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## Government Relief Measures Against The Pandemic Covid-19 In India

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### **ABSTRACT:**

COVID-19 is an incredibly contagious disease that has no medicinal medicine or vaccine so far. Coronavirus is commonly referred as an unavoidable epidemic and researchers are extremely inquisitive about how to protect the public and how to give the best security to people in general before a vaccine can be made accessible.

This emergency situation of COVID 19 requires extraordinary actions to bring the economy back to normal. The Government of India adopted various methods to prevent the spread of the pandemic. This paper also addresses Indian government precautionary action and measures to deal with corona. The Indian government announced on May 12, 2020 a financial incentive package worth Rs.20 lakh crore, it is estimated that 10% of GDP will be accompanied by a clear leap to economic reforms that would lead to the "Atmanirbhar Bharat Abhiyan" or self reliant, resilient India. This paper wholly based on secondary data.

**KEY WORDS:** COVID 19, Stimulus package, Atma Nirbhar Bharat, Indian economy, Lockdown

### **INTRODUCTION:**

COVID-19 an unprecedented pandemic has triggered serious panic among individuals all over the world. COVID-19 is not only killing people by viral invasions, but also by the economic and psychological devastation that developing countries suffering from, starvation and unemployment. This pandemic has a huge effect on economic development and significant industries such as agriculture, manufacturing, logistics, and essential sectors micro, small and medium-sized enterprises (MSMEs). This epidemic is having a serious impact on the Indian economy regarding health crisis and the economic crisis. The Indian government implemented a national lockdown at the beginning of the deadly disease, which was the strictest in the world. The world's toughest lockdown to

control the spread of viruses has wrecked the economy and enforced millions people into yearning and poverty but this lockdown has a positive impact on environment.

The COVID-19 outbreak was a sudden shock to the economy of India and has generally disrupted normal life. COVID- 19 has profoundly affected the method of production, manufacture, trades, import, exports, sale, purchase etc. Some areas are extensively influenced by this disease. The government measures for stabilize and carry the economy to a certain level. The Government of India has initiated several initiatives for "Aam-Janta", to alleviate the impact of this deadly disease. Varieties of steps were also taken by the government and by the RBI consistently to make sure liquidity in economic markets as well as partially decrease the income losses poor people and every day pay earners. The government of India has also declared monetary assistance of ₹1.7 lakh crore, additionally to the relief initiative provided by different state governments up to now.

### **REVIEW OF LITERATURE**

**S. Mahindra Dev and Rajeshwari Sengupta (2020)** examined, "Covid-19: Impact on the Indian Economy" and found the possible effect of the COVID-19 distress on different sectors of Indian economy. This article mainly discussed about agriculture Sector, MSMEs, Informal Sector, Financial Markets, banking, Monetary & fiscal policy etc. This paper examined the pre- and post-COVID-19 stages of COVID-19, and focused on the policies proposed by the Government and the RBI for controlling the disease as well as improving the economic conditions.

**Chakraborty, L., & Thomas, E.** analyzed, "COVID-19 and Macroeconomic" recommended the innovative resource of funding to minimize the deficit. This research paper additionally mentioned the relief packages introduced by the Ministry of Finance and also discussed 40% of this amount is for construction welfare fund and district mineral fund. The researchers also looked at the RBI's monetary policy, finding that the repo rate was down 0.75 basis points, the reverse repo rate was down 0.90 basis points, and the CRR (Cash Reserve Ratio) was down to 3%.

**Balajee, A., Tomar, S., &Udupa, G.** studied, "Fiscal Situation of India in the Time of COVID-19" and suggested the rationalization of subsidies will decrease the budgetary deficit. This investigation predicts that the budget deficit may be high as much in accordance with 8.4%. The article also focused on fiscal bundle of Rs. 1.7 trillion announced by Central government for reducing the consequence of economic downturn due to COVID pandemic.

### **OBJECTIVES:**

- To study government's appropriate measures to deal with the covid-19 pandemic situation.

- To examine the strategies adopted by the Government of India to overcome the effects of the coronavirus disease in order to survive in this difficult situation and revitalize India's economy.

### **METHODOLOGY:**

Researcher used secondary data for this paper. Secondary data is attained from reliable sources such as WHO, Ministry of Finance, Government of India, Fitch rating, ILO reports, etc. to accomplish the preferred objectives. Study of this paper is expressive.

### **Government Measures related to tackle Corona virus:-**

- ❖ **Lockdown:** Indian government announced a mass closure (lockdown) of the country within three weeks from March 25, 2020 to 14 April 2020. That 3 weeks period is called self isolation or quarantine period. All unnecessary services and industry, factory, and retail outlets, schools, places of worship and government offices, shopping malls, marketplaces, will be close during this time and will stop all means of travel (both public and private). But essential services along with hospitals, banks and grocery shops opened. There was an estimated loss of 7-8 lakh crores in the country after 1<sup>st</sup> lockdown. Even though the worst economic situation, Prime Minister Shree Narendra Modi Ji decided to extension of that lockdown for an additional 19 days 2<sup>nd</sup> lockdown from 15 April to May 3, 2020, which is a necessity of the current situation. It is important to the well-being of life of the human rather than the economy. The public followed the lockdown very well.

As a first step, India has announced a \$ 10 million financing round to take action to eliminate the threat of virus from the county by providing all possible infrastructures. This effort may be called the case of medico-economic-business.

The Indian government has announced several measures to deal with the situation, including food security to the poor and daily wage workers additional funds for health, financial assistance to other states, for sector-based incentives, suspension on EMI's and tax deadline extended. In month of April GOI announced for pay cut for one year for the President, Prime Minister and Members of Parliament.

But there is positive thing happen for India is its lowest (below USD 0) drop in oil prices since 1946. The government should use this opportunity to offer another form of growth in the economy. To promote the economy RBI must relieve in purchase of debt. An important factor in the outbreak is accessibility of foreign investors, as it is basically necessary for India's development.

- ❖ **Basic measures:** Social distancing, use of face masks/covers, Use hand washing regularly, Personal health check, proving PPE kits, Mask and Medicines. Masks are a safe and easy way - to reduce COVID transmission. These masks will be useful not only for health workers but also ordinary citizens.
- ❖ **Liquor:** In the fourth round of lockdown the Indian government decided to open liquor stores to compensate for their losses. Thirsty consumers line up at Indian

alcohol shops to stabilize economy. Many states have significantly increased alcohol prices in middle of COVID-19 lockdown. The excise tax on liquor is the third largest source of revenue for several states. Almost each and every Government imposed a 70-75% “corona” additional tax on alcohol.

- ❖ **Special trains:** The shramik special train brought back a large number of migrant workers who had returned to their homes. In response, the government reported that 4,621 special trains operated from May 1 to August 31, 2020, carrying 63 lakh passengers nationwide. According to Government report an aggregate of 1.05 crore migrant labourers have gone back to their home state So far. The government also introduced other special trains (15 pairs of Rajdhani Express and special trains for exams like JEE and NEET). The average occupancy rate for those trains (May 12 to August 31, 2020) was about 82%.

In this pandemic situation government are taking many steps to overcome and tackle the situation. There are many initiatives and measures are being taken by government-

- **Pradhan Mantri Gareeb Kalyan Yojana(PMGKY)** - In the whole world, the pandemic of Corona has spread its net. At this time, where the general public is helpless, Government people are coming forward to help. Government's motive to reach poor people, and provide them food and some cash in their hand to avoid the hassle of buying essential goods and meeting the most urgent needs. Our Government decided to provide a sum of Rs 1.7 trillion packages, for the prevention of epidemics on Indian economy mainly for Aam-Janta of India.
- **Garib Kalyan Ann Yojana-** Government of India in this series Garib Kalyan Ann Yojana has been started. The purpose of this scheme is to provide ration with subsidy should be given to the family so that no one remains hungry. As we all know, the government already provides 5 kg wheat / rice for the people belonging to the weaker section and comes under the National Food Security Act. In this case In addition to these 5 kg wheat / rice every month (for the next three months) will get every beneficiary free of cost. This was extended for another five more months from July to November, 2020. On basis of region's preference 1 kg of lentils will give free to maintain adequate availability of protein, with this Yojna about 80 crore people are expected to be benefited.
- **Insurance Scheme for Health Workers-** Insurance Scheme for the corona fighters like Cleanliness staff, ward-voids, nurses, ASHA workers, assistant health workers, paramedics, technicians, doctors and specialist and other health workers all are benefited for Rs. 50 lakh medical insurance cover for the next three months, It was extended for another 90 days i.e. upto September 25, 2020. Insurance cover will be provided to about 22 lakh health workers.

- **Help for Kisan-** (1). INR 2000 was released to the farmers' bank account under the Prime Minister -KISAN Yojna in month of April as the 1<sup>st</sup> installment of 2020-21. About 8.7 cr farmers will be cover. (2). Safe procurement of food grains from farmers above MSP. (3). Maintain to fulfill the demands of machinery and labor meeting the requirements of crop season with optimum security arrangements. (4). A suspension is recommended for agricultural business and the payment of seeds loan are extended for three months.
- **Help to poor women-** (1). Rs. 500 given to every women who are registered under PMJDY. It will provide for every month for next three months. A total of 20.40 crores women will get benefit from this. (2). Free cylinders will provide to the BPL women (Below Poverty Line) for the next three months under the Ujjwala scheme. This move will be helpful for approximately 8 crore poor families. (3). 63 lakh women who works with SHGs and under National Rural Livelihood Mission (NRLM), will get benefit of collateral-free loans and the amount will be increased from Rs 10 lakh to Rs 20 lakh. This move will help 6.85 crore family.
- **Help to labour and workers-** Government will bear the expense of low earner worker to pay 24% into their PF account monthly for three month continuously. This was expanded for next three month under **Atma Nirbhar Bharat Abhiyan** Wages will hike under MNREGA scheme from Rs. 182 to Rs. 202 a day. 13.62 cr families are approximately enjoying that benefit.
- **Help to migrant workers-** Government provide immediate help to homeless and jobless migrant workers. Governments make arrangement for migrant workers to reach their homes. Arrangement of health and transport facilities, accommodation, and community kitchens. Government providing cash and food aid for most every migrant worker who is available this will surely benefit for the day-to-day wages worker or labour for every poor citizen who lives in rural area as well as urban.
- **Initiative by RBI-** Furthermore, RBI decided to provide exceptional finance of Rupees 50,000 crore to reduce the burden of financial organizations in this pandemic time like Small Industrial Development Bank (SIDBI), National Bank for Agriculture and Rural Development (NABARD), and National Housing Bank (NHB). In addition, guarantees of debts, liquidity incentives, and patience for loan, extended unemployment insurance, benefit increases and tax deductions are some measures are implemented.
- **Atma Nirbhar Bharat Abhiyan (self-reliant India)** - This is great initiative taken by GOI in this deadly disease time. It is like an antidote of lockdown for our economy. This will help to boost our economy. It is an **economic stimulus** package of 20 lakh crore.



#### Source: PIB

In this scheme Government's main focus on local product. Main objective of this mission is to reduce dependence on imports. Find substitutes and improving quality of goods and products to expand our market share worldwide. Self-reliance does not mean any policy or strategy by the Government but is like a helping hand for our economy and nation in all over the world. Amount of rupees 20 lakh crore are equivalent 10% of GDP of India in 2019-20.

There are 2 phase of this Mission:

**Phase 1.** This includes sector plastics, textiles, medical, electronics, and toys these are sectors which can be more contribution in local manufacturing and promote of export at bigger level.

**Phase 2.** This includes product like pharma and steel, gems and jewellery, etc.

It will cater to a variety of sectors like MSMEs, cottage and khadi industry, daily wages workers, middle class, industries and more.

Main focus of this package for empowerment of the poor who lives in rural or urban areas, migrant's workers, laborers, etc. from both organized and unorganized sectors.

#### MSME:

- Up to Rs 3 lakh crore of automated **without any Collateral** will be awarded to MSMEs with a 4 year term and 12 moratoriums. Approximately 45 lakh Indian MSMEs will benefit from this initiative. Eligibility required for this scheme turnover of MSME must be worth Rs 100 crore.

- Form this scheme government will ease the debt of 20,000 crore rupees as a **subordinate debt**. About 2 lakh NPAs/stressed MSMEs can benefit from this program.
- For INR **50,000 crore** of **equity infusion** for MSMEs through the funds with a corpus of rupees 10,000 crore
- **Within 45 days** Government will cleared all MSME receivables.
- MSME's definition has been expanded which allows to increase **investment limits** and **introduction turnover-based** norms

#### Primary and Agriculture-

- Innovation is a step towards the goals of **One Nation One Market** and helping India become largest **world's food factory**.
- Under kisan credit card yojna around 2.5 cr farmers will get **concessional credit** of amount 2 lakh cr.
- The **free food grains** will be distributed 5 kg grain of per person and 1 kg chana per family for two months, total cost is about Rs. 3,500 cr. and will cover 8 Crore migrant labour.
- In addition, the Rs 40,000-crore for **MGNREGA infusion** can help alleviate the migrant crisis when returning to their villages or hometown.
- This will ultimately help to achieve the objectives of **self-reliant rural economy**.

#### Tertiary Sector and other:

- The new **PM e-Vidya program** launched for access to digital online education provides a nationwide learning platform, allowing schools and universities to offer free online courses without losing any teaching hours.
- The government has offered Rs 30,000 crore under **special liquidity programs** for microfinance companies, non-banking financial companies, housing finance companies.
- Liquidity infusion for NBFCs of **rs. 45,000 crore** under a Partial Credit Guarantee Scheme.
- Special focus on **ease of doing business**.

#### CONCLUSION:

Thus, improving education and health knowledge has a positive impact on improving on citizen's ability to combat more dangerous diseases such as corona virus. To combat this deadly disease, the only option is to maintain social distancing, sanitation, disinfection, hygiene and improved immunity. Government of India has taken the right decisions and activities at the appropriate time to manage the spread of COVID-19. Though, lockdown and Physical distancing are the only cost-effective tools available to prevent the spread

of coronavirus. The Internet and social media played an enormous role in raising awareness of this pandemic. We can't determine the level and damaging results by way of proper precautionary measures, but we must try to minimize the damage.

The RBI should help the India's economy and industry. Everyone needs to stop excessive travel, avoid their involvement in social gatherings. A lot of precautions are needed to stabilize the country so as to negate the effects of a crisis like COVID in near future. Country needs some bold initiative and improvements like-

- A fair monetary scheme,
- A solid financial framework.
- easy to understand and lucid laws
- competent Human capital
- Restructure of the supply chain for farming
- Aware citizens and strong leader

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