

Covid19: An Economic Expediency

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Coronavirus or Covid-19 was discovered in Wuhan, China in early December 2019 which brought to being reason of thousands of deaths, closure of national as well as international institutions, travel and trade prohibiting untied movement of mankind and thus becoming a fundamental cause of paralysing and shutting down of the economy of various countries. While an unavoidable worldwide downturn that has followed, can be verifiably as an opportunity to mull over and think back that we have to remain open to the notion that progress originates from direct circumstances and from considering a hitch with continuously evolving viewpoints put in a distinct way. The worldwide reach of Coronavirus should now inspire consistent support, co-operation, and collaboration between people, and between public as well as private sectors of the economy.

The Covid-19 pandemic has its own devastating impacts which can be seen around the world where almost all the economies have come to a standstill and countries are imposing restrictions on the free movement of people hence majority of the population is working from home and using vastly higher amount of data for work and leisure. The increased data consumption as well as voice calls over the last few months has led to an increase in the revenues for telecom sector and the companies operating within it. The nationwide lockdown will help the stressed telecom companies to recover their hefty losses and compensate for the AGR (Adjusted Gross Revenue) dues.

The growing fear of pandemic led to the closure of schools, colleges, businesses in the affected areas since India announced nationwide lockdown starting from 25th March extending till 17th May (as of now) which accelerated the use of the US-based video meeting application "Zoom" which has arose as the ideal collaboration and conferencing tool being used in India by employees of assorted institutions to ensure business continuity during the lockdown in the country and by various schools, colleges and universities for delivering lectures and avoiding any academic loss for the students. It was followed by "Cisco Webex" and "Skype" emerging as the top three tools used by most of the corporate sector to facilitate work from home during Covid-19 crisis. Based on the similar grounds, India's Largest IT sector firm Tata Consultancy Services (TCS) has planned to discard its 20

year old operating model and leapfrog into new mode of work known as Secure Borderless Work Spaces (SBWS) whereby 75% of their 4.5 lakh employees are permanently going to adopt work from home model by 2025.

India can also reap the benefits out of US-China tensions happening currently on the grounds of outbreak of coronavirus pandemic and has a long-term geopolitical advantage as US President Mr. Donald Trump refers to this virus as 'Chinese Virus' thereby putting serious allegations on the Chinese government and threatening to raise retaliatory tariffs on Chinese imported goods and encouraging American companies to dislocate from China which provides an opportunity for the Indian market as after China it is the biggest market in the world due to its massive population of around 1.3 billion people, stable government policies, Cheap labour and attractive FDI destination hence post Covid-19 India can see huge inflows of FDI from American Multinational Corporations in the form of opening up of factories and manufacturing setup in different states of India therefore giving boost to India's GDP, Employment, rise in exports due to made in India goods and most important of all India's recovery as compared to its developing peer nations post Covid-19 could be more progressive and faster if at all India receives such investments from abroad and is successful in attracting MNC's.

India has been under lockdown for at least 2 months now, where people are homebound with their families demanding more quality content for their entertainment which has led to a paradigm shift from traditional media & entertainment to watching series and films on OTT networks such as "Amazon Prime, Netflix, Hotstar etc". which has seen a huge spike in the number of subscribers and viewers around the world. Experts also believe that viewership on these platforms could increase more in the coming days due to traditional TV channels running out of content and shooting is halt for a long time now. The number of subscribers over these platforms has increased substantially and OTT players like Netflix, Amazon Prime and Hotstar has already managed to grab loyal and repeat customers over time and as these platforms operate on subscription based model therefore there is no loss of cash flow in future in spite of extended lockdown

With many sectors of the economy under pressure, the negative impact of Covid-19 has hit *EdTech Companies* such as “BYJU’s, Unacademy and Online learning Platforms such as Coursera, Udemy etc.” in a different way whereby they have seen an exponential rise in the number of learners and subscribers on a weekly basis as schools and colleges find it difficult to adapt to these changes, many experts believe that this will lead to a massive adoption of such online platform companies and *give a boost to the private EdTech start-ups* as well. With this EdTech boom, students alongside companies can also benefited post Covid-19 due to increased adaptability to such platforms, flexibility of time available to them and a greater sense of working within a digital space.

Some research has also shown that anti-malarial drug Hydroxychloroquine has shown antiviral effects on the coronavirus infection which prompted many countries to seek help from India in procurement of the said drug. Pharmaceutical companies have increased their production capacity to meet the demands of India as well as other countries which has resulted in the rally of stock price of such companies listed on Indian Stock Market. Amongst such companies “Zydus Cadila” and “IPCA Labs” have backward integrated HCQ making capability which has led to the

increased domestic sales as well as exports from India to its neighbouring countries, USA, and European Union. This has not only led to rise in sale of such drugs but also deepened the international relations of such countries with India which quite diplomatically can be more useful in the long run.

Covid-19 verge on being the ground of mortality of thousands of citizens of more the 200 countries and territories of the world, wrecking their economy and jeopardising the health of all mankind for an indefinite portion of time. This downswing may have handicapped several business and sectors of the economy but have also emerged as a prospect for telecom sector, OTT networks, Ed-tech companies, pharmaceutical sector and has also embellished international relations of various countries with India. To conquer this barrier each and every individual, business, institution and country as a whole must consider this dire situation as an opportunity to emerge with various innovative philosophies enforcing to turn this rough patch into a chance of lifetime while working at your respective households and being apprehensive of everyone’s health also abiding by the guidelines issued by the government.

