

Restoration Of Indian Economy After Covid-19 (Selected Issues)

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1) Introduction

The Covid-19 pandemic has affected the human lives and economy in India and across the globe. The novel Covid-19 was disastrous for the whole world and so to India. It was most dangerous for human lives as well as for economy. This pandemic was responsible for death of millions of people across the world. This was a huge threat and challenge for medical field, especially in India. This pandemic was also a huge threat and challenge for Indian economy. The Indian economy was at the lowest level. The nationwide lockdown and several other restrictions imposed by the government had brought serious consequences in the economy. The Indian economy and the world economy was going through the 'depression' like situation. The Covid-19 pandemic was so much serious and deadly that, almost all the regions of India and all the nations of the world had imposed several restrictions on all types of activities. In case of Indian economy, almost all transactions were stopped. The 'lockdown' was declared in India. The seized economy in India due to deadly virus affected whole economy. The primary, secondary and tertiary sector of Indian economy got affected adversely due to this. The rise in unemployment, rise in consumer product prices, fall in gross domestic product, fall in income and other several serious impacts was observed in Indian economy. After the Covid-19 pandemic, Government of India and state governments have introduced several schemes and policies in order to promote the economy. As a result of this, there has been gradual and slow process of restoration of Indian economy. This paper has explained the stages and process of restoration of Indian economy after Covid-19 with respect to selected issues.

Keywords: *Pandemic, lockdown, gross domestic product, consumer price, primary sector, secondary sector, tertiary sector*

2) Objective the Study:

- 2.1 To explore the economic impact of Covid-19 pandemic on Indian economy.
- 2.2 To analyze the selected sectors of Indian economy during and after the Covid-19 pandemic
- 2.3 To analyse the restoration of Indian economy with respect to selected issues and indicators.

3) Review of Literature

Mahendra Dev and Rajeswari Sengupta (2020) have analyzed the impact of Covid-19 on Indian economy. According to the researchers, the outbreak of Covid-19 was serious shock to the Indian economy. The restrictions and lockdown had affected the demand and supply chain in the economy, which further resulted into economic slowdown. Shahid Iqbal (2020) has analysed the Impact and challenges of Covid-19 on Indian Economy. According to the researcher, the Covid-19 pandemic in India was rising very fast and had serious consequences. As a result of lockdown and other restrictions, the Indian economy was facing critical situation. The impact of Covid-19 could be found in logistic sector, automobile sector, tourism sector, electronic goods and retail industry. The impact of this pandemic was so serious that, the economy had gone at the lowest level. Ramakumar and Kanitkar (2021) have studied the impact of Covid-19 pandemic on the Indian economy, especially with reference to agriculture and industry. According to the researchers, the Indian economy was facing economic crisis during covid-19, especially after March 2020. The supply chains in agriculture and industry was completely broken. The unavailability of market outlets and

extremely poor demand for agricultural products brought the serious situation in both, the agriculture and industry sector. Vedika, Santosh, Rameshwar et.al (2022) have studied the impact of Covid-19 in India, especially the socio-economic impact. The researchers have argued that, restrictions imposed by the Government due to Covid-19 and the lockdown declared by the Government, both collectively brought serious consequences on manufacturing, agriculture and service sector. However, the schemes and policies declared by the government in the post-pandemic period have helped the Indian economy to gradual restoration.

4) Methodology

The primary focus of this research article is to explore the impact of Covid-19 pandemic on Indian economy and restoration of Indian economy. In order to analyse the research topic, the researcher has used secondary data, especially data which was published during 2020 to 2022. The articles published by various reputed journals, the reports published by the reputed research organizations and the reports published by the government of India have been used for the analysis. Since the researcher has dealt with selected indicators, only relevant data from the secondary source have been used in this research article.

5) Analysis

After the serious consequences of Covid-19 pandemic, the Indian economy is gradually coming to the restoration process. The recovery of Indian economy began in the financial year 2022-23, especially after the second quarter of this financial year. Some sectors of Indian economy are recovering fast. The gross domestic product (GDP) data shows the stage of recovery. The annual GDP in India was measured as 6.8 per cent in the year 2017-18 and 6.5 per cent. The average GDP trend in India during pre-pandemic situation was around 6.6 per cent. The Covid-19 pandemic affected Indian economy adversely, which pushed down the GDP growth. In the year 2020-21, i.e. during the financial year of pandemic, the GDP in India was recorded as -6.6 per cent (minus 6.6 per cent). This was biggest push down of Indian economy. The Government of India brought several schemes and programmes to promote the Indian economy, which has brought recovery stage in Indian economy. As a result of this, the GDP in India was recorded as 8.7 per cent in the year 2021-22. i.e. the post-pandemic situation in India is going through restoration process. The monetary and fiscal measures of the government have promoted the Indian economy in the recent years. Despite of these, there have been certain limitation of the growth of the GDP in India due to new 'Omicron infections' and global conflicts. The Covid-19 protocol, vaccination camps, government support and people participation in various activities have brought the Indian economy to a restoration stage.

All the sectors of Indian economy had lowest growth during the pandemic period. In the post-pandemic period, all these sectors of India have achieved growth. The agriculture, real estate and financial service are recovering gradually. The Industrial growth in India was recorded as 9.8 per cent in the post-pandemic period, which was around -2.4 per cent (minus 2.4 per cent) during the pandemic situation. The manufacturing sector growth rate was 9.9 per cent in the post-pandemic period. The entire service sector together was grown at 8.2 per cent in the financial year 2021-22.

Table No. 1
Gross Domestic Product in India (2018-2022)

Year	GDP (%)
2017-18	6.8
2018-19	6.5
2019-20	4.0
2020-21	-6.6
2021-22	8.7

Source: Ministry of Statistics & Programme, GOI

The entire restoration of Indian economy was a result of government schemes and programmes introduced specially for the promotion of Indian economy after Covid-19 pandemic. The fiscal and monetary policies declared by the government have helped Indian economy to boost its economic activities. Infrastructure investment and capital expenditure both collectively have helped to overcome from the serious consequences of the Covid-19. In addition to this, the commercial banks also have expanded the credit policies towards agriculture, industry and service sector. Despite of these, it was difficult to re-establish the disrupted supply chain. The export led industries were suffered huge during the covid-19, which have come gradually to restoration position. In the year 2021-22, the rise in total export from India was registered around 429 Lakh crores rupees. This rise was 44 per cent higher than the last year i.e. covid-19 year.

The restoration of Indian economy after Covid-19 has been taking shape gradually. However, the basic responsible schemes of the government of India must be taken into consideration. The policy named as 'Pradhan Mantri Gati Shakti National Master Plan' was declared in the year 2021. The main focus of this policy was to provide linkages between various infrastructural establishments, which can help to promote the transportation of goods and services. The government of India declared stimulus packages during the year 2021-22, which was around 6.3 lakh crores. Another programme named 'Garib Kalyan Anna Yojana' (2022) was declared for the free distribution of food among the poor people. For this around 68,820 crores was spent. This helped the poor people to sustain their life, which was collapsed due to the Covid-19. The government has made its effort to strengthen the health infrastructure, under which nationwide vaccination programme was implemented. The government of India also has introduced 'Mega Investment Textile Parks' to promote the investment in textile industry, to promote the employment in the textile industry and make this industry more competitive. As a result of this all, the Indian economy could re-establish to a greater extent. The process of restoration of Indian economy was begun, in the coming years, the Indian economy shall be growing as one of the faster growth led economy.

6) Discussion

The restoration process of Indian economy can be summarised under the discussion head as below-

- i) The Covid-19 pandemic had affected Indian economy adversely, which was including almost all the sectors of economy.
- ii) The minus growth was observed in some of the sectors of Indian economy during the pandemic.
- iii) The process of restoration of Indian economy began in the financial year 2022-23, especially after the second quarter of this financial year.
- iv) The gross domestic product (GDP) in India during the financial year of pandemic was -6.6 per cent (minus 6.6 per cent).
- v) As a result of the government efforts, the GDP in India in the post-pandemic year (in the year 2021-22) was recorded as 8.7 per cent.
- vi) The government of India has promoted all the sectors of Indian economy through several packages.
- vii) The Covid-19 protocol, vaccination camps, government support and people participation in various activities have brought the Indian economy to a restoration stage.

7) Conclusion

The Covid-19 pandemic had disrupted Indian economy in all sectors. Most of the sectors of the economy was achieving minus growth, which was a big challenge to Indian economy. Since this situation was exceptionally serious, government of India declared several measures to re-establish the Indian economy. As result of this, the process of restoration of Indian economy began to some extent. This shall be faster and stronger in coming years.

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