



Covid-19 Impact on the Indian Economy: A Review of Uttarakhand's Travel, Tourism and Hospitality Sector

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Abstract

This study examines the impact of COVID-19 on the Indian Economy with reference to travel, tourism and hospitality sector in Uttarakhand. The outbreak of corona virus in China shook the world due to its adverse impact on the global economy. The corona virus pandemic is leading a massive disruption in the economy of the country. Key sectors continue to be spooked by the outbreak. Supply chain disruptions apart, lack of demand is affecting sales of mobile phones, electronics and automotives. India went through elongated country-wide lockdown to combat the pandemic by restricting movement of its people. These lockdown directly affected the travel industry like aviation, rail and road transport. This further adversely affected the hospitality sector. From big hotel to small businesses like restaurants, SPA's, beauty parlors and street food vendors have been shattered by the double blow of the pandemic and the lockdown. This research paper highlights the measures taken by the Government of India to tackle the set-back on travel, tourism and hospitality sector.

Key Words: COVID-19, Corona virus, Economic Downturn, Hospitality, Indian Economy, Lockdown, Outbreak, Pandemic, Social Distancing, Supply Chain, Tourism, Travel.

PAPER/ARTICLE INFO

RECEIVED ON: 11/03/2020

ACCEPTED ON: 17/04/2020

Reference to this paper
should be made as follows:

K.R. Jain, Anuja Dhyani
(2020), "Covid-19 Impact on
the Indian Economy: A
Review of Uttarakhand's
Travel, Tourism and
Hospitality Sector", *Int. J. of
Trade and Commerce-IJARTC*,
Vol. 9, No. 1, pp. 97-101

1. INTRODUCTION

World Health Organization (WHO) has declared COVID-19 as a pestilence, following the necessary conditions; the government of the Republic of India and authorities has close to require precautional measures to stop this from spreading. Many industries are adversely wedged because of the unfold of COVID-19 globally. News reports are painting a dysemic image of an enormous range of offer chains that are affected. The worldwide economy is grinding to a halt. At intervals a month, state rose from 7% on March 15, 2020, to 26 on April 19 throughout internment approx 15 large integers (140 million) folks have lost their job. Lots of companies subtracted up to five-hundredths of their employees' pay. Quite forty-fifths of houses across the state have reported associate degree financial gain drop as compared to the previous year. With over 80,239 cases worldwide and 2700 deaths (as of February 26), the human value of 2019-nCoV has been creating headlines since Gregorian calendar month 2019, and no country desires to require the threat gently. The virus was 1st known as nCoV within the town of the metropolis (China), so modified to Severe Acute metastasis Syndrome Coronavirus two (SARS-CoV-2), and at last, named Coronavirus malady (COVID-19) by the planet Health Organisation. COVID-19 is probably going to possess a social, economic, and political impact. The international organization Conference on Trade and Development (UNCTAD) estimates a dollar one trillion black eyes to the worldwide economy. This might be the worst depression since the 2008 worsening. It can be possible to possess enormous consequences for the Indian economy that has already been within the thick of retardation, with a recession in exports and producing, even before the virus struck. The airlines and cordial reception sectors are already on the brink. In such a state of affairs, UNCTAD's estimate of a \$ 348 million hit on the Indian economy seems to be extraordinarily conservative. Uttarakhand's scenic beauty and iconic tourism, culture, and heritage also attract travelers, tourists, as well as a business person to invest in any field. But after the global outbreak of coronavirus, the economic growth of Uttarakhand has also suspended. Due to prolonged lockdown, the entire market, overall production demand, selling, and purchasing get suspended. Due to the shut down in every sphere of government as well as the private sector, revenue, income, and all other types of expenditures are at a loss. Along with this, the government is also responsible for providing everything to its people, such as food, shelter, sanitation, medical facilities, and also investing in required medical treatments, medicines, and equipment used in the eradication of corona virus pandemic disease, directly affecting the country's economy. Because of prohibited transportation and improper circulation, the supply chain is also affected, which results in a shortage of raw material and finished goods. Demand in every sphere is not satisfied. For the present crisis in Uttarakhand, the state government has divided its region into two zones of Green and Red. Green zone has a district that does not have any corona virus-positive cases, and others have been included under the Red zone. On March 15, 2020, Uttarakhand had reported its first novel Coronavirus case when a trainee forest service officer of the Indian Forest Service (IFS) who returned from an international study tour to Spain tested positive for COVID-19. Till then, the total number of COVID-19 cases in Uttarakhand surged to 802 after 53 more people tested positive for the disease on May 31, 2020. Out of these 102 patients have so far recovered from the infection, five have died, and three have been migrated out of the state. With the unfold of COVID-19, in conjunction with the Central Government, the government has additionally declared many policy choices to contain and stop the reveal of the virus. During

this context, to provide the unfold of COVID-19, the govt of Uttarakhand took the subsequent measures for proscribing the movement of individuals within the state.

2. REVIEW OF LITERATURE

(Mr. Girish Jadhav, 2020) in their paper "impact of COVID-19 on Indian Industry: Challenges and Opportunities" stated that with the prolonged country-wide internment, global economic downswing and associated disruption of demand and provide chains, the economy is probably going to face a large amount of holdup. His study additionally discovered the potential impact of the shock on varied sectors like producing, monetary services, banking, infrastructure, property, and services and hints a collection of policy recommendations for specific areas. (Peterson K Ozili, 2020) their article "Spillover of COVID-19: Impact on the worldwide Economy" reveals that the increasing range of internment days, financial policy choices, and international travel restrictions severely affected the extent of economic activities. (Frederic Boissay and Phurichai Rungcharoenkitkui, 2020) in their paper, "Macroeconomic effects of COVID-19: associate degree early review" expressed that past epidemics had long-lasting effects on economies through health problems and, therefore, the loss of lives, whereas widespread containment measures mark COVID-19 and comparatively fatalities among children. The low prices of COVID-19 can, in all probability, dwarf those of past epidemics, because of the new and synchronal international sharp stop in economic activity induced by containment measures. This measurable impact on global gross domestic product growth for 2020 is around -4%, with substantial drawback risks if containment policies area unit prolonged. Production losses area units are longer for major economies. (Mishra, Mukesh Kumar, 2020) in their paper "The World once COVID-19 and its impact on international Economy" stated that necessary and daring policy measures area unit required, not solely to contain the pandemic and save lives, however additionally to shield the foremost vulnerable in our societies from financial ruin and to sustain the economic process and monetary stability. Per him, Coronavirus pandemic unwellness could be a human, economic, and social crisis. The COVID-19 pandemic can cause a dramatic drop by FDI flows. MNEs, native businesses, and investments are severely affected, with so much reaching social and economic repercussions. The Coronavirus crisis is 1st and foremost a public health threat; however, it's additionally, and progressively, associate degree economic threat.

3. STATEMENT OF PROBLEM

The COVID-19 has a profound impact on Indian business AND has already caused an unprecedented collapse in economic activities over the previous few months. The increasing range of confirmed Coronavirus cases and death rate inspired social distancing that crystal rectifier to the closure of companies, instructional establishments, etc. internment has created an adverse impact on daily wagers' life.

4. OBJECTIVES OF THE STUDY

To assess the consequences of COVID-19 pandemic on the Indian economy with relation to travel, touristy, and welcome sector of Uttarakhand.

5. TRAVEL, TOURISM AND HOSPITALITY SECTORS HIT HARD BY LOCKDOWN IN UTTARAKHAND

Travel, touristy, And Hospitality Sectors hit laborious by internment in Uttarakhand. The Coronavirus pandemic has been terrible for many businesses; however, touristy is among the foremost affected sectors.

The direct and indirect economic impact of the pandemic and, therefore, the internment on the touristy business in Asian countries is calculable concerning 100 percent of India's value.

Travel agencies everywhere the country is suffering, most have opted either for pay cuts or sent their workers on unpaid leave. The virus eruption has had a devastating impact on the whole touristy scheme in Uttarakhand, as well as the welcome sector, travel agencies, tour operators, and different sorts of transport. This pandemic unwellness continues to bring disturbance to the Uttarakhand touristy business. Touristry in Uttarakhand has been dealt a blow with immeasurable individuals for this sector are currently facing the strength as there's nationwide internment to halt the unfold of the deadly virus. All the holidaymaker spots and additionally Char Dham Yatra have suffered first losses this year thanks to the unfolding of the fatal infection. Several hotels are on the verge of closing thanks to the internment that incurred losses of around Rs.400-Rs.500 crore.

5.1. Positive result Of Covid-19 internment On welcome business During varied stages of detention to prevent coronavirus unfold, one excellent news that we've been witnessing is from the setting. Thanks to confinement, the air outside the house has become far better, and therefore the water of holy stream Ganga has become cleaner. On the idea of this internment outcome from the environmental perspective, the welcome business is expecting kick-start from the Ganga touristy within the Northern-Indian components. The water of the holy stream Ganga has become drinkable and has additionally reincarnated to its Old Glory, that may be a once during a period chance to expertise. This may cause an AN flow of many thousand travelers to knowledge this development in Haridwar and presumably be the most significant trigger for driving the eco-tourism within the Uttarakhand region.

5.2 Government Announcements To Support Travel, Tourism, And Hospitality Sector

The Government of Uttarakhand has announced to provide Rs.1000 aid to two and a half lakhs people involved in travel, tourism and hospitality business. Vehicle's new permit date has been extended by the government till March 31, 2021, and has also provided relaxation on road tax till June. For such relief, the government will pay Rs. 14.23 crores. The government has also announced an additional budget for employment generating schemes such as the Veer Chandra Garhwali Yojna to promote travel, tourism, and hospitality sector in the state. The programs will offer microcredit to sustainable employment opportunities and establish facilities to run taxis, buses, restaurants, and tourism information centers.

6. RECOMMENDATIONS

To overcome the outbreak of COVID-19, long, short, and medium-term planning is needed to offset the impact of the lockdown on the state's economy, especially on tourism. Stress should be laid on the revival of the micro economy and taking the help of banks for the purpose. For the longer term, if the government builds on from the benefits which have accrued naturally and sustain efforts to maintain the river Ganga's cleanliness, tourism will bloom around the river. The government should set up an immediate COVID-19 tourism relief fund.

7. CONCLUSION

COVID-19 has posed an unprecedented challenge for India. Despite this, in the future, the state government would follow the social distancing norms and other rules to run the tourism sector. The Indian government is considering offering a six-month package for the hospitality and aviation industry. The package being found could include a six-month suspension of GST

payments. Various measures, such as making it mandatory for passengers to wear protective gear, are being explored to make travel safe. Masks and face covers will become part of the lives of people.

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