

# Positive Outlook of Covid 19 on Indian Economy

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**Abstract:** The present study elaborates the positive viewpoint of covid 19 on Indian economy. It mainly discusses the impact of Covid on environment and trade. The study found that despite about half of the nation's businesses being adversely affected, and supply chains having fallen victim to the pandemic, there does appear certain positive effects in India as well.

## Index terms

Covid 19, Greenhouse gases, Localism, Pollution, Swadeshi

## INTRODUCTION

Coronavirus outbreak was first reported in Wuhan, China on 31 December, 2019. As nations bend down their streets with various forms of restrictions and lockdowns, the stall on the growth of global economy feels more noticeable than ever. With global spread reaching staggering numbers, losses both to human lives, economy are irrecoverable and keeping people sealed indoors due to the spiraling fear and mass confusion. For India, regardless of a slower curve of infection, the impact has been ruthless in many ways. The opening 21-day lockdown period had been estimated to cost nearly \$4.5 billion every single day. As home confinement, home schooling and teleworking became the norm during lockdown, there are inevitably many less cars on the roads.

This has contributed a positive impact in our economy itself. The air became cleaner and noise level has dropped significantly from the construction sites, road traffic or life generally. It's estimated that a minimum of one-quarter of the world's population, or roughly two billion people, are now under some sort of stay-at-home order due to the coronavirus.

New Delhi in India is one among the foremost polluted cities within the world, which regularly has unhealthy air conditions, has now seen its AQI falling below 95 an enormous reduction from its monthly average of 161 from March 2019. Air pollutants in Delhi's air which was at 126 micrograms per kiloliter went down by almost halved to 33 micrograms per kiloliter. The shutting down of heavy industries and factories has led to 50% reduction in nitrogen dioxide (NO<sub>2</sub>) and 25% reduction in carbon monoxide gas concentrations which is even more pronounced because the main source of NO<sub>2</sub> emissions and carbon monoxide are vehicles and industries. The typical concentration of too many fine particulate within the air are dangerous because the inhalation of these particles is truly hazardous. According to the studies, the concentration of these particles in the atmosphere has fallen down to 40% compared to previous years. Half a year ago Delhi was gasping for a breath of fresh air saw "positively alpine" air quality a few days ago. Delhi is currently enjoying one among rock bottom pollution levels seen within the past decade or longer.

An equivalent is true for other metropolitan cities like Mumbai and Kolkata. Clear blue skies, a really rare sight in Delhi-NCR has become the norm after the lockdown, but pictures have shown the India Gate war memorial in clear view with no haze and therefore the Himalayas are often seen from North India, Dhauladhar range, which is a component of a Himalayan chain of mountains in Himachal Pradesh, has now appear from Jalandhar

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in Punjab, the mountain rises from Kangra and Mandi for the primary time in 30 years. This significant slowdown in economic activity has also led to an environmental impact, particularly within the air is cleaner and therefore the environment is greener.

Till 2020 increase in the amount of greenhouse gases produced since the beginning of the industrialization era had caused average global temperatures on the Earth to rise causing alarming environmental impacts like melting of glaciers and rising sea levels. In various forms, human activity caused environmental degradation, an anthropogenic impact. Reducing air pollution can reduce both climate change and COVID-19 risks.

With industries shutdown and people confined to their homes for days following the imposition of the 21-day lockdown, there is 40-50 per cent improvement in the water quality of Ganga River. With rainfall on March 15 and 16, the Ganga's water level has also increased, this meant the river's cleaning capacity has also increased.

Nature is healing with lots of greenery and lush because of the lack of pollution and the curfew restrictions faced by humans. On one hand, migratory birds are returning to lakes and water bodies which was once abandoned due to heavy pollution and manly disturbances. Wildlife is also experiencing their real freedom, and this is evident in the case of the endangered species like mountain goats, bison, wild cats, fishing cats, and civets wandering in their land without any fear and human intervention. This clearly shows that Wildlife is rejuvenating and flourishing.

Up until the beginning of 2020, it was all about internationalization and globalization of businesses. Right now, it's all about staying home, inquiring about the health of neighbours, leaving home only to buy local products and boosting the local community. This lockdown has inspired family-time and local-time among the millions of citizens living in the metros of the country. While people are rarely leaving their homes, if at all, they are spending more time on streaming platforms, playing board games with their family and spending quality time with their kids. This year, the government has proposals to hike import duties on quite 300 products, like a rise of 30 percent in furniture import from the present 25 percent price. This can provide a chance for local production to break out within the market, especially OMEs, SMEs, and even the ever so varied handicrafts of India. The Indian government is additionally taking this opportunity to take a philosophical stand in encouraging self-reliance and thrusting hard for 'Make in India' and 'Digital India'.

After the initiation of a country-wide lockdown, where all major transportation have been stopped to control the spread of the novel coronavirus. Private vehicles in the roads is a rare sight as well. It is expected that diesel and petrol prices to drop further as crude oil prices hit a 13-month low in India. The crude oil prices in the US are falling steadily and the cost might average out at \$43 per barrel in 2020 in contrast to \$64 per barrel in 2019. A \$1 drop in crude oil prices will correspond to a reduction in the country's import bill by a sharp INR 2,900 crore. The falling rates of crude oil will leave more liquid cash in the hands of the vehicle owners by the end of 2020. However, it is assumed that there is a good chance that the state and central governments will increase the duty on fuels to make up for the revenue deficits.

Crime rates in Delhi Kolkata, Chennai, Mumbai and Gurugram have plummeted in the last one month after the COVID-19 fear almost paralyzed the cities. Delhi police have registered only 2,000 cases including petty theft, robbery and automobile theft since March 15, 2020. It represents a sharp 42% percentage drop in crime rates correspond to the reduction in the percentage of vehicle thefts, which has given some mental peace to owners of personal and commercial vehicles some emotional peace in these tumultuous times. A similar drop in crime rates

has also been witnessed across other major cities. The Prime Minister's decision of a complete lockdown for 21-days and the vigilance by the local law enforcement has contributed significantly to the steep decline in the crime rate in several cities and towns.

Due to global economic slowdown, around a thousand foreign manufacturers from first world economies such as US and EU expected to adopt de-risking strategies and shift their manufacturing bases from China and want to relocate their production to India, a country they see as an alternative to China. Reportedly, at least 300 are already talking with the Indian government for production in a wide range of sectors, including electronics, medicine, and textiles. Tax cuts, increased liquidity, forbearance to lenders, credit and credit-guarantee to SMEs, and lower interest rates, Combined with a stimulus package of \$100-120 billion, will restore the purchasing power to the populace sooner than earlier deemed during the onset of the COVID-19 crises. If India trusts the indigenous businesses, the economic recovery will be much sooner for the country. Major Impact is that Infrastructural development around manufacturing facilities and a boost to employment.

China is the world's leading exporter and second-largest importer. It accounts for 13% of world exports and 11% of world imports. In importations, the dependence of India on China is huge. Of the top 20 products with the two-digit of HS Code that India imports from the world, China accounts for a significant share in most of them. India's total electronic imports account for 45% of China. Around one-third of machinery and almost two-fifths of organic chemicals that India purchases from the world come from China. For automotive parts and fertilizers China's share in India's import is more than 25%. Around 65 to 70% of active pharmaceutical ingredients and around 90% of certain mobile phones come from China to India. Therefore, due to the current outbreak of coronavirus in China, the import dependence on China will have a significant impact on the Indian industry. The shutdown of supply chains, however, has called for a need to shift the market or become independent, the government has planned to boost local production of these products and emerge as a global alternate supplier.

## CONCLUSION

All countries in the world has showed their humanity and concern to their own citizens. They hastened their policies and acted introspectively in taking positive decisions practically to prevent panic and fear during the Covid 19 outbreak. Everyone agreed the importance of quarantine and the new world that sprout out to enhance 14 day quarantine, lock down, social distancing, boarder closing and so on. This article clearly proves out the fact that self-reliance and self-sufficiency is truly important in any situation be it pandemic, flood, drought or any other natural calamity. This lockdown has also brought out the importance of Gandhian ideals, the emphasis on simple living and high thinking which is very much practical in this 21st century. Even though we are connected globally, it is high time to think about the concept of 'Swadeshi' which is highly necessary for the growth and progress of our economy.

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