

“Indian Economy: From the Eyes of WEF, IMF Growth Projections, Sensex and Investors”

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Abstract: Global Pandemic of Covid-19 has left every economy and nation to think of what plans do they have to make, how to budget and how to forecast about their financial position in the world economy. Indian being an developing state at stood at world 2nd position for increase in number of patients affected found only during or span of 06 months.

Lockdown that was implemented in nation it has at times felled that it has helped to prevent the noval covid but at times has destructed the domestics as well as world economic too. Indian being a developing nation population extending to 130 Billion + has to survive as surpass a situation where it would fulfill and take care of each and every citizen of the country within and outside. Various organizations such as WEF, IMF, WB and WTO have predicted that Indian economy will definitely achieve the growth rate of +8% +9% in a span of just 12-15 months from the current rate of -7% in prevailing market condition or scenario.

Key Word: Indian Economy, Pandemic, WEF, IMF, Investors, GDP (

I. Introduction

History or Background:

The wave of investors' expectations and sentiments rose at a peak point when everyone observed the Sensex of Bombay Stock Exchange touching the ever since golden line of 50,000 Mark. For some it was a golden line and some it seemed as an Red line which hints about further danger that is unforeseen.

Many and almost everyone is of the uniform opinion that the spread of Covid-19 is under control and the economy (Indian) is at the growth stage of its revival amid pre and post lockdown situation in the country. Gradually everyone may it be Large Scale, Heavy Goods, MSME or any other, are coping up with the shocks the entire market and economy has faced. But slowly everyone is recovering and trying to make their footprints back into the market.

The growth projections are different from various institutions. Some say that India would have a two digit economic growth rate in 21-22 and few of them predict that it was just a one digit or a close by to Zero or Negative growth rate. Perceptions, views and predictions are different but it, is certain that economy would need some time and would than only revive.

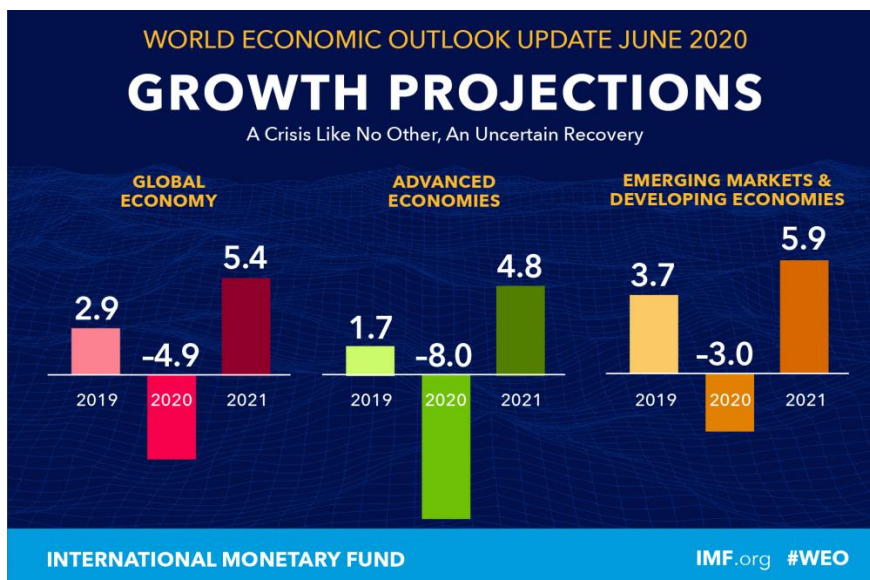


Chart 1.1

Source: www.imf.org

World economic outlook along with the International Monetary Fund has made a study and projections for year 2020 and 2021 which shows or depicts about a positive growth rate for everyone say, all economies be it Global, Advanced or Emerging countries of the world. This is good sign which depicts about boost or increased consumption, growth of manufacturing, services and ancillary sectors and so on.

Currency or Money Market:

The market economy of world has to be well balanced with the forces of currency and financial market. The availability of currency that is liquid money in the economy, the flow of or circulation, rupee or dollar convertibility, holding and conversion period of cash, short term availability of finance and borrowings – are such factors which will impact the money supply in market for short term and will show the positive effects in the long run.

Individual spending also is of major importance as such because the industrial consumption is bit less or in slow pace and the industries are still at a situation where they need some time for their business to get the enough amount from the short term money market. Hence the spending from the retail segment has to be much higher to boost the market economy and look to it that they flourish in day to come of first quarter of 2021-2022.

Objectives of Study:

1. To Study the position of Indian Economy as on today
2. To find out the economic status of India pre and post covid
3. To assess the finding and reports or suggestions from WEF, World Bank and IMF
4. To study various published government data to find out economic position and sustainability

Research Methodology:

The research methodology that is used for this study is descriptive research.

All secondary and already published data is being used for this research. Secondary data is used and based on this the research has been undertaken.

Data Collection and Sampling:

Various data of already published sources is being undertaken for this research. There is no sample that has been collected. Method of data collection is completely secondary source of information is undertaken for research study.

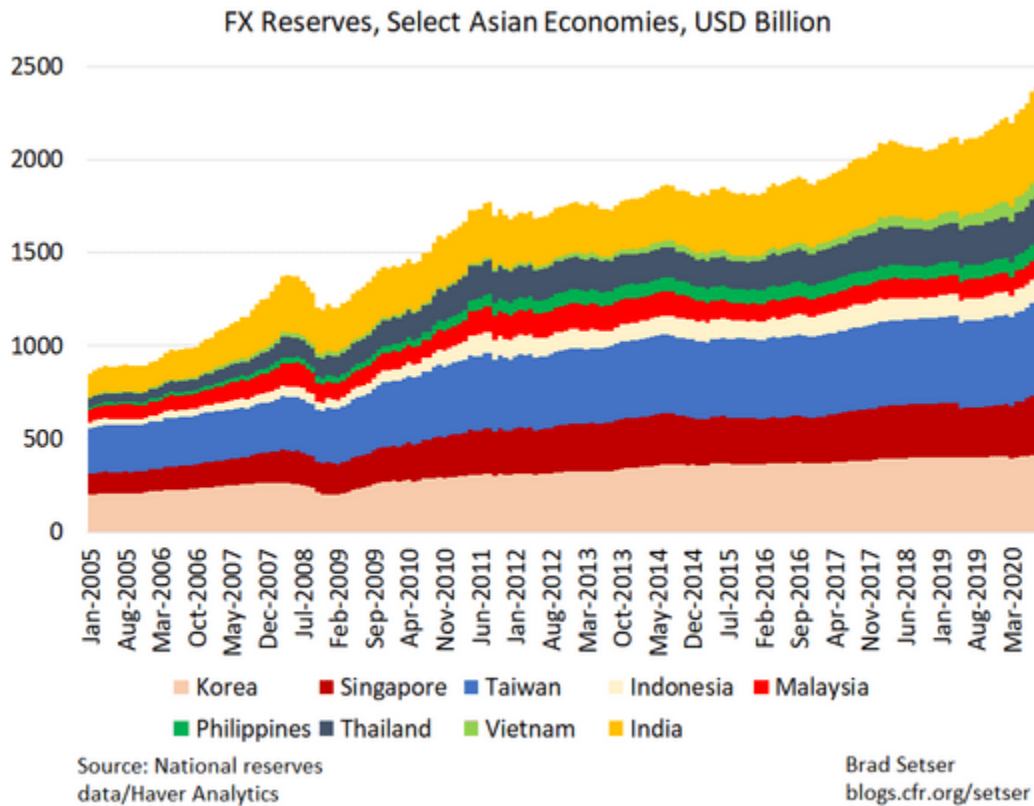


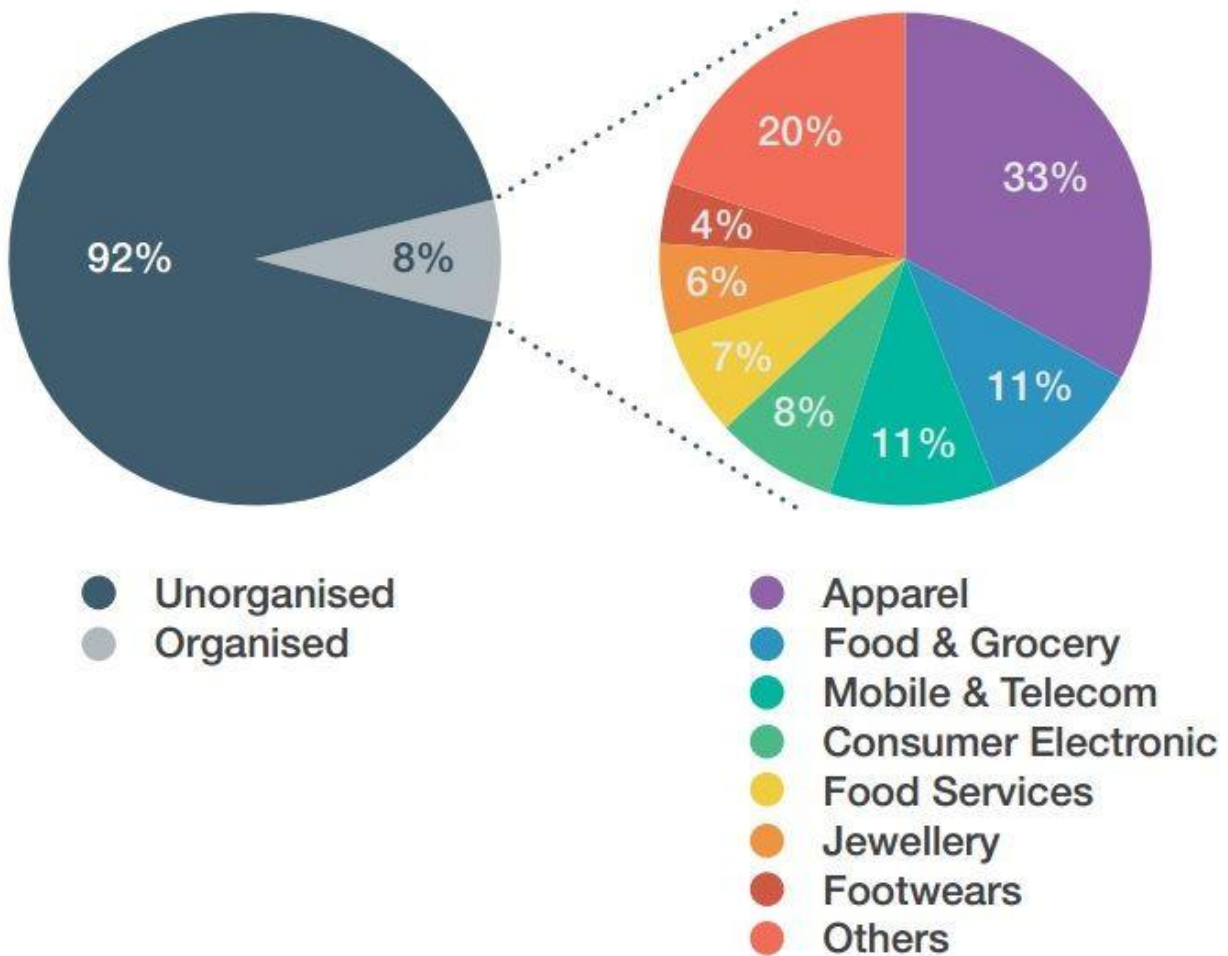
Chart 1.2

Source: <https://www.cfr.org/blog/asian-intervention-foreign-exchange-market-back-bigly>

Organized and Unorganized Sector:

Many a times it is often thought that the situation for organized or Unorganized sector is one and the same. But in practice or reality it is not the case as the participants, components and implications are altogether different for both of these sectors. Organized forms the part or acts as major role player as the output so generated or product that is offered is qualitative and in demand at larger scale. Whereas in case on unorganized sector the terms are not fix and specific and hence challenges are associated with it.

Figure 1: Organized Retail Industry in India



Source: Dunn & Bradstreet retail sector overview, India Retail Report 2013, Images Group

Chart 1.3

Source: http://www3.weforum.org/docs/WEF_GAC_LogisticsSupplyChainSystems_Outlook_2013.pdf

Many employers are even today not in a position to pay a regular sum to their employees. It has impacted such due to it because of change in job role, attrition, migration, instability of job and so on. Hence as compensation or pay or reward is affecting so in that case the output, productivity or even to that matter level of production is also affecting directly.

IMF and India:

Availability of funds – specifically liquid, in market is of utmost importance when an economy is moving from a slowdown situation or to be specific in Un-Lock phase as in today’s definition. What the international organizations such as IMF, WB and other lending institutions can do for us the making of liquid funds readily available as desired. The amount or currency so demanded may be at times be in place when desired for or needed.

The real problem is challenge in this case or scenario is about the allocation about for whom to allocate and how – via what source to allocate those funds. In an country like India where there are huge number of business units or

industries scattered across the nations it becomes time consuming for the center as well to state to allocate an deliver the funds on time to the concerned sector or industry at large.

The country has moved up to 3rd position and has the fastest growing base of start-ups worldwide...

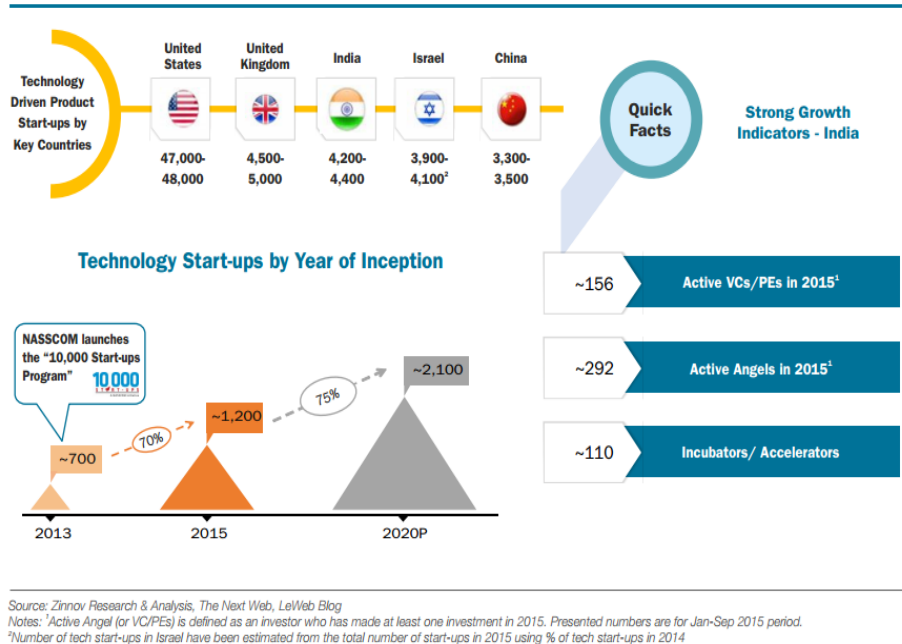


Chart 1.4

Source: www.wef.org

Indian Economy would revive at a certain point of time and would reach to a position of a double digit economic growth rate as predicted. Many experts or economists feel that India is one of fastest growing economy of world and by 2035 many of auto and manufacturing along with processing hubs of world would be in India.

The potential is very high as to it the support of it population, ever increasing need, availability of support from government, increase in industrial and retail demand, good governance are such many factors which would impact help the nations to scale up to new heights and be a global leader in all aspects.

The numbers of startups that are being set up and are registered in India are also increasing day by day and various campaigns such as – Make in India, Vocal for Local, Swacch Bharat are Making New India a country which is self-reliant and AtmaNirbhar.

One feels that how would be this successful as it is completely a challenge even for the nation and each and every citizen. With the sense of belongingness and move towards the awareness of Swadeshi mission it is for sure that the minds of India are getting ignited and many or most of them are preferring for Home made goods or products on large scale.

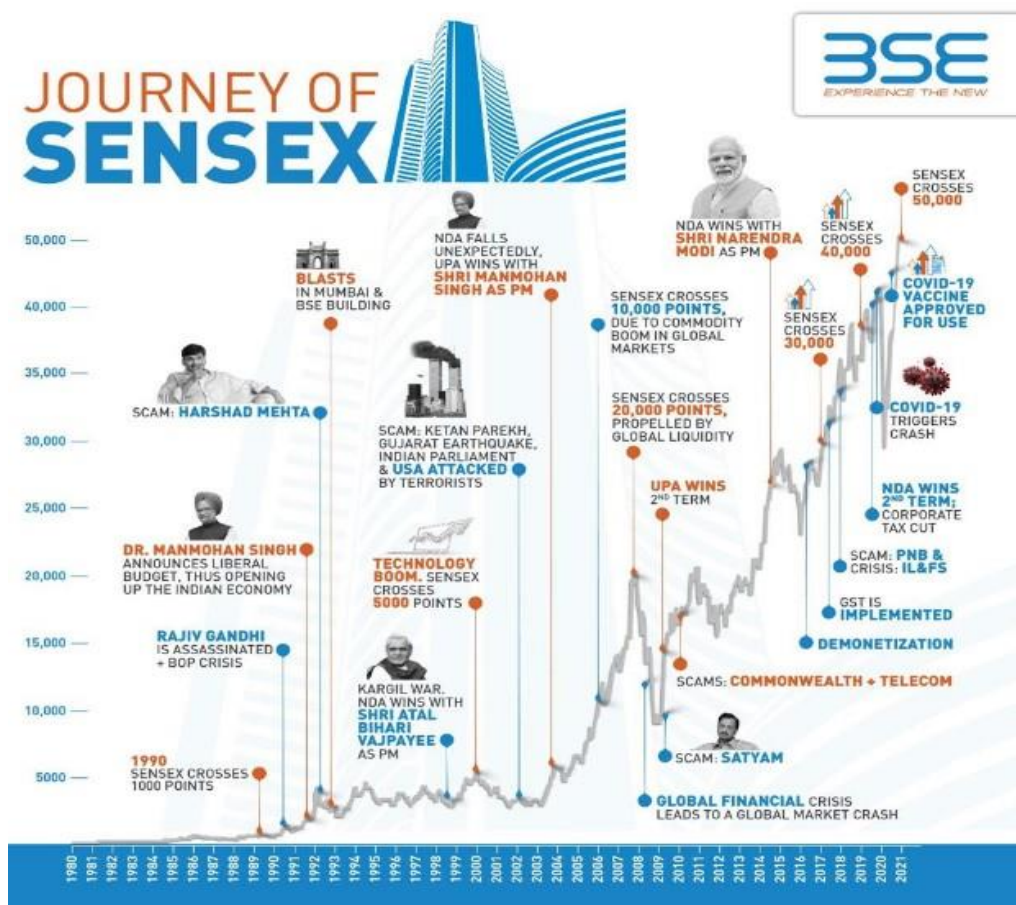


Chart 1.5

Source: www.bse.in

BSE and Financial Economy:

Recent waves of the economy on Dalal Street has shocked even of us in the nation where the sensex touching 50,000 mark was an incident of nightmare which many of us as an investor or trader or trader or economist or citizen have not expected for to be so early as all of sudden. The boost in market economy at this stage is clear sign of the predictions by various national and international institutions as to the growth of Indian economy in further year and how the fiscal would be more profitable and fruitful.

Still every investor has a slight fear at every point of time about how his investment would be not at a stake and expect a stable return, whatever may be the platform or market conditions prevailing in economy. Collective efforts are required at this stage from all fronts for the revival of economy and see to it that not a single but all sectors grow altogether making India a Wealthier and Healthier nation post Covid-19 shocks faced by each and every segment.

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