

Covid-19: Impact on Indian Economy and Society

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Abstract

The Covid-19 pandemic has badly affected the global economy and society like never before. While the economies of the entire world have seen an unprecedented decline and significant recession in many cases, the impact on common people and the societies have been extremely painful. The scenes of migration on foot by labour from cities to villages and small towns in India, have really been one of the most pathetic visuals our generation has come across. Jobs have been lost, new ones are simply not coming up. MSME, hospitality, real estate, infrastructure all important drivers of current economies have simply been mired in uncertainty.

One of the major sectors that has faced the burnt has been travel and tourism industry. Globally, there is a huge sense of despair and tension regarding the ill-effects of this pandemic on the travel/ tourism sector. With almost 90% of the world being under lockdown for an unprecedented period of time, hopes for an early revival and going back to the business as usual seems an unfeasible proposition. Hospitality, travel/tourism and aviation, the backbone of global tourism engine, all have reported unbearable financial losses and India too, has been no exception.

Hospitality sector as part of the Indian service economy has been a major earner of foreign exchange and provides employment, direct and indirect, to a vast number of skilled and unskilled people. With Covid-19 creating a havoc and compelling people to stay at home, travel, hotel and transportation, including aviation has witnessed large scale losses, closures and job loss. MSME sector that forms a significant part of the Indian economy and employment, also had faced the burnt badly. Exports, financial services, overall employment and economic growth, all have suffered and the economy and society both are under extreme duress and uncertainty.

With a very high increase in fresh infections and growing uncertainty about possible treatment options, there has been an incessant pessimism about future. In fact, the losses, financial, psychological and jobs are being assessed in terms of maximum the world has seen ever. Though there have been talks of economy getting back to near normal in a few months, how far that is going to materialize, is a matter of conjecture. At the same time, new ideas, concept and strategies are being employed by organizations, government and people at large to deal with this grave situation. Healthcare, education, e-commerce is some of the sectors that are seeing new opportunities for growth. The mankind has seen many crises before and this once-in-a-lifetime crisis too, will pass and society as well as economy, one hopes will come up with new ideas, innovations and strategies that will again help our society to get back on the path to progress and prosperity.

Keywords: Covid-19, Pandemic, Hospitality, Healthcare, Indian economy.

Introduction

For almost the whole of 2020 starting January, the world has been witness to an unprecedented and perhaps once-in-a-lifetime crisis that has come to dread the world with its name, the Covid-19. A virus that has had its genesis to somewhere in China engulfed the entire world and the humanity within a few weeks. The Covid-19 is unprecedented to anything that the world has seen before because it has already infected a whopping eighty million people and killed more than seventeen lakhs. The figures are incredibly horrible and whatever be the reason behind its origin and growth, the cruel consequence is that the world, the humanity has been forced to change. A change not for the better, it's a terrible change for the individual, for education, for economy and for the society as a whole.

Talking of the societal changes and that for the economy, major segments of the Indian economy that have been battered badly due to Covid-19 are the hospitality sector, MSME, Exports, GDP growth and significantly employment. Travel and tourism sector is one of the major engines of global economic growth and accounts for 3.3% direct and almost 10.4% composite contribution to the world GDP. In addition to, it also provides employment opportunities, both direct and indirect, to more than 100 million people around the world. In case of India too, it provides for more than 9.2% of country's GDP and provides employment opportunities, direct and indirect, to scores of people. Considering the enormity of this sector's role in the health of the Indian economy and promotion of trade, commerce and cultural relations, it is understandable how the prolonged forced lockdown initiated by the government, has affected hospitality sector, including aviation, travel and tourism, forex inflows, retail, MSME and how that will have a bearing on the Indian economic scene in the near to medium-term, remains to be seen.

Objectives

In the backdrop of the disastrous impact of this virus on the global economic and social landscape, it is a matter of conjecture how the highly contagious Covid-19 is going to hit the Indian economy and jobs, in particular for a vast majority of common people. Though this has been an unprecedented situation and its a bit unpredictable to assess how the virus is going to evolve in future, it is both interesting and pertinent to do various studies regarding its impact on the economy and society. So that once the uncertainties subside and hopefully, a proper vaccination is developed to take care of this virus, the policy makers, entrepreneurs, governments and the whole of humanity is reasonably well-prepared to mitigate its ill-effects and come out with new and innovative ideas and strategies to rejuvenate the world economy. Subsequently, the world is relieved of the tremendous sufferings that people have had to endure in the year 2020 and move ahead with vibrancy, drive and hope.

Literature Review

To carry out an effective and productive research on the issue, I have gone through various articles, opinion pieces and statistical data online. In addition to, I have tried to develop my own ideas and understanding of the issue and present them in the line of current state of Covid-19, uncertainties associated with it, the evolving situation and its impact on the socio-economic scenario of India in particular and some of the likely strategies that might help it to overcome the difficulties it has come across.

Research Methodology

My research has been based mostly on the secondary data. A lot of works on the issue has been available in the public domain, including research articles, facts and figures and government/commercial data. I have used them extensively for the relevant research and how it has impacted the society, industry and the people.

Covid-19: present context

It is believed that the Covid-19 virus has had its origin either in the seafood market or the PLA-funded biological research facility of Wuhan in China. Though the trace of this deadly virus was discovered, most knowledgeable analysts suggest, sometime in September 2019 but was acknowledged by the Chinese authorities only in the last week of December, 2019. Subsequently the role of World Health Organisation (WHO) in trying to disseminate the relevant information to the world community and to take effective remedial measures, including the initiation of standard operating procedures (SOPs) and declaration of the Covid-19 as a pandemic in March, 2020 has raised very pertinent socio-political questions.

What followed could simply be described as a virtual mayhem with hundreds and thousands of people getting infected all around the world. The images of people dying in the early stages, especially in Italy, Spain and the US really horrified people across the world. And to prevent it, the world simply had no idea, no medicines, no treatment and no vaccine. There was a lot of confusion on all ends. The premier body on global health issues, WHO kept changing its own advisories and the same situation prevailed in most of the world, including the developed economies.

The situation could not improve much even months after. Of course, the number of deaths has gradually receded though infections continue to be very high. In the USA, the lone superpower and the largest economy in the world, the number of deaths has crossed more than three lakhs and thirty-seven thousand, more than the number of Americans killed in both the world wars together. In India too, deaths from Covid-19 has touched one lakh and forty-seven thousand while infections rising alarmingly, has crossed ten million.

To prevent the spread of Covid-19, suddenly major countries have been compelled to put in a lot of money to develop relevant vaccine. However, to contain it with nobody having any idea, a new word 'Lockdown' has suddenly become all-prevalent. People have been told that since there is no medicine to stop it, the best we can do is to stop going out, meet people, greet them and carry out our jobs and work. "Stay Home, Stay Safe" has been coined as the formula for survival. And knowingly, we have been forced to stop almost all of our economic activities. Flights, domestic and international, had to be stopped, hotels, restaurants had to be closed, movement of all services, barring the emergency ones, were stopped and for the first time since its introduction, trains had to be stopped in many parts of the world, including India.

So all in all, life was willingly slowed by nations and governments, if not completely stopped. As the Indian PM Modi advised, "Jaan hai to Jahan hai," to fight the dreaded Covid-19. No wonder, all activities, social, economic, religious, educational, had to be stopped and gradually reorient to deal with this unprecedented and unpredictable evolving situation.

Covid-19 & Its Impact on Indian Economy

Hospitality sector, one of the very important segments of global economy too, had to face enormous trouble. This sector is one of the major earners of revenue for many nations. Countries like Mexico, Spain, Italy, USA, France, UK, China, Thailand, Singapore, India, Australia are the important countries where tourism contributes a major chunk of foreign exchange. Further, a huge number of people are directly or indirectly, employed in the travel and tourism sector and it accounts for their significant employment opportunity. In fact, more than 27 million people in China, 25 million people in India and 13 million people in the European Union (EU), 5.9 million in the US are associated with various job opportunities in the tourism sector.

According to a report of FICCI-Yes Bank titled, "India Inbound Tourism: Unlocking the Opportunities," tourism accounts for nearly 9.2% of country's GDP and provided a significant US\$247.3 Billion to Indian economy in 2018. It also accounted for a huge 26.7 million job opportunities, involving direct and indirect ones. This sector stands at 8th position in terms of its contribution to national GDP. On account of various promotional measures initiated, including the visa-on-arrival scheme, the number of foreign tourist arrivals in the country reached a remarkable 10 million in 2017. Based on various studies and projections the employment opportunities in the sector are likely to go up to a mammoth 53 million in the next 8-9 years. However, the pandemic and subsequent disruptions, lockdown, closure of flights, lack of mobility all could tear apart a substantial 0.45% of country's GDP.

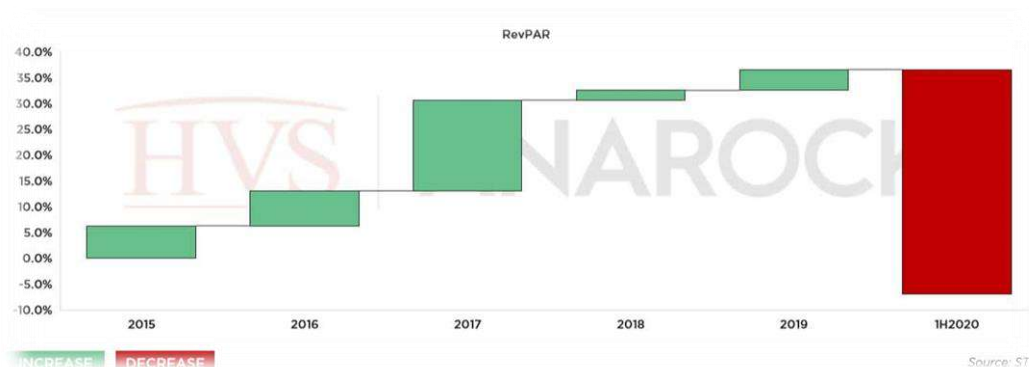
India where almost all the major tourist spots, archaeological and historical monuments, amusement parks, multiplexes, hotels and restaurants had to be closed for the most part since the last week of March, 2020 recorded a decline of 66% tourist arrivals. Domestic and international flights getting stopped for a considerable period, also affected movement of business and leisure travellers.

Aviation industry, an important component of tourism sector provides almost 65 million jobs worldwide, including more than 10 million direct jobs. This industry is projected to account for 98 million jobs and US \$5.7 trillion revenues by 2036. However, on account of Covid-19 the industry currently seems to be struggling. Major global airlines such as Delta, United and American are in the process of securing US government grants to keep flying while Singapore Airlines is trying to get US \$19 billion bailout from the government. Another major airline, KLM Airlines too is negotiating with the Dutch government for a bailout package.

In India, state-owned Air India has been forced to keep its pilots on unpaid leave and is still scouting for a prospective buyer. Spice Jet and Indigo have been forced to contemplate laying off a part of its highly professional workforce while the revival process for struggling Jet Airways is yet to be completed. Economically, the aviation sector accounts for nearly US\$72 Billion to India's GDP. The

significant disruptions caused due to corona-induced lockdowns and stoppage of services, could well chunk off one-fourth, i.e. US\$18 Billion of our economy for the current fiscal.

As against a total estimated revenue of INR 1,58,113 crore in 2019, the Indian hospitality sector expects to generate a revenue of about INR 89,813 crore this fiscal. The revenue loss for the organized sector is expected to be at INR 40,309 crore and occupancy rate is likely to be down by 31.6% while Revenue Per Room (RevPAR) to be down by 57.8%, according to a study conducted by HVS India and ANAROCK.



[Source: HVS India & ANAROCK]

Indian Railways, the national transporter of the country, accounted for US\$27.13 Billion in 2019. In the absence of any official studies, a 21-day complete lockdown that stopped the operations completely, is likely to chop off about US\$1.56 Billion of country's economy.

Though no formal studies have been conducted on the actual effect of Covid-19 on the financial and other operational aspects of restaurants and food business, one may well assume that they too, are in a distress. With closure lasting for many weeks and operations stopped, restaurants all around the world are in a very delicate situation. Subsequently a ripple effect has resulted in slowing down of food industry and production, shipping and supply of beer, wine, beverages has been affected adversely. Online food delivery platforms, Zomato and Swiggy in India too are under pressure as is clear from recent announcements of their staff downsizing.

The **Indian retail sector** was estimated to be worth a staggering US\$790 Billion in the 2019 fiscal. Accounting for 10 percent of the country's GDP, it reportedly provides employment to almost 8% of jobs in the organized and unorganized sector. A report of the National Investment Promotion and Facilitation Agency, had suggested a 30% rise in online retail space in the current year. A complete lockdown for 3-weeks and subsequent limited operations however, is certain to hit the finances for at least two quarters. No wonder, Big Bazaar one of the earlier and prominent retail players saw a huge financial slump and had to be sold off to Reliance Retail, currently the largest retail player in the country.

Micro, Small & Medium Enterprises (MSME) that contributes to almost 30-35% of India's GDP and accounts for job opportunities for a huge 114 million people (Radhika Pandey, 2020). A key driver of Indian economy, MSME sector is also important for the social order and cohesion since it provides employment in non-agricultural sector to crores of people and accounts for almost half of country's exports. This sector does not have a huge cash reserve to fall back upon and most of its liquidity comes from daily demand and sales. Further, most of these enterprises have loan obligations and regular EMIs to pay. Even a limited lockdown for 21-days and subsequent lockdowns initiated in various states like Maharashtra, Haryana, Andhra Pradesh, Tamil Nadu, Delhi and other places have created a very difficult situation for the MSME sector. Many of them reportedly had to be partially or completely closed down, leading to job and revenue losses and affecting social order.

CRISIL Research has estimated that though the government and the RBI has extended the loan moratorium significantly till August, providing for a much-needed relief for the MSME sector, weak

freight demand, low capacity utilisation and non-availability of labour at many units/places, the EBDITA (earnings before interest, taxes, depreciation and amortisation) is expected to decline to 4-5% this fiscal as against 7% average in the last four years. Broadly, the sector is expected to log a contraction of 17-21% this fiscal that could have a negative bearing of up to 5% of India's GDP.

Trade & Exports as expected saw a steep decline during the last two economic quarters. A significant part of the period saw minimal of international trade and that had an impact on all global economies, including India. Indian exports that hovered around US\$320 Billion in 2018-2019 fiscal, is expected to show a significant decline in the current fiscal. All major imports and exports including, Gems & Jewellery, leathers, petroleum products, engineering goods and chemicals, showed a substantial decline especially in the second quarter, July-September, 2020. This trend however, has shown substantial improvements subsequently with both imports and exports showing marked improvements and reaching close to last fiscal's figures.

India's international trade, based on November, 2020 figures show a rise in merchandise exports to US\$ 23.43 Billion, vis-à-vis US\$25.77 Billion, in November, 2019. Merchandise imports during the same period touched US\$33.39 Billion, as against US\$38.52 Billion, a decline of 13.33%. The value of non-petroleum and non-jewellery exports stood at US\$19.26 Billion, as against US\$19.37 Billion and their imports recorded US\$22.25 Billion in place of US\$22.44 Billion, a decline of a mere 0.84%. Oil and petroleum, an important component of Indian imports, showed a substantial decline of 48.71% during April-November, 2020 at US\$44.10 Billion as against US\$85.99 Billion in the same period last year. The trade deficit recorded for the period was US\$9.96 Billion, a negative figure of 21.93%.

[Estimated Quarterly Impact of Covid-19 on Indian Exports, 2020-2021 over corresponding period, 2019]

Sector(s)	May, 2020	November, 2020
Gems & Jewellery	-98.70%	4.11%
Leathers	-93.28%	-29.80%
Petroleum Products	-66.22%	-61.05%
Engineering Products	-64.76%	-8.27%
Chemicals	-42%	-8.09%

(Source: Press Information Bureau, Govt. of India)

The Indian Capital Market has witnessed intense volatility, especially in the initial period of lockdown in March, 2020. Trading had to be halted briefly twice due to lower circuit filter. The uncertainty associated with corona virus and its impact on economy, GDP and employment numbers resulted in a massive 20% fall in the derivative market in the same month and SEBI had to get in to curb volatility. However, subsequent infusion of liquidity by the RBI in the system, fiscal stimulus measures by the government and gradual opening up of the economy, has stabilised the market significantly. A couple of IPOs have been well received and many others are in the pipeline. Currently, the markets are at a life-time high with NSE and BSE, both providing impressive returns to investors.

In the domain of Employment that comprises a major factor of socio-economic and political concern, almost 80-85% of the labour force is involved in the unorganised sector. A major chunk of this force is involved in agriculture and allied activities while mining and quarrying is the sector with highest labour productivity growth. Among the public sector undertakings (PSUs), the Indian Railways is the largest employer with a workforce of about 1.3 million. Wipro, Reliance Industries, Larsen & Toubro (L&T) are some of the bigger private sector employers in India.

Since a significant portion of Indian workforce are working in unorganised sector, especially in the MSME segment, lack of social security is one of the major problems for them. However, in the last few years, various governmental initiatives have resulted in the banking accounts for all, direct subsidy transfer and greater accessibility to insurance through new schemes which have helped the workforce slightly.

However, the Covid-19 disaster reportedly has led to a loss of job for nearly 119 million Indians during the ongoing Covid era. A survey by DW, the German broadcaster has reported that out of a total employable workforce of 520 million people, about 200 million currently have been either out of a job or partially employed. With nearly 10 million youth entering the job market annually, situation is very critical and requires some serious policy-making and execution by the administration, government and the corporates in India.

India's Gross Domestic Product (GDP) has faced an unprecedented slowdown in the current fiscal due to the spread of corona virus and consequent lockdown and slowdown of the economic activities. The first quarter, April-June 2020 period saw a steepest decline of -23.90%, the biggest among the major economies. The second quarter however, reported a substantial bounce back with GDP figures showing a decline of -7.50% while the third quarter is expected to report the GDP in positive territory.

[Estimated Quarterly Impact of Covid-19 on Major Economic Sectors in India, 2020-2021]

Sector(s)	Quarter1 Growth	Quarter2 Growth
Trade & Hotel	-47%	-15.6%
Construction	-50.30%	-8.60%
Finance & Real Estate	-5.30%	-8.10%
Manufacturing	-39.30%	0.60%
Agriculture	3.40%	3.40%

(Source: Statista)

Covid-19 & its Impact on Indian Society

The Indian society has witnessed a drastic social change due to the advent of Corona virus. New normal has become the normal and a number of unknown and unexpected changes have been made part of the prevalent social and personal norms. The limited movement on roads, limited number of participants to attend a marriage or a tragic death, compulsory usage of masks and social distancing norms, the Indian society really has come to see a new normal, difficult but a necessary evil, in the current scenario.

Table 1: Socio-economic Impact on Citizens in India due to Covid-19

<ul style="list-style-type: none"> ☒ Social Distancing and Self-isolation ☒ Travel restrictions and Disruption of Normal Life ☒ Job Loss(es) and Reduced Workforce across all economic sectors ☒ Closure of Educational Institutions and Online Class(es) ☒ Decreased demand for commodities and manufactured products ☒ Panic-buying and stockpiling of food products ☒ Increased demand for medical supplies ☒ Increased demand in food sector ☒ "Infodemic": spread of panic and fear through social media ☒ Xenophobia against specific ethnic/geographic groups ☒ "COVIDIZATION" of academic research against other research activities ☒ Tremendous sufferings for poor, homeless, refugees and migrants ☒ Greater Community support for poor migrants and labourers.
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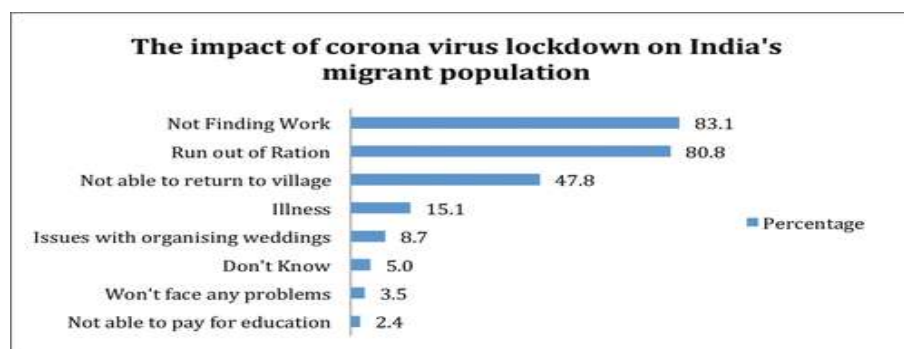
Table 2: Psychological Impact of the COVID-19 on Citizens

<ul style="list-style-type: none"> ☒ Acute panic attacks ☒ Obsessive behaviour ☒ Depression ☒ Hoarding ☒ Stress, fear and anxiety during physical distancing seen in children and adults ☒ Post-traumatic stress disorder (PTSD) in the long run
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Migrant Labour

A substantial segment of Indian labour force comprises of migrant labourers. Most of them belong to the states of Bihar, Jharkhand, Uttar Pradesh (UP), Madhya Pradesh (MP), Orissa and West Bengal along with some pockets of north-east. They mostly move to the states of Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh, Karnataka, Punjab and Haryana. According to IIPS, 2001 construction sector (40 million), textiles (11 million), domestic works 920 million), agriculture and mining are the major employers of migrant labour in India.

The Janata Curfew of 22nd March was followed by a 21-day continuous lockdown in India. Various surveys by NGOs including Jan Sahaas revealed that the pathetic movement of migrant labours from different parts of the country to their native places, mostly on foot along with their kids and family members, was tragic and simply not anticipated by the government. Hence, the results were disastrous with a few deaths and tremendous sufferings which ultimately hogged the global headlines. One of the revelations that came out of survey is that while almost 85-90% of migrant labourers possessed Aadhar and BPL Cards, issued by the government yet only about 4% of them were offered close to minimum wages, as stipulated by the relevant labour regulations. Though the government of India, various state governments, NGOS and individuals offered instant relief to migrant labourers in the initial period of lockdown, their fear that this assistance may not continue for long and absence of full-proof social security net compelled them to move back to their homes.



(Source: Jan Sahaas Survey,2020)

Health Sector: One of the specialists who have emerged as virtual gods in the Covid-19 era, undoubtedly have been the health professionals. From doctors, nurses, technicians to para-medics, their call to duty in these troubled times have been incredible. Seeing after the medical emergencies of crores of people with limited information regarding Covid, medical gears and equipment, their role has been overwhelming.

Visiting homes, smaller localities, slums to hospitals, wearing PPE kits for hours and days, medics in India have helped stem the tide of virus in the country and maintain it within a manageable limit. Even beyond that, pre and post-counselling to patients, handling their trauma of being a Covid-19 positive, facing hostile neighbours, for no fault of theirs. Unfortunately, in the process many of the medical professionals became the Corona victims themselves and lost their lives. However, their role in controlling and helping people in the country against this dreaded virus, remains worthy to be counted in modern-day history.

Education Sector: The educational institutions, schools, colleges, universities, medical colleges all across the country had to face an uncertain period of closure. In fact, most of them continue to remain closed, as yet. However, technology has provided with a different but effective way of carrying on the studies. The virtual means, i.e. the use of mobile phones/tablets/laptops through conference apps is being used to continue studies at all levels. Even examinations are being conducted online.

That way, studies even in a limited means is being conducted. Though practical have been hampered but in the given scenario, this is something the best that can be hoped. The important thing is that technology has been used so extensively in India during the Covid-19 period that the current

generation of students have got a very high and extensive exposure to technology and that is likely to help them in good stead in near future.

Crisis Creates Opportunities

There is no doubt that the Covid-19 has become a watershed moment in the history of the humanity, including Indians. This crisis has multi-sectoral impact and almost the whole of humanity has suffered. The International Labour Organisation (ILO) believes that the globe has faced an economic, social and labour market shock, affecting both the demand and supply situation. There have been unanticipated disruptions in the economy, society, way of living and to an extent, thinking as well. There have been responses from the government, RBI, business community, health and security agencies as well as common citizenry.

With a massive human resource being engaged in the hospitality sector, involving tourism, travel such as road rental car/bus service, aviation, hotels, restaurants, travel guides, the very prospect of sudden stopping of all such activities and its effects must surely be very frightening. The sudden imposition of lockdown and subsequent travel restrictions, to stop the spread of Covid-19, led to a tremendous slump in the travel demand across the world. From flight and hotel cancellations to postponement of travel plans and even large scale cancellation of meetings, conferences and business tours, all of them have together led to a virtual crisis for the hospitality sector.

It hence on its part need to reorient itself to emerging challenges. Since post Covid-19, travellers are going to place premium on hygiene and social distancing norms, hotels need to provide such services by using more of contactless AI-supported services. More and more of virtual services, including online booking, payments, cancellation, itinerary making could well be the new focus areas.

Since human resources and physical assets account for nearly 50% of hotels costing, new and innovative strategies should be put in place to ensure that those costs be minimised and new services in line with customer expectations, may be provided. Restaurants and multiplexes too, need to work out on new ideas of minimal human touch in dealing with their customers. In fact, multiplex chains like INOX, PVR Cinemas have already come up with new and attractive strategies to bring back their audiences to cinema halls. Similarly, car rental companies and other transporters, including the airline companies also need to work on evolving strategies, move up the value chain to meet the new challenges generated by Covid-19.

The Covid-19 crisis has brought the importance of healthcare sector to fore. The Indian market is estimated currently at US\$193.83 Billion and is likely to grow almost double to US\$372 Billion, in a couple of years, by 2022. Medical tourism market in the country is expected to touch a figure of US\$18 Billion this fiscal. Mergers & Consolidations (M&A) and FDI in the Indian healthcare sectors has increased manifold in recent years. Lifestyle diseases, better health awareness, increasing health insurance and rising income are important factors likely to contribute the fast expanding Indian healthcare market.

The Indian government has plans to raise the healthcare national budget to the tune of 3% of GDP by 2022. The largest government-funded healthcare scheme Ayushman Bharat PMJAY, launched in September, 2018 has with the help of more than sixteen thousand, government and private hospitals has already provided free medical treatment to more than five million people and gradually bring the entire vulnerable sections of population under the scheme.

Mission Indradhanush plans to bring 90% of population under immunisation programme. The number of medical colleges has increased from 381 in FY 2013-14 to 529 in FY 2018-19 while number of qualified doctors has gone up from 8,27,006 to 12,55,786 during Sep, 2010-Sep, 2020 period. Further, Sample Registration System Bulletin-2016 has reported a 26.9% reduction in Maternal Mortality Ratio (MMR) since 2013 in the country.

The forced staying at home however, has had a positive consequence. The online platforms, be it the online pharmacy, online groceries or online shopping, along with online payments mechanism, all have had an opportunity to grow and they did grow big during the ongoing Corona epidemic in India. Faced with a grim economic situation created by Covid-19, the Indian government has come up with some innovative strategies. Atmanirbhar Bharat aims at creating self-sufficiency to the extent possible, in domains wherever possible. Hence, within a very short period of time, huge medical emergency infrastructures have been built up. From masks, medical and PPE kits, ventilators,

medicines and other equipment and their supplies have increased in a significant way throughout India besides their exports too, have gone up.

In the economic policy-making, the government has come up with new reforms in the field of labour, agriculture, banking and finance, telecom and infrastructure. Latest RBI and global reports have suggested that the Indian economy is recovering at a faster pace than expected. It is believed that it may once again become the fastest growing economy with a 9% growth rate by 2021-2022.

Implications

The whole of Indian economy has come across a very difficult situation, due to Covid-19. Many of the micro and smaller units have either closed down or are in a precarious financial condition. Since they provide for a very impressive output of India's GDP, nations foreign exchanges and crore of direct and indirect jobs, their survival and continuous growth is in the interest of society, nation and the world. One important point that needs to be recognized is that global hospitality sector has promoted people-to-people contacts, along with trade, commercial and cultural links. This significant contribution has promoted better understanding among people and nations and in the process, has contributed to greater world security and order.

However, in the current situation to ensure their survival, government of the day need to come up with pragmatic and industry- friendly policies so that it may once again come up and grow fast. Since, the entire hospitality segment comprises of travel and tourism companies, hotels and restaurants, airlines and transport services, respective national governments should prepare their plans and programmes accordingly. Some kind of tax concessions, GST reductions for hospitality, MSME and infrastructure sectors, some cheap loans for hotels and airlines along with financial bailout, only in extreme cases, may well be considered to keep the economy healthy and moving.

Conclusion

Covid-19 has affected the entire global society and usual social, economic and professional norms and practices that we have been used to all through our lives. We have been exposed to something that nobody probably thought of, except in fiction movies. And now we are being told that Covid-19 is not going to go out from our lives in a hurry and we need to adapt the containment measures, of washing hands, social distancing and the like for at least, quite some time. It is certain to affect us in a big way but since we need to move on just like previous pandemics, including Spanish Flu, in the last few centuries that affected us badly.

The human mind and intelligence has resilience and the ability and urge to grow and progress. The history of human civilization has shown us that life is a struggle for existence and survival of the fittest. The humanity has overcome many struggles previously and Covid-19 though surely has affected us and probably hindered and slowed down our progress but with new ideas, innovations and strategies, we will surely move ahead in the next few months and create a new path for moving ahead once again on the way to socio-economic recovery and growth.

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