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## The Economic Revolution in India after The Corona (Covid-19) Pandemic

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### ABSTRACT

In light of the current situation, the research centred on India's economic evolution and projected economic future using data on gross domestic product from a variety of sources. The research used secondary statistics both before and after the pandemic, as well as GDP as an indicator of economic growth and decline. Many institutions, as well as well-known and popular econometricians and industrialists, offered numerous recommendations for safeguarding the Indian economy during and after the pandemic. From that angle, we have some doubts, but a few comparable scenarios provide us with some possibilities with secondary reports from other countries across the globe, such as the United States, the United Kingdom, France, and Italy, among others. Services are the most important and fastest-growing segment of the Indian economy. More than 60% of GDP is spent on trade, hotels, transportation, and communication; banking, insurance, real estate, and business services; and government, educational, and personal services. Agriculture, forestry, and fisheries account for only 12% of total production but employ more than half of the workforce. Manufacturing accounts for 15% of GDP, manufacturing for 8%, and mining, quarrying, power, coal, and water supply accounts for the remaining 5%.

Keywords: Pre and post effect on COVID-19, economic evolution, GDP affected and Indian scenario.

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### 1. Introduction

Following the emergence of the vital pandemic of covid-19, the climate has changed dramatically, affecting the societal, political, and economic landscape. Over the most dangerous pandemic era, all creatures on the planet have faced new threats. It also affects to perform various religious practises that give human mind peace while also creating a large distance between one man and another not only within the state of the county but also outside of the country, and one intensity came in mind to come home as far as possible from their job which is outside of the local area, so, in one word, anyone feeling the fear of being affected by the corona vale. The COVID-19 pandemic has essentially frozen life as we know it. The role of social exclusion and a lockout in stopping the transmission of the epidemic cannot be overstated, but these interventions have far-reaching consequences for people's livelihoods and the economy as a whole, which has been slowing for the past year. It is a very harmful situation in which many people purposefully reject their employment, while on the other hand, many institutions refuse to launch new businesses, resulting in many workers losing their jobs. According to the overall situation in India, the study expresses and imagines the post-corona impact on the private sector, as well as the anticipated economic evolution in our region.

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### 2. The Study's Relevance

In India, the COVID-19 pandemic has essentially halted daily life. The role of social exclusion and a lockout in stopping the transmission of the epidemic cannot be overstated, but these interventions have far-reaching consequences for people's livelihoods and the economy as a whole, which has been

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slowing for the past year. The Covid-19 pandemic, which has affected over 25 lakh people worldwide and killed 1.30 lakh, shows no signs of slowing down. Since a vaccine is yet to be discovered, lockdowns are the best way to slow the transmission of the virus. The lockdowns, on the other hand, are putting major economies on the verge of collapse.

The International Monetary Fund (IMF) has updated its global GDP growth forecast from 3.3 percent just three months ago to a 3 percent decline, a pace not seen since the 1930s Great Depression. ET Wealth explores India's place in the world. As a result, the impact of the post-corona pandemic on economic evolution in India and other countries were explored.

### 3. Literature review

Peterson Ozili & Thankom Arun(2020)<sup>1</sup> The following are a few valid questions that have been researched and raised: 1.How did a health crisis become a financial crisis? 2.What caused the world economy to crash as a result of the coronavirus's spread? The solution can be found in two ways that coronavirus stifled economic activity. First, the virus's dissemination facilitated social estrangement, resulting in the closure of capital markets, corporate offices, companies, and activities. Second, the virus's explosive expansion and the heightened anxiety of how bad things could get prompted customers, investors, and foreign trading partners to flee to safety in terms of consumption and investment. They based on the time span from the beginning of 2020 to March, when the coronavirus started to spread to other countries and markets. In evaluating the restrictive measures, monetary policy measures, fiscal policy measures, and public health measures that were implemented during the time, we depend on real-world observations. We investigate the effects of social distancing strategies on economic activity and stock price indexes empirically. The results show that the rising number of lockout days, monetary policy decisions, and foreign travel controls had a significant impact on economic activity and global stock market indices' closing, opening, lowest, and highest stock prices. The imposition of internal movement controls and increased fiscal policy investment, on the other hand, had a positive effect on the level of economic activity, despite the fact that the growing number of reported corona virus cases had no substantial impact on the level of economic activity.

Sunil Kumar, Pratibha B Thombare & Pandurang A Kale(2020)<sup>2</sup> According to their findings, the coronavirus has created an unstable climate for humans all over the world. The World Health Organisation has declared this a pandemic and it has spread all over the world. Many commercial operations have been suspended as a result of the infectious illness, which has yet to be cured. It has had a global and Indian economic influence. It has the potential to trigger stagnation in many parts of the world. The majority of products in India are imported from China, especially in the medical and manufacturing industries.

S. Mahendra Dev and Rajeswari Sengupta(2020)<sup>3</sup> They were researched and the key message they conveyed was The spread of the Covid-19 pandemic has struck India's economy like a tonne of bricks. Before Covid-19 exploded, the economy was still in bad shape. The economy is expected to experience a sustained recession as a result of the country's long-term lockdown, the global economic crisis, and the resulting deterioration of production and supply chains. The economic effect can be determined by the length and scope of the health crisis, the length of the lockout, and how the situation plays out after the lockdown is lifted. In this paper, we identify the state of the Indian economy prior to the Covid-19 shock, evaluate the shock's possible effect on different segments of the economy, analyse the policies announced so far by the central government and the Reserve Bank of India to alleviate the economic shock, and make policy recommendations for specific sectors.

Maria Nicola,Zaid Alsafi,Catrin Sohrabi,Ahmed Kerwan,Ahmed Al-Jabir, Christos Iosifidis, Maliha Agha,and Riaz Agha(2020)<sup>4</sup> studied the COVID-19 pandemic has resulted in over 1.4 million confirmed cases and over 83,000 deaths globally. It has also sparked fears of an impending economic crisis and recession. Social distancing, self-isolation and travel restrictions forced a decrease in the workforce across all economic sectors and caused many jobs to be lost. Schools have closed down, and the need of commodities and manufactured products has decreased. In contrast, the need for medical supplies has significantly increased. Owing to panic purchasing and stockpiling of food goods, the food industry has also seen a surge in demand. We summarise the socio-economic impact of COVID-19 on particular facets of the global economy in relation to this global epidemic.

Fernandes&Nuno (2020) The economic effect of the Coronavirus/COVID-19 epidemic through sectors and countries is addressed in this article. It also contains projections of COVID-19's future global economic costs as well as GDP growth rates for various countries.Estimates for 30

<sup>1</sup> [https://www.researchgate.net/publication/340236487\\_Spillover\\_of\\_COVID-19\\_impact\\_on\\_the\\_Global\\_Economy](https://www.researchgate.net/publication/340236487_Spillover_of_COVID-19_impact_on_the_Global_Economy)

<sup>3</sup> Sunil Kumar, Pratibha B Thombare & Pandurang A Kale(2020) "Impact of coronavirus (COVID-19) on Indian economy" "Volume 2 – Issue 4 – April 2020 www.agrifoodmagazine.co.in .ISSN: 2581-8317

<sup>4</sup> S. Mahendra Dev and Rajeswari Sengupta(2020) "Covid-19: Impact on the Indian Economy" <http://www.igidr.ac.in/working-paper-covid-19-impact-indian-economy/>

<sup>5</sup> Maria Nicola,Zaid Alsafi,Catrin Sohrabi,Ahmed Kerwan,Ahmed Al-Jabir, Christos Iosifidis, Maliha Agha,and Riaz Agha(2020) "The Socio-Economic Implications of the Coronavirus and COVID-19 Pandemic: A Review" <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7162753/>

countries are contained in the new draught, with multiple scenarios. The economic consequences of the epidemic are still being exaggerated, according to the paper, due to an over-reliance on past associations with SARS or the financial crisis of 2008/2009. The length of the lockdown, as well as how the recovery will take place, was unclear at the time of this article. As a result, a variety of examples are used. GDP growth will suffer a 3-6 percent hit in a mild scenario, depending on the region. As a result, in the study of 30 countries studied, the median GDP fall in 2020 will be -2.8 percent. In some cases, GDP could drop by more than 10%, and in certain nations, by more than 15%. Service-oriented economies would be struck especially hard, putting more employment at risk. Countries like Greece, Portugal, and Spain, which depend heavily on tourism (more than 15% of GDP), would be especially hard hit by the crisis. Currently, there is a problem. As a result, countries that depend most on international trade suffer the most. According to the findings, every additional month of crisis costs 2.5-3 percent of global GDP on average.

#### 4. Objective of the Study

The study's key aim is to decide two potential outcomes after the end of the lockdown or the corona pandemic: to determine the expected downturn or rise of the Indian economy after the end of the lockdown in full force; and to determine the expected future of the Indian private sector in relation to other countries after the end of the corona pandemic.

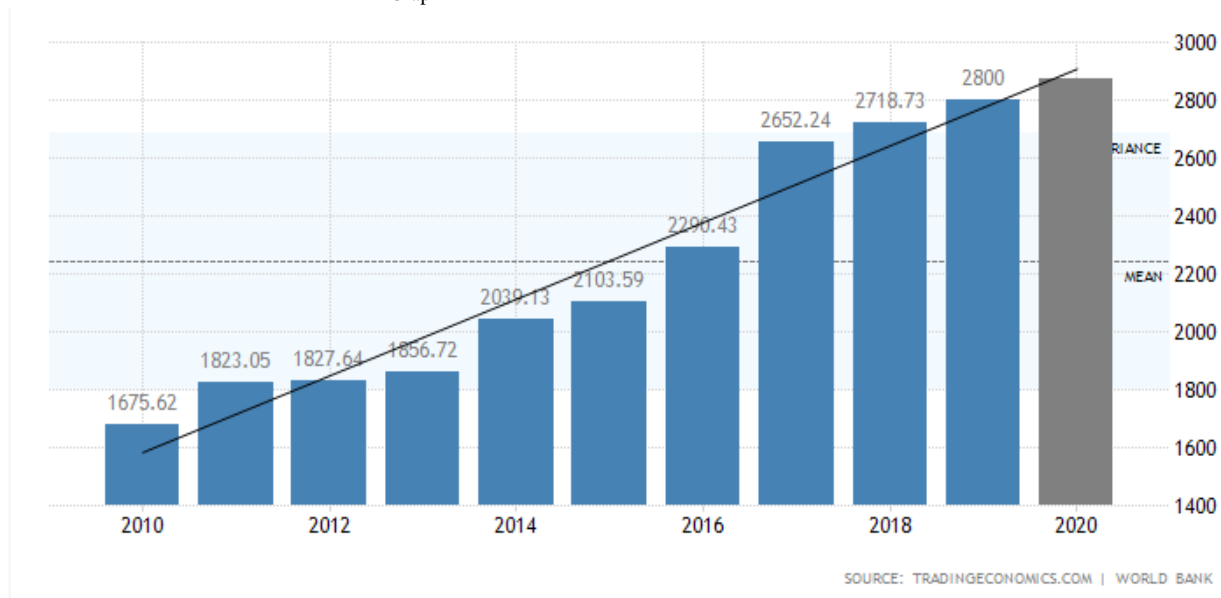
#### 5. The Study's Approach

Since more than three months, the most risky and emergency period has been passing in not only India but all over the world, with many econometricians, corporate resource people, and industrialists voicing their own opinions through various public and social media. And the research was based on secondary data from the country's news papers and government bulletins, as well as the rest of the planet. And with the aid of descriptive statistics such as graphs, charts, and other methods, the given figure and meaning of the data set can be explained and concluded.

#### 6. Prior to the Corona Pandemic

Prior to the pandemic, both business and economic development positions were in fine health, including the financial, real estate, and agriculture industries. On the other hand, the country's overall GDP growth rate also increased at a certain rate.

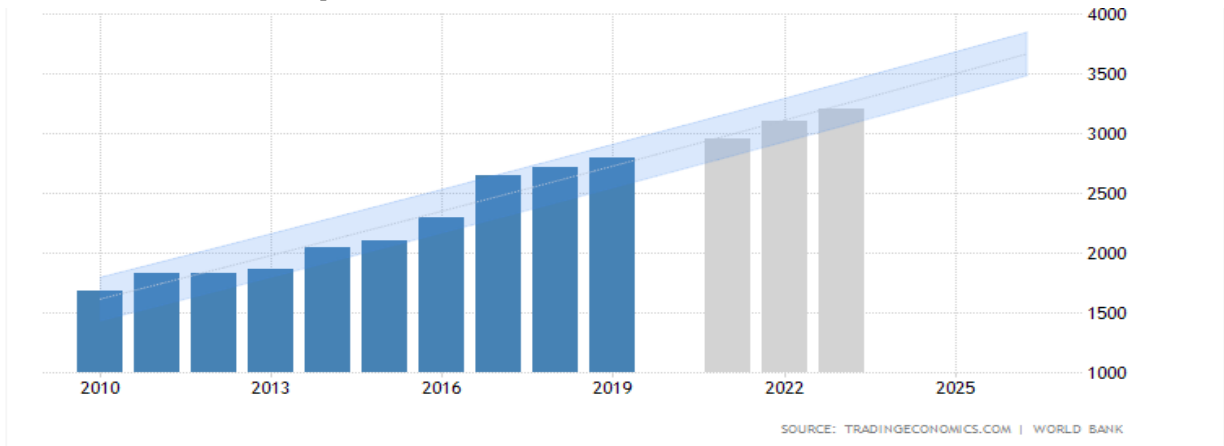
Graph -1



According to official statistics from the World Bank and estimates from Trading Economics, India's GDP growth before the pandemic was worth 2800 billion US dollars in 2019. India's GDP accounts for 2.31 percent of the global economy.<sup>5</sup>

<sup>5</sup> <https://tradingeconomics.com/india/gdp>

Graph-2

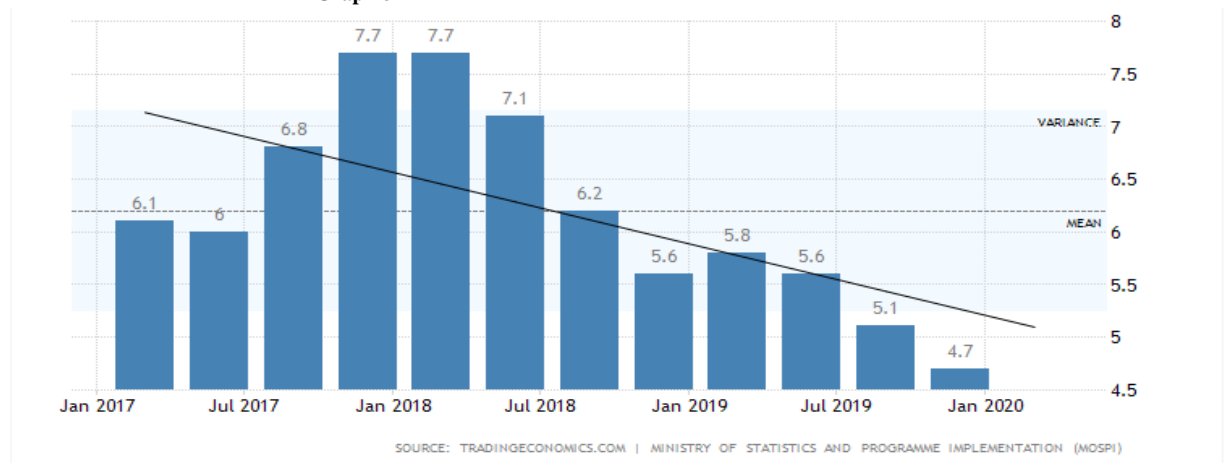


shows the anticipated growth, but the corona pandemic is causing the rate of growth to slow. According to Trading Economics global macro models and analysts, India's GDP is forecast to hit 2950.00 USD billion by the end of 2020. According to our econometric models, India's GDP will trend around 3100.00 USD Billion in 2021 and 3200.00 USD Billion in 2022 in the long run. In 2018, India's Gross Domestic Product per capita was reported to be 2104.20 US dollars. India's GDP per capita is 17 percent greater than the global average.

## 7. Growth Slowed after the Corona Pandemic

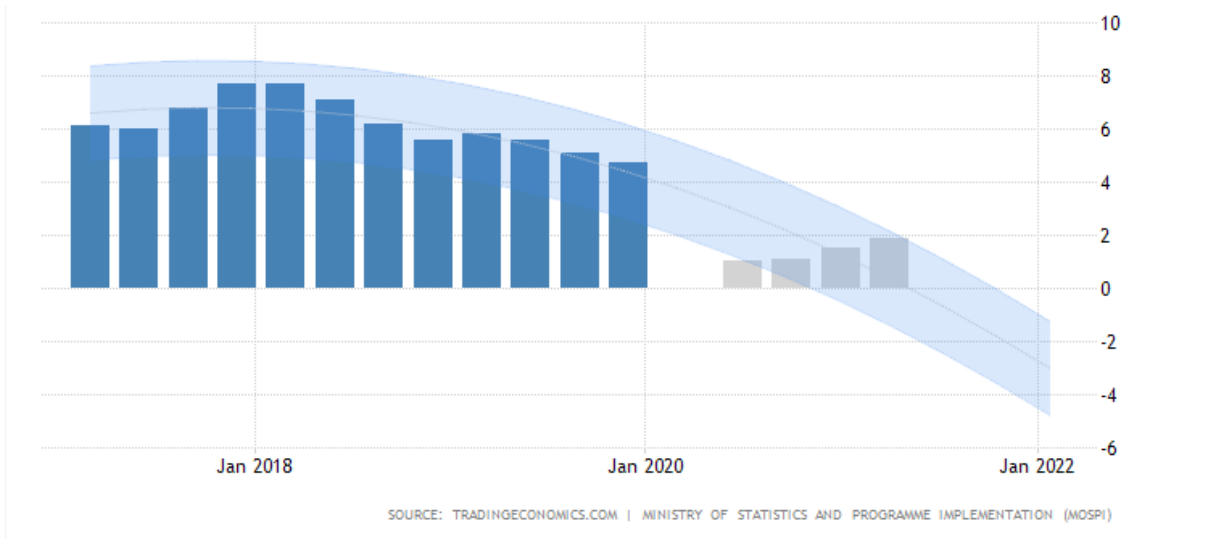
According to the UN, the global economy could contract by up to 1% in 2020 as a result of the coronavirus pandemic, a turnaround from the previous estimate of 2.5 percent expansion, and it could contract even more if economic controls are extended without sufficient fiscal responses. The COVID-19 pandemic, according to the UN Department of Economic and Social Affairs (DESA), is threatening global supply chains and foreign trade. There are almost 100 countries in the world. Economic growth will slip to 1.2 percent in 2020 in the best-case scenario, with modest decreases in private consumption, expenditure, and exports supplemented by rises in government spending in the G-7 countries and China. Graph -3 shows that from 1951 to 2019, India's GDP Annual Growth Rate averaged 6.16 percent, with a peak of 11.40 percent in the first quarter of 2010 and a low of -5.20 percent in the fourth quarter of 1979. Actual values, historical numbers, prediction, map, figures, economic calendar, and news are given on this page for India GDP Annual Growth Rate. The details, historical table, estimates, and calendar of releases for India GDP Annual Growth Rate were last updated in May of 2020.<sup>6</sup>

Graph-3



<sup>6</sup> <https://tradingeconomics.com/india/gdp-growth-annual>

Graph -4



Graph -4 According to Trading Economics global macro models and analysts, India's GDP Annual Growth Rate is forecast to be 1.00 percent by the end of this year. In the coming 12 months, we expect India's GDP Annual Growth Rate to be 1.90 percent. According to our econometric models, India's GDP Annual Growth Rate is forecast to trend about 2.50 percent in 2021 and 4.00 percent in 2022.

Graph -6

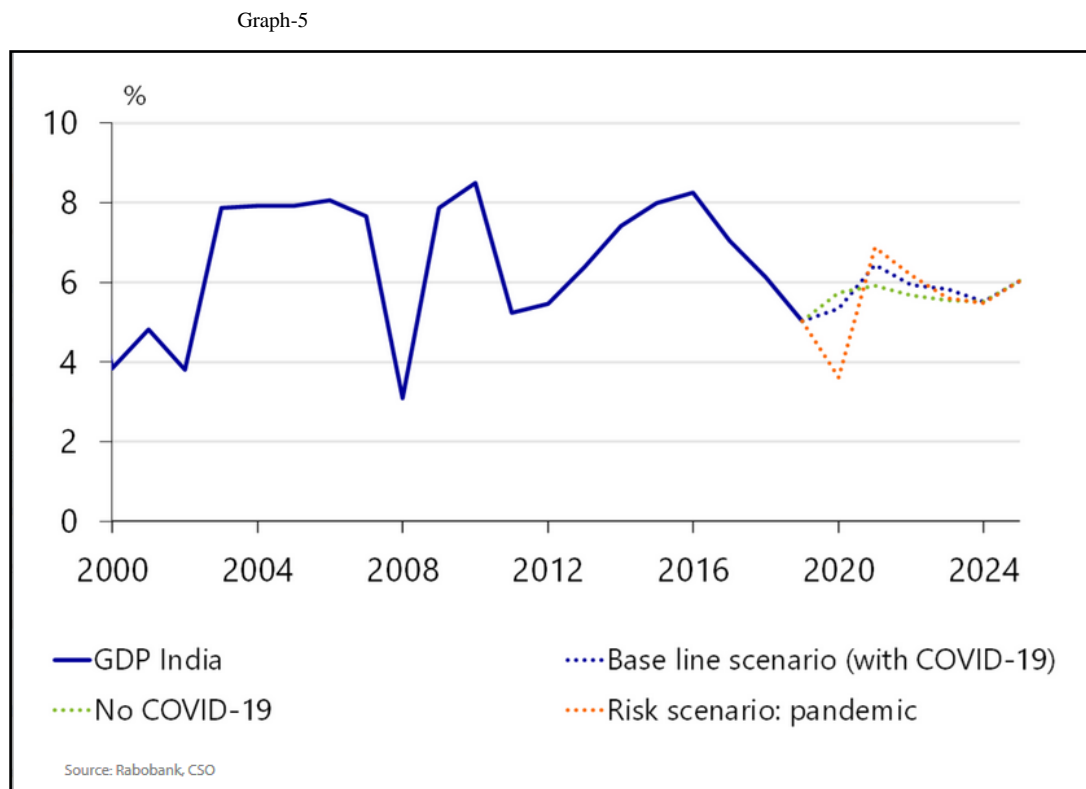


Source: <https://www.smartkarma.com/home/daily-briefs/brief-growth-ideas-covid-19-economic-impact-insights-from-indias-ex-central-bank-governor-and-more>

Graph -5 Krungthai Card (KTC TB) is forming bullish signs off of base line support at 24/25, with new long support just above this pivot zone serving as a strong danger stage. With overhead sell pressure forecast around 33.50 to 37, upside will be minimal in the near term. Accumulation volumes in the 27 area have been observed, as well as an early positive feedback. The illustrated RSI and MACD bullish channels show the down cycle's basing existence and the process of seeing sell pressure exhaust. Once we follow the basing criteria and clear the intermediate obstacles, we have a macro goal of 54. Consumer buying habits will change in the coming years, but it will be difficult to see any significant improvement in the coming months.

## 8. Findings

Graph-5 shows that the COVID-19 recession will be followed by a recovery. After the stabilisation of COVID-19 and the end of the lockdown era, the graph-5 attempts to depict the projected pattern of Indian economic growth or decline. The graph is divided into two parts: a blue line drawn precisely on GDP data from the past, and a second three-line graph drawn on the basis of observations and beliefs based on the past data.



Blue colour sing the base line if corona not came in front of us our economy will growing in a increase rate

## 9. Conclusion and Suggestion

Finally, the study centred on India's economic evolution and predicted economic future using data on gross domestic product from a number of sources. The research used secondary statistics both before and after the pandemic, as well as GDP as an indicator of economic growth and decline. Many institutions, as well as well-known and popular econometricians and industrialists, offered numerous recommendations for safeguarding the Indian economy during and after the pandemic. From that angle, we have some doubts, but a few comparable scenarios provide us with some possibilities with secondary reports from other countries across the globe, such as the United States, the United Kingdom, France, and Italy, among others.

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