

## Coronavirus its impact on various sectors in Indian market

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**Abstract:-** Globally corona virus has produce an unstable environment for people. This has moving fast with the COVID-19 novel corona virus. about 57 per cent of organisations in India expect a moderate to large negative impact on their businesses in the next six months while 46 per cent expect the effects of COVID-19 pandemic to last over 12 months, according to a survey by global advisory firm Willis Towers Watson The survey further said that 83 per cent organisations plan to review their work-from-home policy, while 55 per cent have no fixed end-date on their flexible work arrangements. As per the survey, 42 per cent organizations have not taken a decision on salary increment budgets for this year, while 33 per cent indicated that performance appraisals and bonus pay-outs will happen as planned.

**Keywords:** Covid-19, pandemic, economic downturn, aggregate demand, supply chain, informal sector.

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### I. INTRODUCTION: -

India has taken early action to limit the spread of COVID-19, ordering a 21-day nationwide lockdown for its population of 1.3 billion people starting March 25. The novel coronavirus has spread widely in India relatively recently compared to other countries, These measures may help in limiting the health crisis, but—as in other countries—the complete shutdown of all economic activities except essential services will create an economic crisis and misery for the poor, with massive job losses and rising food insecurity. The economic shock will likely be much more severe for India, for two reasons. First, pre-COVID-19, the economy was already slowing down, compounding existing problems of unemployment, low incomes, rural distress, malnutrition, and widespread inequality.

### Sector –wise impact on Indian market:-coronavirus (COVID-19) has different impact in different sectors in Indian market.

1. **Impact on telecoms** impact of the novel coronavirus (COVID-19) outbreak, “work from home” and “social distancing” have become the buzzwords in today’s business landscape, with the telecom sector being the invisible hand driving this shift. Remote working, video conferencing, and telecommunications technology have quickly emerged as key enablers for business operations during this lockdown. Although challenges are mounting, most telcoms and ISPs are delivering resilient services in the face of substantially increased demand for services. For example, US telcoms are reporting:

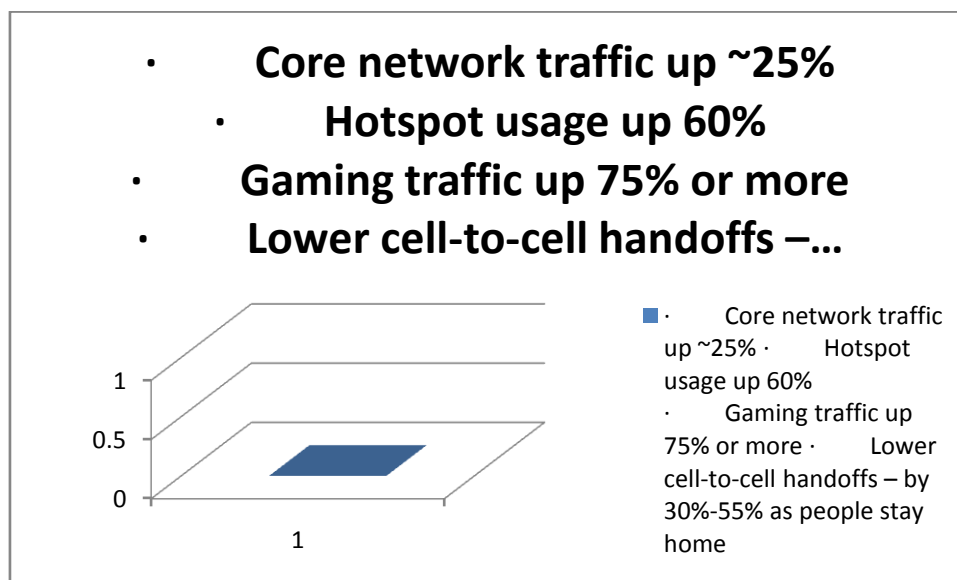
Core network traffic up ~25%

Hotspot usage up 60%

Gaming traffic up 75% or more

Lower cell-to-cell handoffs – by 30%-55% as people stay home

Wi-Fi calling up 85%-105%



## 2. Impact on Smartphone Market

We have modelled the most likely impact on the smartphone market based on the mix of factors we have seen so far, and expect to see over the next few months. We have looked at parallels from recent recessions to help guide our thinking. Our conclusion is that we expect to see a sharp contraction as consumers withhold making discretionary purchases during periods of maximum uncertainty. The result is an extension in the replacement cycle. However we expect that extension will be limited to no more than six months. We further expect that the long run average market growth rate will not vary significantly – but the near term growth rates will reflect the slow down and then rebound — a similar pattern to that seen in recent recessions but allowing for the different level of market maturity.

## 3. Impact on Microsoft

Microsoft is benefiting from the massive rise in remote and home working. It reported that in a single day in March, its system hosted over 200 million meeting participants generating over 4 billion meeting minutes (I have been in meetings that felt that long). It's also benefiting from the rise in gaming; with nearly 90 million active users of Xbox Live. Xbox Game Pass has more than 10 million subscribers. Its Windows OEM, Surface and gaming revenue increases were enough to more than offset declines in ad-driven search.

## 4. Impact on Facebook

Facebook and other social media platforms, have seen surging use during the last few weeks as locked-down consumers turn to platforms like Facebook, WhatsApp, Instagram and Messenger to stay in touch and assuage boredom. It has surpassed 3 billion people using at least one of its services. The surging use, though, is coincident with falling advertising revenues and falling advertising rates, as advertisers seek to cut costs as their industries are directly impacted (travel, entertainment) and channels to market are closed for others (offline retail).

## 5. Impact on agriculture

Agriculture at the moment are primarily related to (a) labour availability and, (b) inability to access markets for produce due to issues in transportation as well operation of markets. The non-availability of labour has hurt operation in many parts. Some parts of agriculture that have the luxury of deploying technology for harvesting, like Paddy and Wheat, are relatively more insulated since they often do not have to depend on large numbers of manual labour. The increasing use of mechanical harvesters for paddy has helped in the present circumstances, though their inter-state movement has been severely curtailed. Agricultural producers are particularly hard hit with returns on produce varying from one-third the usual or a complete loss. In a number of districts, inter-state trade in commercial crops or proximity to urban areas provides market access and better prices. These are often due to initiatives of individual farmers rather than direct state support. This is often the case of crops like onions, cotton, mango, inland fisheries, flowers and vegetables. The rise in labour costs and lack of access means that farmers are staring at huge losses and hence allowing crops to rot in the fields, a better 'stop-loss' mechanism. Those who have avoided a complete loss barely eke out any money to cover the cost let

alone household maintenance or land lease rates measures are required to keep the agricultural sector and supply chains working smoothly:

- Keeping supply chains functioning well is crucial to food security. It should be noted that 2 to 3 million deaths in the Bengal famine of 1943 were due to food supply disruptions—not a lack of food availability.
- Farm populations must be protected from the coronavirus to the extent possible by testing and practicing social distancing.
- Farmers must have continued access to markets. This can be a mix of private markets and government procurement.
- Small poultry and dairy farmers need more targeted help, as their pandemic-related input supply and market-access problems are urgent.
- Farmers and agricultural workers should be included in the government's assistance package and any social protection programs addressing the crisis.
- As lockdown measures have increased, demand has risen for home delivery of groceries and E-commerce. This trend should be encouraged and promoted.
- The government should promote trade by avoiding export bans and import restrictions.

#### **6. Impact on Indian tourism**

The coronavirus pandemic could deal a crippling blow to the Indian travel and tourism industry, specially with the government suspending all visas, with the economic impact being assessed to run into thousands of crores of rupees. According to industry chamber CII, this is the one of the worst crises ever to hit the Indian tourism industry impacting all its geographical segments - inbound, outbound and domestic, almost all tourism verticals - leisure, adventure, heritage, MICE, cruise, corporate and niche segments.

The whole tourism value chain across hotels, travel agents, tour operations, destinations, restaurants, family entertainment venues and air, land and sea transportation have been hit. With India cancelling all visas, the chamber said the impact "will be worse".

It further said, "The forward bookings for the inbound season of October 2020-March 2021 which should have started picking are all muted. These are showing highly discouraging signs with cancellations of important global travel markets which are marketplaces for contracting for the next season."

#### **7. Impact on Pharma industry**

Though India is one of the top formulation drug exporters in the world, the domestic pharma industry relies heavily on import of bulk drugs (APIs and intermediates that give medicines their therapeutic value). India imported around Rs 24,900 crore worth of bulk drugs in FY19, accounting for approximately 40 per cent of the overall domestic consumption. With India's API imports from China averaging almost 70 per cent of its consumption by value, importers are at the risk of supply disruptions and unexpected price movements. For many critical antibiotics and antipyretics, dependency on imports from China is close to 100 per cent. These APIs require large capacities of fermentation boilers, a USP of Chinese manufacturers, giving an upper hand to Chinese manufacturers. Delivery and tracking of consignments are still uncertain within China whether inward or outward.

#### **8. Impact on Electronics**

China is a major supplier both for the final product as well as the raw material used in electronics industry. India's electronics industry is fearing supply disruptions, production reduction, impact on product prices due to heavy dependence on electronics component supply—directly and indirectly—and local manufacturing. The spread of coronavirus could have pushed down the sales of top electronic companies and smart phone makers which have major supplies to India.

#### **9. Impact on Solar Power**

Solar power project developers in India continue to source solar modules from China. Modules account for nearly 60 per cent of a solar project's total cost. Chinese companies dominate the Indian solar components market, supplying about 80 per cent of solar cells and modules used here, given their competitive pricing. Chinese vendors have intimated Indian developers about delays happening in production, quality checks and transport of components, due to the outbreak. As a result, Indian developers have started facing a shortfall of raw materials needed in solar panels/cells and limited stocks.

## **II. CONCLUSION**

COVID-19 is having a 'deep impact' on Indian businesses, over the coming month's jobs are at high risk because firms are looking for some reduction in manpower. Further, it is added that already COVID-19

crisis has caused an unprecedented collapse in economic activities over the last few weeks. Globally coronavirus has produce an unstable environment for people. This has spread all over the world and called as a pandemic by World Health organization. This is stopped many of economic activities due to contagious disease and has no cured till date to fight with corona. It has produced economic impact on globe and India. It may produce recession in many part of the world. In every sector in India most of the products are imported from China, especially in medicine and manufacturing industry. However, current levels of inventory seem to be sufficient for the Indian industry. At last Indian market will have to bear the brunt.

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