

Spread of Corona Disease and its Impact on Indian Economy

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Abstract

Corona spread rapidly all over the world and more than 5 lakh people has died. Different countries have declared complete lockdown to protect human civilization because there was no vaccine at that time. Due to these lockdown Indian economy's GDP growth rate had decreased by 23.8%, migrant workers had become unemployed, Purchasing Managers Index had decreased to less than 50%; after lock down opening some industries like telecom, automobile, insurance etc. business had increased. SENSEX had risen with the expectation of launching of vaccine against corona. In some countries of Europe like France, Italy, Brazil, Spain second phase of spread of corona was found and partially lock down was done in some areas.

Keywords: PMI, SENSEX, WHO, NBFC, TDS.

Introduction

On 20th December, 2019 Chinese Govt. reported that in Hubai Pradesh sixty peoples were affected in Corona. On 31/12/2019 the number of affected persons in Hubai Pradesh increased to 266, of which 27 were in Uhan town. On 09th January, 2020 there was a death of one 61 years old person and he had gone to meat shop regularly. On 11 th January, 2020 genetic sequence of corona virus was exposed by Chinese Scientists. On 14th January, 2020 WHO announced about the spread of this disease among close persons. On 15 th January, 2020 there was a death of second Chinese of 69 years old; this person had travel from Uhan to America.

Twentieth January, 2020 National Health Organisation of China announced that this virus had spread rapidly among persons by contamination. On 21st January, 2020, the first Americans was affected in Corona.

The first Indian affected in Corona was identified at Kerala. This virus spread rapidly at European countries like Italy, Britan, Sweeden and Spain. Who appealed to all countries of the world to fight against this virus. On 6th February, 2020 the first American was died in corona at Santa Clara county .on 15th February, 2020 the first French came from Hubai was died. On 19th February there were deaths of two Irani at corona.

On 25th February Corona rapidly spread at Brazil. On 1st March, 2020 the number of affected persons were crossed one lakh. On 11 th March WHO declared Corona as a pandemic disease. On 12th March the first Indian was died at Corona in Karnataka of 76 years old. On 13th march, 2020.

Pandemic Corona centered at Europe and research of vaccine against began AT Beijing Institute of Bio-technology.

In India it started its journey of death to human civilization since 3rd week of March, 2020. It rapidly spread in mega cities of India and slowly spread in small towns and villages. It spread from one person to another within short distance by snitching, touching and water droplet. The Government of India as well as State Governments has declared completely lockdown in the country. Lockdown leads to collapsed of all economic, academic and other normal activities of the country. Government has declared stay home, use masks, sanitizers and if feel unwell by snitching, high feaver, breathing problems then immediately take prescription of doctors. For basic requirement of food collect it by keeping social distance within prescribed time keeping social distance, using masks and sanitizers etc.

If we compare among the states within India, spread of COVID-19 is affected very low in West Bengal, it is highly affected Maharastra, Asam, Gujrat, Kerala, Orissa, Bihar, Jharkhand, Andhrpadesh etc.



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Literature Review

A few literatures related to some pandemic diseases impact has been studied as follows:

1. 1918 flu pandemic in India was the outbreak of an unusually deadly influenza pandemic in India between 1918 - 1920 as a part of the worldwide Spanish flu pandemic. Also referred to as the Bombay Influenza or the Bombay Fever in India, the pandemic is believed to have killed up to 17 - 18 million people in the country, the most among all countries.
In India, the pandemic broke out in Bombay in June 1918, with one of the possible routes being via ships carrying troops returning from the First World War in Europe. The outbreak then spread across the country from west and south to east and north, reaching the whole of the country by August. It hit different parts of the country in three waves with the second wave being the highest in mortality rate. The death rate peaked in the last week of September 1918 in Bombay, in the middle of October in Madras, and in the middle of November in Calcutta. The outbreak most severely affected younger people in the age group of 20–40, with women suffering disproportionately.
2. The 1974 smallpox epidemic of India was one of the worst smallpox epidemics of the 20th century and occurred three years before smallpox was eradicated. Over 15,000 people contracted and died from smallpox between January and May 1974. Most of the deaths occurred in the Indian states of Bihar, Orissa and West Bengal. There were thousands who survived but were disfigured or blinded. India reported 61,482 cases of smallpox to World Health Organization (WHO) in these five months. India had over 86% of the world's smallpox cases in 1974, primarily due to this epidemic. By January 1975, an operation was started aimed at containing the last cases of smallpox, called "Target Zero", with the identification of the last smallpox patient in India occurring on May 24, 1975.
3. The 1994 plague in India was an outbreak of bubonic and pneumonic plague in south-central and western India from 26 August to 18 October 1994 ;693 suspected cases and 56 deaths were reported from the five affected Indian states as well as the Union Territory of Delhi. These cases were from Maharashtra (488 cases), Gujarat (77 cases), Karnataka (46 cases), Uttar Pradesh (10 cases), Madhya Pradesh (4 cases) and New Delhi (68 cases).
4. The ultimate cause as the 1993 Latur earthquake, which caused a large number of homes to be abandoned with food grains inside. This destabilized the population of domestic and wild rats (in which the plague is endemic), allowing transmission of the plague from wild rats to domestic rats to people.
5. Tourism was negatively affected, flights to India were cancelled, and some planes from India were fumigated at airports. Many flights from India to

the nearby Gulf region were suspended. Some countries also put a hold on the imports from India. Paramilitary forces set up checkpoints to deal with people fleeing Surat. Panic buying and government-ordered closures spread to Mumbai and Delhi.

6. 2009 flu pandemic in India was the outbreak of swine flu in various parts of India. Soon after the outbreak of H1N1 virus in the United States and Mexico in March, the Government of India started screening people coming from the affected countries at airports for swine flu symptoms. The first case of the flu in India was found on the Hyderabad airport on 13 May, when a man travelling from US to India was found H1N1 positive. Subsequently, more confirmed cases were reported and as the rate of transmission of the flu increased in the beginning of August, with the first death due to swine flu in India in Pune, panic began to spread. As of 24 May 2010, 10193 cases of swine flu have been confirmed with 1035 deaths
7. The first cholera pandemic (1817–1824), also known as the first Asiatic cholera pandemic or Asiatic cholera, began near the city of Calcutta and spread throughout South and Southeast Asia to the Middle East, eastern Africa and the Mediterranean coast. While cholera had spread across India many times previously, this outbreak went further; it reached as far as China and the Mediterranean Sea before subsiding. Hundreds of thousands of people died as a result of this pandemic, including many British soldiers, which attracted European attention.

Objectives of the Study

To assess the origin of the Corona Virus as well as to know the economical hindrances of Indian economy due to spread of this virus.

Research Methodology

This is a descriptive study. All the data are published data and collected from secondary sources. Methods used are averaging and percentage.

Spread of COVID-19 and its impact on economic activities in India

Human civilization is in danger due to rapid spread of COVID-19. People's are confused about what to do and what not to do, how much period they will remain blocked in the room without any earning, is the government rationing system or PMJDY or Kishan card sufficient to carry their livelihood, how they will communicate with their relatives, how the children will go to educational institutions.

Condition of different countries (Asia and Australia) during April to July,2020		
Country Name	Increase/Decrease In Financial condition %	Covid death rate per 10 lakhs
CHINA	3.2	3
VIETNAM	.36	.4
SRILANKA	-1.6	.6
SOUTH KOREA	-2.7	8
INDONESIA	-5.3	37
AUSTRALIA	-6.3	34
JAPAN	-9.9	12
TIALAND	-12.2	.8
SINGAPORE	-13.2	5
MALAYASIA	-17.1	4
INDIA	-23.9	68

On 14.5.2020 our hon'ble finance minister Mrs. Nirmala Sitaraman has told that tiny, small and medium sized industries will get Rs. 300000 capital from banks or NBFC for their capital without any security mortgage. In taxation TDS and TCS upto 31.3.2020, 25% should be reduced. For 2019-20 return submission date extended to 30.11.2020 and assessment period extended to 31.12.2020

The prices of gold and silver rises rapidly due to huge investment by the investors including top banks of the world. Index of share prices (SENSEX AND NIFTY) rises due to rise in share prices of some blue chip companies such as Reliance industries ,spread of business of Pharmaceutical companies, rise in business of telecom industries and automobile industries, beginning of national and international trade, expectation of vaccine should come soon against pandemic Corona etc.; but still countries economic activities are lowest, bank rate of interest is also lowest, dollar value has decreased, more liquid money is presence due to some financial packages declared by different countries Govt. for quick survival of economy-in these circumstance more secured investment is gold and silver. Someone wants to earn speculative profit from investment in gold and silver.

Purchasing Managers Index (PMI) value less than 50% implies lower economic activities of the country. In March,20 PMI was 51.8%, in April ,20 it was 27.4%, in May,20 it was 30.8% and during unlock period in June ,20 it was 47.2% and in July,20 it was 46%, in August it was 52% and in September,20 it was 56.8%. The reasons of poor economic activities rapid spread of pandemic Corona, continuous as well as lock down declaration of Govt., lack of sufficient demand of products due to low purchasing power of common men, lack of export of products, decrease in sale of diesel and petrol due to close down of production centres as well as communication system. In August and September, 20 P.M.

I indicates rise in production to supply new orders of the country as well as export of products.

Due to pandemic Covid-19 forty one lakhs Indians have lost their jobs and they were mainly worked at unorganized sector. Unemployment percentage before lockdown (22/3/20) at village level it was 8.29%, at town 8.66% and country as a whole 8.41%; at the end of March it rose to 23.31%, in April,20 it rose to 28.19%, in May,20 it fell to 24.34%, in June it further reduced to 8.48%. In village area unemployment problem (7.26%) is comparatively

better than town (11.19%), but earning at village is far low say Rs 180 per day per person, whereas same person earned Rs 700/800 per day at Mumbai or Chennai city.

Though Stock market indices are high, but normal economic activities of any country has not yet reached due to spread of Corona. In this situation common men are confused where to invest their small savings at the time of low rate of interest in banks, Post Office, Bond market etc.; it is found that they like secured investment and avoid risk. Consequently they preferred Post office, Insurance business etc.

Recently (22/9) SENSEX has reduced due to spread of corona in European countries second time, new lockdown restriction in countries like Denmark, Greece, and Spain. Consequently, with fear peoples have sold tourist companies, banks, consumable goods companies' shares.

In the month of October,20 SENSEX has risen due to high amount of GST collection,increase in PMI, Fifth phase unlock announcement, Financial package for survival of economy announced by America.

In automobile industry the sale of vehicles have increased in the month of July than June,20, because for health safety people avoid mass transport during pandemic situation and prefer own transport system; but this sales volume is low than last year's sale at that time. In September,20 in relation to last year same period sale of suzuki increased by 32.2%, followed by Hyundai by 23.6%, Honda cars India by 9.7%,Kiya Motors by 14.7%, Skoda Auto India by 7% ;in two wheelers sale of Hero increased by 16.9%,Bajaj Auto by 20%,TVS Motors by 4.16%, Honda Motorcycle and Scooter by 8.48%. But sale of Mahindra decreased by 16%,MG by 2.73% and Tata Kiloskar decreased by 20.45% in September,20. The sale of tractors and two wheelers at village level increased remarkable. Automobile industry has reported for reduction of high GST and cancellation of old models to environment friendly BS6 model to increase the business, the banks and NBFCs are cautious about loan recovery in automobile sector.

In this pandemic situation Telecom and broad band services demand have increased rapidly because in working place, teaching-learning, business and every regular activities communication media is the internet facilities. In future also Wi-Fi, hot spot, fixed line net facilities will increase for health safety.

Insurance business in India both life and general have increased by 2.74% p.a, but this increasing percentage is low as compared to other countries in the world, where it is 6.31%. Average investment per people in India in insurance sector is 70-80% low in comparison with other developed countries, L.I.C. has reported that their business has increased by 13.15% in August, 2020.

Conclusion

On 25th March lockdown of country declared by India and other countries at Europe. On 26th March number of affected persons increased to 5 lakhs in the world. On 28th March,2020 10 lakhs American were affected. In April, 20 Fizar of Germany came into research of Vaccine against Covid-19.In May,20 research for vaccine began at Oxford university of Britain.

On 28th June number of affected persons in the world touched to one crore. In July, 20 research

for vaccine started by Moderna Biotechnology lab of America.

In august, 20 no new country in the world was affected by corona. 28th September,20 10 lakhs death occurred in the world in corona.

In November, 20 second phase spread of corona happen in different European countries like Italy, France, and Spain. Braizl.

In 9th December, 2020 Britain has given permission to provide Fizer Vaccine to the Common men against Corona, with the expectation of 90% successful.

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