

IMPACT OF ECONOMY ON AUTOMOBILE INDUSTRY SALES IN COVID PANDEMIC WITH SPECIAL REFERENCE TO PASSENGERS CARS

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Abstract

All over the world, Coronavirus pandemic has extensive economic impacts and due to the openness of the Indian economy; it does have an impact on companies which is in India especially car plants. In fact this pandemic has crippled European demand for vehicles, without doubt its entire supply chain as well. The outcome of this pandemic is the hard truth that there was no one to make or something is available to make. This has a strong impact on manufacturers and the suppliers have closed their productions for operational as well as hygienic reasons. However, this does have a very big effect on the economy as a whole, as the car industry is a cornerstone. The paper reveals the impact of Covid and together with the impact of the automobile sector, Post challenges & the potentials for growth in the Indian automotive industry.

Introduction

The Covid pandemic was faced by all countries of the world, which damaged all countries around the globe as well as economies of Asian countries. Many of the countries have included restrictive measures that may have delayed, paralyzed, and even blocked the economy. Among Asian countries, Indian economy can be predicted to weaken, exclusively due to the delayed response to the present situation. Because of this specific reason, a recession can be predicted in the end of 2021 not only in India but also in European countries. The Indian economy is most likely to be damaged. Schools facilities and schools in India were gradually closed because of the spread of COVID pandemic. Not only school, all retail outlets were locked, except for food and drugstores, which generate the household services sector to be completely locked. (restaurant, recreational sports, cultural, etc.) These are the Zones which had very bad impact on its business due to this pandemic. Deliberately, self-employed people, who did not have the convenience to buy different various consumables, were struggled to keep up with their business. As a result, they closed their business.

There was a big dip in all statistics that apprehend economic life, after the closure of shops, restaurants, and so on. Industrial production fell by retail sales by 40%, 20-30% restaurants and hotels by 80%.