed down. In this case, Pulwologist Dr. Prashant Raj Gupta of Naveen Hospital says, "Corona is an infectious disease. In such a situation, it expands very fast. But resistance also develops after a time. In India right now we are in Stage-2, so it is possible to stop it." However, this strictness of China is creating a new force on the economy.

The whole world has to bear the brunt of the approach that China has adopted, according to an article in the New York Times. The Organization of Economic Co-operation and Development (OECD) has pointed to the crisis of recession. According to him, due to the impact of the corona virus in 2020-21, the growth rate will be reduced from 2.9 per cent to 2.4 per cent. In fact, the way the corona virus has been shut down worldwide due to the outbreak, it has affected the economic activity. . Manufacturing took place in the US, China, Japan in February. China's manufacturing hit a record low of 40.3 in February. Similarly, a big decline has also been observed in service sector activities. In China, it has reached the level of 26.5. Cristalina Jarjeva, head of the International Monetary Fund, has also hinted at this deepening crisis, stating that there is a serious danger. Kaushik Basu, Professor of Economics at Cornell University, says "this crisis is not common. If one thinks that there are circumstances like 2008, then that is not the case at all. The crisis of Kovid-19 has spoiled the business environment all over the world. This will have a very wide impact on the economy. The UNCTAD report describes the fear of economists. Accordingly, China's participation in the global economy has increased. Currently, 20 percent of the intermediate products in the manufacturing sector are made in China. In such a situation, if the threat of corona is prolonged, then there will be an impact on the European Union's machinery, automatic, chemical industry. Similarly, 20 major economies of the world including US, Japan, Taiwan, Vietnam, South Korea, India, United Kingdom will also be negatively affected. Tourism industry has been the first to be affected by the Corona virus. Because there are many restrictions on travel in countries around the world. Because of this, 5 crore jobs are under threat worldwide. Bloomb According to the report, the World Travel and Tourism Council Group stated that "hundreds of planes and dozens of cruises have stood up at this time." This will affect 25 per cent of trips in 2020. Because of this 16 per cent of the jobs are under threat." Tourism industry in India alone is expected to decline by 60-65%. According to the CII report, by March 2020, revenue of \$ 28 billion was expected. But now there is a possibility of a big fall in it. About 80 per cent of bookings are expected to be canceled. According to a report prepared by SBI Chief Economist Soumikanti Ghosh, SARS-2003 was affected by a \$ 40 billion worldwide business. But Kovid-19 is going to have far more impact. About 46 billion dollars are being spent to stop this alone.

It is understandable that the world is going to suffer a great loss from this. It is going to have a negative impact on India's rubber, plastics, coke, petroleum products, airline industry, metal sector, construction. While textile, engineering goods, ceramics, furniture industry have the opportunity to capitalize on the opportunities. America, Europe, China are the largest markets for India's exporters. But due to uncertainty, the business of exporters has been badly affected. According to Ravi Sehgal, chairman of Engineering Export Promotion Council, business in the market has come to a standstill. The supply chain is badly affected. The goods which are in the cargo are also not arriving. The pressure on ware houses has increased. In these circumstances, the small and medium scale industries need financial support. The API pharmaceutical production has become a threat as the active pharmaceutical ingredient (API) supply from China stagnates due to the corona virus. With the rise in prices of many APIs in the domestic market up to 40 per cent, the prices of medicines for treatment of diseases like blood pressure, diabetes have not only gone up by 25 per cent, but there is a possibility of shortage of these medicines. Himachal

Pradesh is a state with a share in the production of about 45 per cent of medicines. According to SL Singla, consultant and pharmaceutical manufacturer of the Drug Manufacturers Association, out of the many APIs needed for the pharma industry, the price of paracetamol has increased by nearly Rs 300 per kg, while the price of nimesulide has more than doubled. In the first week of January, the price of paracetamol was Rs 270. Kg, which crossed Rs 600 in March.

According to the Directorate General of Foreign Trade (DGFT), exports of formulations made of paracetamol, tinidazole, metronidazole, vitamin B1, B12, hormone progesterone and chromaphenicol, etc. have been banned and important and important medicines have also been identified, whose stock can be exhausted. The Pay Union is expected to lose \$ 15.6 billion, the US \$ 5.8 billion, Japan \$ 5.2 billion, South Korea \$ 3.8 billion, Taiwan \$ 2.6 billion, and Vietnam \$ 2.3 billion. , Machinery, Automotive, Tools, Communication Equipment, Metal Industry. According to the OECD, the world growth rate will decrease by 0.5 percent. The growth rate will come down to 2.4 percent in 2020. Similarly, the US growth rate will fall below 2 percent. China's growth rate will fall by 0.9 percent. India's growth rate will fall by 1.1 percent. It is now expected to remain at 5.1 per cent, 5 million jobs in the world's travel industry are threatened by shutdown in China, it makes up 20 per cent of the intermediate product used in manufacturing in the world. , \$ 6.4 million to the textile and apparel sector, \$ 3.4 million to the automotive sector, \$ 1.2 million to the electrical machinery and leather products Expected loss of \$ 1.3 million went disrupted supply of the API used drugs China.China. Due to this, the prices of medicines related to blood pressure, diabetes and heart disease have gone up by 25 percent. Not only this, if the crisis is prolonged then the supply of medicines can also be stopped. Corona virus has spread in India too. There is no need to panic about Corona. If we take some precautions, we can avoid it. We need to keep ourselves clean along with our food and drink. People should avoid going to more crowded places. So far no serious cases have been reported in India. Immunity is less in the elderly.

In such cases, those who have problems like diabetes, hyper-tension, heart and lung disease are more likely to spread the virus. If the distance is less than one meter, there is a high risk of the virus growing. In such a situation, if there is any kind of cold, cough, cold or cold, we should see a doctor immediately. Now the situation in India, we are able to deal with it completely. We have built more than 50 testing labs. Isolation wards have been arranged in many hospitals. In such a situation, we are quite ready. The private sector can also be included if needed. In AIIMS we have made a place in the Trauma Center. A special ward of 100 beds has been created in Jhajjar with 25 beds of ICU. If needed we can increase it to 100 beds. Along with this, ventilator has also been provided in it. The claims of its treatment are being made in Homeopathy and Ayurveda, it is not correct. Because this virus is new. The treatment that is currently being done in allopathy is the MERS corona There are drugs of the virus which in a way we can call this virus's younger sister. Until a trial of a drug is done, we cannot say whether this medicine will work or not. It is too early to say. The symptoms of corona and swine flu are the same. Nowadays swine flu cases are common in the weather and now it has become seasonal virus. The symptoms of corona and swine flu are the same. On the basis of symptoms, it is difficult to say whether these are cases of swine flu or corona, so the travel history is being investigated along with screening of those who are getting such symptoms. Symptoms of a cold, they can apply surgery masks. The important thing is that we need to keep our hands clean. For this, wash both your hands with soap. After that, if the sanitizer, then the fingers are to be stuck in each other.

If seen, it is a better soap than a sanitizer. Whatever medicines are being used for the corona virus, we have enough. If there is a shortage, we can import medicines from South Asian countries to meet our needs. As of March 27, a total of 629 cases have been reported in the country since the first person infected with Corona on January 30. In such a situation, the question is also now arising that given the way India has contact with the world and India has a population of 130 crores, these cases are very less. The reason for the question arises is the method of testing in India. So far, only those people who have traveled abroad or who have come in contact with people traveling abroad are being tested under ICMR guidelines. Experts are questioning this. Because in other countries of the world, testing is not being done on travel basis only. His strategy is to eliminate the virus infection by finding as many people as possible. KK Aggarwal, president of the Association of Medical Associations (CMAAO) in Asia and Oceania and former President of the Indian Medical Association questioned this method. Raising it says, "The government is still not being very strict about the corona virus. Right now they are only being tested by those who are coming or have been in contact with them from overseas. The government should test whoever has a cough and fever. "No country has been able to control this deadly virus so far. In such a situation it is not easy to control in India. Therefore, the government needs to act immediately with private institutions. Otherwise it will be too late. Even though the number of people infected with the Kovid-19 corona virus is decreasing every day in China, it is a matter of concern that its cases are increasing in other countries of the world. It has taken a serious form in South Korea, Italy and Iran. This epidemic has spread in the world. In these circumstances, if global control is achieved soon, it will also bring a lot of economic growth to the world. This loss will be more than the policy makers have anticipated. In 2009, the US central bank Federal Reserve played a leading role in resolving

the standing global economic crisis. The way Kovid-19 has spoiled the business environment has increased investor nervousness. Under these circumstances, many feel that the central bank will take steps like 2008 to handle things.

The Fed Reserve has already reduced interest rates by 0.50 per cent. This is the biggest cut he has made in a decade. But his step alone cannot be effective. Because until the policies that support the cuts come, the cut in interest rates will keep the market confused. For this reason, the stock market started to fall soon after the announcement of the cut in interest rates. This phase of the market tells very little about the real picture of the economy, because the economy does not work on you or our faith and trust, but rather it works with the world of goods and services. In such a situation, the decline of the stock market and the nervousness of investors often become the yardstick of their own prediction. In these circumstances, one thing is certain that as the risk of global economic crisis is increasing, overall steps need to be taken at the global level. At this time I do not even know what the overall step should be? Perhaps no one knows, but we have to find a way out. At this time, multipurpose organizations like the World Bank or the International Monetary Fund should immediately set up a 20-member working group consisting of economists specializing in various fields, health and geopolitical sectors. Should include experts from. This C-20 should not only understand the deepening crisis to deal with the global challenge by negotiating with the concerned parties in due time, but also be given the responsibility to lay out the policies which should be there to overcome it. The C-20 should present the first report within a month, analyzing the initial steps taken by the governments as well as exploring the possibility of how the private sector can be taken to overcome this limitation. is. Thereafter, the C-20 should submit its report with an agenda every month. By doing this, effective policies will start coming in gradually and its effect will also be seen. C-20 Working Group to be dissolved on completion of one year Let us know. One more thing has to be understood that the C-20 Working Group cannot do anything for a sector which has suffered initial losses due to this crisis. For example, the tourism sector which has suffered greatly and nothing can be done on that loss. For example, the International Air Transport Association estimates that the airline sector has lost about \$ 113 billion due to corona virus infection. Similarly, the business of the world's largest hotel brands continues to decline. The Hilton Group has closed 150 of its hotels in China. As a result of this decision, the group is expected to suffer a loss of \$ 25-5 million over the entire year. If it takes even three to six months to deal with the Kovid-19 crisis, I believe that China's tourism sector alone can see a 50 per cent decline.

In 2018, China's tourism sector was worth about \$ 277 billion. The C-20 can help overcome such initial setbacks. If this happens, the economic crisis will not be able to reach its depth. If the crisis deepens, there will be problem of unemployment in other major sectors as well. If demand falls in all sectors of the economy, the government can take measures for economic reform by announcing monetary and fiscal policies on a large scale. For this, while the central bank can cut interest rates, the government can also increase its fiscal deficit, as it did during the Great Depression, but such a step can prove to be harmful at this time, because Kovid- The crisis of 19 is not the same as 2008. At the moment, where demand is falling in many areas, it is also increasing in some areas. Due to this, not only the prices are increasing but the traditional customers are also outside this scope. Health services are prime examples in such areas. According to a report, due to the way Kovid-19 is wreaking havoc in China, people are not getting daily health services there. Sara's entire staff is engaged in preventing Kovid-19. In these circumstances, there will also be discrimination at the policy level, due to which demand will increase in some areas but will fall in other areas. Another serious problem has arisen which is not being given any consideration. Corona virus is breaking many contracts worldwide. For this reason, about 5,000 Force Mojior certificates have been issued in China. The liability of the party seeking exemption under the Force Mozior Certificate ceases to be broken. Certificates for contracts worth \$ 53.8 billion were issued in China under this. Due to the increasing number of cases, the number of legal cases on the Force Mozior certificate will also increase. Due to this, there will be a possibility of increasing pressure on transactions in the business. In simple words, the economic loss due to Kovid-19 epidemic is very complex, which is going to have a very wide impact. In such a situation, policy-makers around the world have to take effective steps to overcome this problem.

The ideal situation is that C-20 can understand the generality of this problem. We cannot see this deepening crisis in segments. On this occasion, policy-makers must also consider the old studies before taking any step. In particular, it is very important for them to understand how one sector affects another sector during such crisis. In this direction, the study of Leon Walras in 1874 can prove to be very important. Similarly, the work of Kenneth Arrow and Gérard DeBreau, who won the Nobel Prize in 1950, has also been notable. In this episode, one should study the 'entitlement approach' of Nobel laureate Amartya Sen, in which he explains how famine prevails despite the abundance of grain, how the complexity of demand and supply Because of this, the problem spreads from the food sector to other areas, and this causes food prices to rise and labor becomes expensive. Under those circumstances, a large population is unable to buy the necessary food. This can be best seen in Satyajit Rai's 1943 film "Distant Thunder" on the Bengal famine. This film tells how people died of hunger despite having abundant grains in Bengal. It is very important to analyze all the efforts made in the past to understand the impact of one

sector on another. However, none of these will be directly applicable to the current circumstances. But still these methods can help a lot in dealing with the new crisis. In particular, these efforts can be of great use to the research team and C-20 task force. Through these, it can be understood how severe the shock to the economy in the first phase before Kovid-19 and how it can be further improved. It is extremely important for policy makers to adopt these methods to solve the crisis arising from the corona virus, as the global economy is currently facing a very serious threat. The most important thing is that we do not have time.

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