



Impact of Brexit on Indian Economy

Description

- Britain, on the 29th of March 2017 officially initiated its break up with the entire European Union. Brexit has been labelled as “Once in a lifetime” event by the experts over the world as United Kingdom decided to cut lose EU. This meant the subsequent exit of various Indian firms and businesses well established in Britain and relocation of these offices to different regions.
- With the exit of Britain from the EU referendum, researchers have witnessed a significant drop of 0.3% in the current Indian GDP growth from the earlier 7.6%. Though the Indian Government is making enough efforts to suppress the loss due to this downfall, the drop hasn't successfully damaged the growth of Indian economy.
- The non-profit association, NASSCOM studies suggest the loss in Indian sectors such as Information Technology and automobile industries. IT projects with international tie-ups are expected to conduct renegotiations in terms of risks and potential resource procurement along with profit margin because of the skidding value of the pound.
- With the Britain currency collapsing, import rates have now paved in as cheaper and easier for the Indian market. This would majorly help India to rebuild and work on the economic depletion caused due to the Brexit event as a compensation in terms of trades. Also, with Britain losing the access to the EU market, urges it to build better relations with emerging countries like India having a large domestic market.
- Brexit offers a good news for the students aspiring to pursue their higher education degrees from the United Kingdom which is considered one of the favourite destinations for Indian students. Before the exit of Britain from the EU referendum, it was obligated to offer scholarships to the students of UK as well as EU. Now, Indian students hold a fine chance to get scholarships and reduced transportations fees with the decadence of the pound.

- The impact of Brexit can be evidently witnessed on the pattern of net currency value affecting the exchange rate for pound, euro and most importantly Indian rupee. The daily fluctuations in the gain and a loss percentage of this economy proportionally damage the Indian Exports in the global market. Though the rupee has known to have strengthened in comparison with the dollar, the net result depends on the relative changes of the world currencies.

Conclusion:-

India, out of the total of 195 countries, is highly valued in terms of the global market, IT sector, exports, trade etc and appreciated as the fastest growing economy in the world. Unexpected events such as Brexit, which hold such massive strength that it has globally shaken the economy of the entire world with its long-term impacts.

The present impact of Britain-Exit on India has been both a mixture of positives and the negatives. With the profits been higher, this adds on as a relief to the Indian economy and easy market access. Yet, the country hopes for profitable negotiations in future working in favour of global economic growth.

Afterwords:-

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