



Adikavi Nannaya University, Rajahmundry-533296 and National Institute of
Financial Management (NIFM), Faridabad-121001

National Webinar on
Coping Strategies for India's Economy during Post COVID 19,

23rd May 2020

Conveners

Prof. S. Teki

Department of Commerce and Management Studies, Adikavi Nannaya University,
Rajahmundry-533296

Prof. A.K. Sharan

Arun Jeitly, National Institute of Financial Management (NIFM), Faridabad-
121001

INTRODUCTION

The nature has finally taken over, and seemingly the whole world is under the deep influence of the forces of nature. The real owner of the earth, the nature has always had enough for our need, however not enough for our greed. Our mismanaged, economic, technological, environmental etc. endeavours have brought us to this of almost no return. We shall have to mend our management. Not realizing this in the recent past, we humans have been continuously exploited the nature relentlessly.

The nature has been sending alarms at appropriate times but the greedy world put a deaf ear, consequence is the world facing the pandemic of Novel Covid 19. As a control measure the world experimented with lockdown to save human lives and prevent the spread of the virus. The said lockdown resulted in economic slowdown in the world; India has not been any exception to this. The eco-systems of businesses will have to undergo a sea change to survive and grow in the post Covid period and take measures to recoup short-workings of economic slowdown. Therefore the present webinar is envisaged to appreciate coping strategies to pick up economic growth during the post Covid 19 period.

Topics include (not limited to)

- Economic challenges posed by Covid 19
- Pandemic: Implications for India's economy
- Sector-wise measures for economic gear up
- Identifying innovative measures to recoup the economic slowdown
- Appreciate plan of action for sustainable implementation of the identified coping strategic measures

Objectives of the programme:

- To appreciate challenges posed by COVID 19 against Indian Economy
- To outline sector wise implications and measures to cop up with the COVID 19 challenges
- To sensitize future course of precautionary action to avoid such nature destructive activities

Organizers:

Prof. S. Teki, Department of Commerce and Management Studies, Adikavi Nannaya University, Rajahmundry-533296

Prof. A.K. Sharan, Arun Jeitly, National Institute of Financial Management (NIFM), Faridabad-121001

Resource Persons:

Prof. A.K. Sharan, Arun Jeitly, National Institute of Financial Management (NIFM), Faridabad-121001

Prof. Praful Pawar, Department of Management Sciences, Savitribhai Phule Pune University, Pune, 411001.

Prof. S. Teki, Department of Commerce and Management Studies, Adikavi Nannaya University, Rajahmundry-533296

Dr. P. Umamaheswari Devi, Department of Commerce and Management Studies, Adikavi Nannaya University, Rajahmundry-533296

Dr. N. Udays Bhaskar, Department of Commerce and Management Studies, Adikavi Nannaya University, Rajahmundry-533296

Dr. Lakshmi Narayana, Department of Economics, Adikavi Nannaya University, Rajahmundry-533296

Brief Bio-data of Resource Persons

Prof. A.K. Sharan

Experience: Over 30 Years

Research & Development done

Details of No. of quality publications in refereed/SCI Journals, citations, Books/Book Chapters etc.:

- A K Sharan (2015), “Modern Fiscal Management: A key to Faster, Sustainable and more Equitable Development”, chapter in the edited book “Faster, Equitable and more Sustainable Growth” (bearing ISBN: 978-93-86251-19-0) by Adikavi Nannaya University, Rajamahindravaram – 533206, A.P.
- A K Sharan (2016), “Paradigm Shift in Public Financial Management: Evolving Architecture, Contemporary Challenges and Issues”, Administrative Development (bearing ISSN No. 2319-2976), Himachal Pradesh Institute of Public Administration (HIPA) Fairlawn, Shimla – 171012, H.P.
- A K Sharan (2016), “Challenges of Modern Fiscal Management and Legacy of the Past: Indian Experience, Innovations in Engineering and Management (Oman Vision 2020: Opportunities and Challenges, February 25-26, 2016, Waljat College of Applied Sciences, Oman in academic partnership with Birla Institute of Technology, Ranchi, India.
- A K Sharan and Rajneesh Prakash Verma (2017): Determinants of Corporate Performance: A Review of Literature, National Conference on Management, Economics and Social Sciences, July 14-15, 2017, Department of Management & Humanities, NIT, Hamirpur 177005 (paper to be published).

Ph.D. guided/ Ph.D. awarded during the assessment period (2015-17) while working in the institute:

- Ph.D. Guided = 3 (in all 5 during 2017-17)
- Ph.D. Awarded = 2 (in all 4 during 2014-17)

b) Sponsored Research/Consultancy done

Consultancy

- Study on Unaccounted Income / Wealth both Inside and Outside the Country. Over `2 crores (2011-2015).
- Review of Autonomous Bodies of the Central Government Ministries and Departments. Approximately `40 lacs (2017 – (ongoing)).

Prof. Praful Pawar: Professor, Department of Management Sciences, University of Pune, He has B.E. MBA, Ph.D. degrees for his credit. He has over 20 years academic experience. He is instrumental in building PUMBA . He published number of research papers in national and international journals. He has completed many research and consultancy projects. He has organized number of conferences, seminars, and workshop. He has been member different committees in University of Pune and other academic organizations. Currently he is Register, Savitribhai Phule Pune Univeristy, Pune.

Prof. S.Teki, is currently Professor & BOS, Department of Commerce and Management Studies, and Dean faculty of Commerce and Management Studies, Adikavi Nannaya University, Rajahmundry, India. He has Ph.D., M.B.A. and M.Com., degrees. He has a total of 25 years premier academic experience including eleven years at the national level management institutions, at the National Institute of Financial Management, Faridabad and the Indian Institute of Forest Management, Bhopal, and in post-graduate MBA teaching, academic administration, research, consultancy and training. He has published 54 papers/articles in national and international journals and international conference proceedings publications. He extensively travelled all over the world visiting 30 countries including North America, Europe, Australia, South America, Africa, and Asia for delivering various sponsored academic assignments like paper presentations, training, and consultancy. e-mail: tekisunny@gmail.com, Phone: 8121692457.

Dr. P. Umamaheswari Devi, is currently senior Assistant Professor, and Head, Department of Commerce and Management Studies, Adikavi Nannaya Univeristy, Rajahmundry. Shee has Ph.D. M.Phil., M.Com. and M.B.A Degrees. She has 15 years premium academic experience and she published many research papers in national and international journal. He presented several international conference paper held in abroad.
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Dr. N. Uday Bhaskar, is currently senior Assistant Professor, Department of Commerce and Management Studies, Adikavi Nannaya Univeristy, Rajahmundry. He has Ph.D. M.Phil., and M.B.A Degrees. He is presently Dean student affairs. He has 15 years premium academic experience and he published many research papers in national and international journal. He presented several international conference paper held in abroad. Email: nudaybhaskar@gmail.com

Dr. P. Lakshmi Narayana, is currently Assistant Professor, Department of Economics, Adikavi Nannaya Univeristy, Rajahmundry. He has Ph.D. and M.A Degrees. He is presently course coordinator. He has 10 years academic experience and he published several research papers in national and international journal. He presented number of research papers in national conferences and seminars.

Flyer



ADIKAVI NANNAYA UNIVERSITY
RAJAHMUNDRY - 533296
&
ARUN JAITLEY NATIONAL INSTITUTE OF
FINANCIAL MANAGEMENT (NIFM),
FARIDABAD -121001



Organizing a
Webinar on - Coping Strategies for India's Economy during Post
COVID 19

23rd May 2020, at 3.00 PM

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The nature has been sending alarms at appropriate times but the greedy world put a deaf ear, consequence is the world facing the pandemic of Novel Covid 19. As a control measure the world experimented with lockdown to save human lives and prevent the spread of the virus. The said lockdown resulted in economic slowdown in the world; India has not been any exception to this. The eco-systems of businesses will have to undergo a sea change to survive and grow in the post Covid period and take measures to recoup short-workings of economic slowdown. Therefore the present webinar is envisaged to appreciate coping strategies to pick up economic growth during the post Covid 19 period.

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Programme sheet

Date: 23-05-2020, time: 3.00 pm

Time	Name of the Speaker	Topic
3.00 to 3.15 pm	Prof.M.Jagannadha rao, Vice Chancellor, Adikavi Nannaya University, Rajahmundry	Inaugural Address
3.15 to 3.30 pm	Mrs.Meena Agrawal, NIFM, Faridabad	Inaugural Address
3.30 to 3.40 pm	Prof.K.S Ramesh, Prinicpal, UCAC, ANUR	Opening remarks
3.40 to 3.55 pm	Prof.S.Teki, DCMS, ANUR	Sustainable measures recoup slowdown shortworkings
3.55 to 4.10 pm	Prof.A.K.Sharan, NIFM	Effective fiscal policies gearing up economy during post COVID 19
4.10 to 4.25 pm	Prof.Prafulla.A.Pawar, PUMBA, University of Pune	Copping strategies for education sector
4.25 to 4.35 pm	Dr.N.Udaya Bhaskar, DCMS, ANUR	Impact of Covid-19 on travel and tourism sector
4.35 to 4.45 pm	Dr.P.Uma Maheswari Devi, DCMS, ANUR	Impact of Covid-19 on Hospitality sector
4.45 to 4.55 pm	Dr.P.Lakshmi Narayana, Dept.of Economics, ANUR	Strategies to revive Indian economy
4.55 to 5.00 pm	Prof.B.Ganga Rao, Registrar, ANUR	Valedictory address

Details of Lectures:

The hospitality Industry & the Impact of COVID-19

Dr. P. Umamaheswari Devi

The effects of COVID-19 spread across the entire world, and the primary focus for governments and businesses is the safety of their people. The hospitality industry is dominantly people-based and for the same reason, it's hit the hardest by a pandemic which has 'Social distancing' as its fundamental solution. Hospitality industry contributes 10% to the GDP and employs around 5 cr people. It is the key driver of economic growth and supports millions of jobs. The industry encourages community development and provides guests with unique experiences. India has an estimated 53,000 travel agents, 115,000 tour operators, 15,000 adventure companies, 911,000 tourist transporters, 53,000 hospitality companies and five lakh restaurants ...COVID -19 has widely effected the hospitality

industry. The projected revenue loss is more than 50 per cent for the first half of the year. The business that got affected the most is the travel-related industries - airline, hotels, tour operators, cruise companies etc. It is estimated that India may lose up to 2 crore jobs and the hotels and tour operators annual lose anything up to 60-70 percent in this year. The entire value chain - from hotels to tour operators, to travel agents and Booking for social and commercial events like weddings, seminars and conferences have all dried up. As per KPMG assessment, it is expected that about 10 to 15 per cent of these jobs will shrink in travel and tourism sector. The top 10 countries that contribute to about 65 per cent of foreign tourist arrivals in India feature among the top 10 countries reporting the maximum COVID-19 cases. Similarly the top Indian states contributing to domestic tourism both in origin and destination are impacted.

The hospitality sector has to come up with strategies to handle this crisis situation. This sector has to encourage more domestic tourism than International tourism because Business travel will decrease significantly. 66% of businesses worldwide have set targets to reduce their volume of internal travel. 65% of businesses consider video conferencing as a viable alternative to business travel. MICE market will go into coma for a while. Most big global events, conferences, launches, festivals, seminars, symposiums, conventions started to get cancelled by end February itself as the Covid panic gathered momentum. The spectator sports were the first casualties. The Olympics got postponed by a year. IPL was cancelled. Wimbledon scrapped. Global travel seems bleak. Hence Domestic prospects may be somewhat better. Besides the actual business loss, the hotel owners will also incur losses due to fixed operating expenses, debt repayments, interest payments and several other compliances. Hence, IATA estimates that global airlines need an emergency fund of up to US\$ 200 billion . WTTCII have demanded certain strategies for revival-zero-interest loans, 3-6 month extension to the moratoriums, relief from paying statutory dues like GST, one year moratorium on all working capital, principal, interest payments, loans and overdrafts. ASSOCHAM Tourism Committee and FAITH have demanded MNREGA support fund for 12 months for employees, income tax benefits for holidaying within India.

Governments have to play a huge role in saving the hospitality industry. France, Switzerland, Spain and other European government have promised aid tallying millions of Euros towards rescuing all types of local businesses hit by the Coronavirus,. For revival the hospitality sector have demanded Indian Government support like * 12-month corporate tax holiday to travel,

tourism and hospitality sectors. * Defer all statutory dues such as advance tax, custom duties, excise duties, PF, bank charges etc. at central and state level for 12 months, Reduce GST on products offered by the sector for a one-year period. Incentivise travel, Annual renewal of licenses, a moratorium of 6 – 12 months on all loans. Hotels in particular have to adopt strategies like change in layout, Introducing digital menus, Strict sanitation rules, Mandatory temperature test, Disinfection of cars, tyres, luggage. In the Covid 19 pandemic too, it is the ability to cope with change ‘copability’ will be more important in the future than ‘capability’ for this sector. This lecture mainly focused on the role of hospitality sector, impact of COVID -19 on this sector and mainly the strategies for revival.

Effect of COVID-19 on Tourism Sector

Dr. N. Udaya Bhaskar, Assistant Professor, DCMS

The Indian economy has been experiencing significant slowdown over the past few quarters. In the third quarter of the current fiscal, the economy grew at a six-year low rate of 4.7%. There was a strong hope of recovery in the last quarter of the current fiscal. However, the new corona virus epidemic has made the recovery extremely difficult in the near to medium term. The outbreak has presented fresh challenges for the Indian economy now, causing severe disruptive impact on both demand and supply side elements which has the potential to derail India’s growth story. India reported its first confirmed case on January 30. However, there are only some signs of community transmission – the percentage of affected people is still low, with most cases related to travel. That said, the domestic situation remains fluid and warrants constant monitoring. The impact on the Indian economy could be significant if the virus continues to penetrate the country which will have a longer lasting effect. While the impact on economic prospects due to activity being affecting in countries like China, S Korea, Japan, Italy, etc. would be through trade, investment and services routes, it could be more damaging if there is any shutdown in India. The objective of the webinar is to understand the effect of COVID 19 on Indian Tourism sector.

The economic impact of the 2020 corona virus pandemic in India has been largely disruptive. India's growth in the fourth quarter of the [fiscal year](#) 2020 went down to 3.1% according to the [Ministry of Statistics](#). The [Chief Economic Adviser to the Government of India](#) said that this drop is mainly due to the corona virus pandemic effect on the Indian economy. Notably India had also been witnessing a pre-pandemic slowdown, and according to the [World Bank](#), the current pandemic has "magnified pre-existing risks to India's economic outlook".

The World Bank and [rating agencies](#) had initially revised India's growth for FY2021 with the lowest figures India has seen in three decades since India's [economic liberalization in the 1990s](#). However after the announcement of the economic package in mid-May, India's GDP estimates were downgraded even more to negative figures, signaling a deep recession. (The ratings of over 30 countries have been downgraded during this period.) On 26 May, [CRISIL](#) announced that this will *perhaps* be India's worst recession since independence. [State Bank of India](#) research estimates a contraction of over 40% in the GDP in Q1 FY21. The contraction will not be uniform, rather it will differ according to various parameters such as state and sector.

The World Travel and Tourism Council have warned the COVID-19 pandemic could cut 50 million jobs worldwide in the travel and tourism industry, and Asia is expected to be the worst affected. When the outbreak will be over, it could take up to ten months for the industry to recover (World Economic Forum, 2020). This impact would depend on how long the epidemic lasts and could still be exacerbated by recent restrictive measures, such as those taken by the U.S. administration on travel to Europe (World Travels and Tourism Council, 2020). According to chief executive of WTTC, the corona virus is a significant threat to the tourism industry that could shrink the travel sector by up to 25% in 2020 (BBC, 2020b)

Key aspects of Travel and tourism

- ❖ The most effected sector is Tourism and hospitality
- ❖ It is estimated that USD 22 billion loss to the Indian tourism and travel sector
- ❖ Potential job loss is 38 million (guides, tour operators, drivers, helpers etc..)
- ❖ No new recruitments in the near future
- ❖ Travel and tourism alone account for 9.2% of India's GDP
- ❖ Summer travel is the peak travel in India

An epidemic can become the ultimate driver of national tourism industry to the collapse, as it affects all human activities, like social, religious, athletic, artistic and cultural. The Corona Virus has convulsed the world tourism industry, with large hotel chains and digital platforms such as booking being forced to cancel reservations in the Asian country. The tourism industry faces an unprecedented confluence of threats - made up of a global health alarm; the shortage of aircraft due to the crisis of the Boeing 737 Max; the social demonization of travel;

exaggerated and even false media offensives; climate catastrophes; sector taxes; bankruptcies of operators and airlines; and the political instability and economic slowdown in the large markets - which hints at least a global contraction for the tourism business in the near future.

Strategies to revive post COVID 19

- Two important factors which affect any Economy: Income of the citizens and Consumption practices of the citizens
- Tourism sector effected with the both
- It is Time to redefine and rethink about the objectives of tourism sector
- Full tax exemption (GST) to the entire tourism and travel industry for a period of 18 months
- Increased credit allowance to travel, tourism and hospitality sector
- This sector may be considered priority lending like agriculture
- No collateral security to sanction loan for a period of one year
- Provision for working capital to meet immediate cash requirement
- Government may consider to further enhance the relief package to this sector
- Publicise hygiene and rebuild customer confidence-demonstrate COVID risk free
- Operate the sector with BEP or aiming at survival
- Ensure and maintain as per the standards of WHO
- Companies need to protect their employees by offering minimum pay scales instead of layoff
- Tax waiver for economy class tickets (aviation)
- All types of taxes and levies may be waived for a period of 6 months
- All types of entry tickets, charges may be exempted for a period of 6 months
- Payment deferment, waiving the interest accumulated may be considered
- To the extent possible digitalisation be implemented
- Train the employees to take care of their self as well as the their customers in view of COVID 19
- Provide sanitization equipment, thermal screening guns etc.. as preventive measure

STRUCTURAL CHANGES IN INDIAN ECONOMY A STUDY OF SHIFTS IN EMPLOYMENT AND OUTPUT

Dr. P. Lakshmi Narayana

The COVID-19 pandemic is inflicting high and rising human costs worldwide, and the necessary protection measures are severely impacting economic activity. As a result of the pandemic, the global economy is projected to contract sharply by –3 percent in 2020, much worse than during the 2008–09 financial crisis. In a baseline scenario--which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound—the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. The risks for even more severe outcomes, however, are substantial. Effective policies are essential to forestall the possibility of worse outcomes, and the necessary measures to reduce contagion and protect lives are an important investment in long-term human and economic health. Because the economic fallout is acute in specific sectors, policymakers will need to implement substantial targeted fiscal, monetary, and financial market measures to support affected households and businesses domestically. And internationally, strong multilateral cooperation is essential to overcome the effects of the pandemic, including to help financially constrained countries facing twin health and funding shocks, and for channeling aid to countries with weak health care systems.

The economic impact of the 2020 coronavirus pandemic in India has been largely disruptive. The [World Bank](#) and [rating agencies](#) had initially downgraded India's growth for [fiscal year](#) 2021 with the lowest figures India has seen in three decades since India's [economic liberalization in the 1990s](#). However after the announcement of the economic package in mid-May, India's [GDP](#) estimates were downgraded even more to negative figures, signalling a deep recession. On 26 May, [CRISIL](#) announced that this will *perhaps* be India's worst recession since independence. [State Bank of India](#) research estimates a contraction of over 40% in the GDP in Q1 FY21.

Within a month, unemployment rose from 6.7% on 15 March to 26% on 19 April. During the lockdown, an estimated 14 crore (140 million) people lost employment. More than 45% of households across the nation have reported an income drop as compared to the previous year. The [Indian economy](#) was expected to lose over ₹ 32,000 crore (US\$4.5 billion) every day during the first 21-days of complete lock down which was declared following the coronavirus outbreak. Under complete lockdown, less than a quarter of India's

\$2.8 trillion economic movement was functional. Up to 53% of businesses in the country were projected to be significantly affected. Supply chains have been put under stress with the lockdown restrictions in place; initially, there was a lack of clarity in streamlining what an "essential" is and what is not. Those in the informal sectors and daily wage groups are the most at risk. A large number of farmers around the country who grow perishables are also facing uncertainty. Various businesses such as hotels and airlines, are cutting salaries and laying off employees.

- ❖ The study of the changes in the structure of the economy started in 19th century
- ❖ Basically it focuses on heavy emphasis on traditional substance agriculture to more modern and industrially diverse manufacturing and service economy
- ❖ The structural shifts are best exemplified in terms of changing sectoral shares of agriculture, industry and services in gross domestic product along with shifts in the output shares, shifts in employment shares may also occur as a result of either changes in the final demand or due to differential productivity across the sectors.
- ❖ If the shifts in employment shares are not in tune with the shifts in output shares, income inequalities in the economy occur and some sections of the society may be thrown into distress.
- ❖ All the present day developed countries experienced more or less the same pattern of structural changes – first a shift from agriculture to industry and then from industry to services, historically the share of agriculture has seen a steady decline in total output that of registered an increase for a considerably long period and then has shown decline, where the share of services has steadily increased, all through and with an accelerated rate during the period , industry has seen a decline .
- ❖ Based on the above evidences present corona virus (covid-19) pandemic creates employment shift from the service sector to agricultural sector, it is very serious blow in respect of structural changes in employment, in india and Andhra Pradesh and reaming states also suffering from same situation those states already depend upon service sector they lost their employment in the service sector at the same time again it leads to decline in GDP and NSDP shares from the service sector, in future governments think about the employment shifts from service sector and industrial sector, even though until some period may be one year or two years those who are lost

their employment in the various sectors for example Migrant labourers they are all coming to their native places, hence they are seeking employment in primary sector, as on today the unemployment rate is 24 percent and the workers engaged in primary sector are 49 percent but regarding output share in primary sector contribution only 14 percent in the total output. Hence the governments of Central and states should focus on to revive the secondary and tertiary sectors they have to try to create more employment opportunities in both the sectors.

Number of participants 200 selected participants participated



Arun Jaitley National Institute of
Financial Management (NIFM),
Faridabad -121001



ADIKAVI NANNAYA UNIVERSITY
Rajamahendravaram

CERTIFICATE

Webinar on Coping Strategies for India's Economy during Post COVID 19
23rd May 2020

This is to certify that _____ has participated in the
Webinar on 'Coping Strategies for India's Economy during Post COVID 19' held by the
Arun Jaitley National Institute of Financial Management (NIFM), Faridabad and
Adikavi Nannaya University, Rajamahendravaram.

Prof. A.K. Sharan,
Professor, AJNIFM,
Faridabad.

Prof. S. Teki
Professor, DCMS, ANUR