



An analysis of the economic effects of Diwali and the value of encouraging a Green celebration

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Abstract

On the 12th of this month, we will celebrate Diwali, one of our most well-known holidays. Celebrated for their long history and significant contribution to economic growth, festivals are an integral element of Indian culture. As a consequence, everyone is content, including people and company owners in both small and major sectors. Diwali affects our economy greatly in addition to being a religious and cultural celebration. Since they think more consumer demand would stimulate economic activity, many economists see the festival season as advantageous for the economy. Diwali is a festival of prosperity that, by ensuring our success and wealth, also provides us with the energy and resolve to continue spreading kindness and hard work throughout the rest of the year. Gifts are therefore given to friends, family, and coworkers. The most significant thing Diwali does is shine light on the inside. Diwali marks the beginning of the new year for many business families. Bonuses and increases in Dearness Allowances, which indicate increased expenditure, are usually linked to this time frame. Discounts and promotions, such as free shipping or gift boxes, are also used to identify the time. Additionally, these deals entice customers to spend more money. Green Diwali is a technique to celebrate the festival of lights while causing the least amount of damage to the environment, especially from firecrackers since the modern world is so polluted. In addition to contributing to pollution, setting off firecrackers can have negative health effects. As residents, it is our responsibility to closely monitor the government's efforts to minimize pollution during the Diwali holiday and make sure they are carried out correctly. The laboratories of the Council for Scientific and Industrial Research (CSIR) have devised a range of eco-friendly fireworks with great success. This study aims to elucidate the economic implications of Diwali on the Indian economy, as well as discuss strategies for promoting a greener Diwali that would lessen pollution in the community.

Keywords: Business community, cultural festival, eco-friendly crackers, green Diwali, natural colors

Introduction

From Kashmir to Kanyakumari, and wherever else where Indians are present worldwide, Diwali is observed. In India, it is regarded as one of the most significant festivals. Both urban and rural regions light up a week or two before the festivities start, in addition to the Dussehra festival that comes before. Like with many major cultural celebrations across the world, Diwali, the festival of lights, ensures that people's pockets are made noticeably lighter. For a large portion of the Indian business sector, Diwali also signifies the Hindu New Year. Many adorn their homes, workplaces, and shops, and they honor the goddess Lakshmi. Riches and prosperity are thought to accompany Goddess Lakshmi as she comes to the puja location. It is believed that Diwali is a lucky time to launch new initiatives and buy greenfield properties. Enjoy yourselves with your loved ones during Diwali! People wear new clothing, enjoy delectable feasts, watch fireworks displays, and share gifts and sweets. It's

also the ideal time to clean and beautify your house. Sales of durable goods, such as televisions and household appliances, have increased by 8–12% in volume over the holiday season of the previous year. Based on estimates from the Confederation of All India Traders (CAIT), the Diwali festival sales exceeded Rs 1.28 trillion last year. The same body projects sales of Rs 2.8 trillion this year.

Every Indian community celebrates Diwali, which unites people and fosters a spirit of happiness and kindness. We light up our lives and the lives of others with lights, presents, and sweets during this celebration, which we enjoy with our loved ones. However, setting off firecrackers has grown to be a major event of the celebration. Gaseous pollutants released by firecrackers are harmful to the environment and human health. Additionally, older people are distressed by the loudness, particularly those who have a heart condition. In order to assist students in comprehending the negative effects of exploding crackers on Diwali and

how it affects the environment, this essay will focus on eco-friendly Diwali. Choosing an environmentally friendly Diwali is an excellent method to prevent adding to the current pollution. It is best to refuse firecrackers. As people become more conscious of how Diwali affects the environment, they purchase more earthen lamps and use fewer firecrackers to burst during the celebration. Diwali is increasingly more of a celebration of lights than of firecrackers in many regions of the nation.

Review of Literature

News/Jalandhar, October 26, 2019 It claims that Diwali is a major economic engine in India in addition to being a cultural event. Sales of textiles, technology, and real estate are among the industries it increases. The stock market and e-commerce both gain from this. The festival's economic impact stems from more consumer spending, which fuels additional business ventures, financial investments, and job openings. In addition, there is a rising focus on eco-friendly Diwali celebrations in order to lessen pollution and save livelihoods.

Wealthy. Jama SEBI Registered Investment Advisory Certified Trusted Source in India Printed on October 25, 2022. This examination of the literature looks into Diwali's financial effects in India. It draws attention to how consumption, sales, and commercial activity all rise during the event. According to the analysis, Diwali celebrates the Hindu New Year and generates significant holiday sales that help a number of industries. Even though there will soon be problems in the global economy, the Indian market is expected to grow in the near future, but there may be obstacles in the middle. Investing for the long term should concentrate on companies with solid foundations.

Through Bloomberg Updated October 22, 2022, This analysis of the literature highlights the increase in consumer spending while discussing the economic effects of India's Diwali holiday. It highlights the strong performance of e-commerce sites such as Amazon and Flipkart, as well as the expectation of significant in-store spending. The article discusses the positive prognosis for the Indian stock market, four charts showing spending patterns, and the festival's importance in promoting several industries. It does, however, recognize the difficulties facing the world economy and stresses the significance of making prudent stock market investments.

Prateeq S.K. November 3, 2021, this literature review emphasizes the significance of celebrating a green and eco-friendly Diwali. It provides practical suggestions for making the festival more environmentally conscious, such as using natural materials for rangoli, opting for biodegradable tableware, promoting healthy eating, choosing traditional clay diyas, and considering eco-friendly firecrackers. The review underscores the importance of environmental awareness and sustainable practices during Diwali to reduce pollution and promote a healthier, more eco-sensitive celebration.

Objectives

1. To understand Diwali's financial effects on the Indian economy.
2. To know the Indian initiative to promote a green Diwali.

Materials and Methods

I gathered the data for this essay from a variety of publications, including reports from the Confederation of All India Traders, the Council for Scientific and Industrial Research, and articles, research papers, and websites.

The economic impact of Diwali on the Indian economy

Festivals are an occasion where people buy presents, handicrafts, religious artifacts, and accessories for their homes and personal use all over the world. These celebrations have unique positions in every nation and economic system. Nevertheless, it's Diwali, Christmas, and Eid. In the Indian or global economy, Diwali holds a significant significance. Considering that Indians are dispersed over practically every country, India is the second most populous country in the world. An essential component of Indian culture, festivals are times for joy. They function as an instrument to infuse life with a spirit of jubilation and zeal. The majority of the year's sales of consumer products occur during this season. There is a greater demand for products and services during the festival season than there is on regular days. There is an increase in the supply side due to the increased ability to consume (consumption rate). Because of this, manufacturers may increase output and profit. Positive market circumstances result from the like-wise public spending more money (purchasing power) on festivals so, the Diwali celebration is one well-known example. The need for electric lights, decorations, and earthen lamps is high. However, presents like chocolates and other treats are much sought after. The demand for Indian sweets, or mithai, is also at an all-time high. Every single one of these customers and dealers contributes to the economy, and adds to a nation's GDP, which sometimes causes growth and other times causes a slowdown. Apparently, festivals are important for a nation's economic activities. All sectors of the Indian economy benefit greatly from the spending that occurs during festivals, including purchases of clothing, shoes, ornamental products, and white goods. Especially during festival seasons, sales of automobiles are very high. The housing infrastructure industries-which include paint and sanitary goods-benefit greatly from the holidays. Festivals provide a large number of jobs for the unorganized working class, particularly for artists. That is their most vital survival tool. In order to increase sales, corporations introduce new designs and products throughout the festival season. It is what spurs innovation. During festivals, both local and international startups feel comfortable entering new markets. improving consumer welfare overall and boosting competitiveness. Online retailers like Amazon, Flipkart, Snapdeal, and others see a multi-fold spike in demand over the holiday season. During the last Diwali, Flipkart recorded sales of Rs 600 crore in just 10 hours. Due to their auspicious properties, gold and silver have historically been the favored assets for Indian investors. As a result, demand for these precious metals rises annually during celebrations. In order to celebrate Diwali, India ships goods to other countries where there are sufficient Indians. Dhoop, Agarbatti, Oil, Sweets, Idols, Dhoop, candles, Rangoli and its colors, Traditional clothing, and other décor items are among the products. This is the height of the candy industry. Since this is also the period of Karwa Chauth, Dusherra, and

Navratri. Consequently, the months leading up to Diwali saw increased working hours for both Namkeen and Sweet Industries. Snacks! Ninety percent of the city sells its merchandise two months before Diwali, while Sivakasi completes all of its work a month before the festival. whole years' 90% output. During this time, there was a boom for general stores, small business owners, clay craft dealers, and retailers of electronics.

Following Diwali, real estate purchasers become more prevalent, and post-Diwali real estate booms are frequent. During Diwali, a lot of people buy cars and jewelry, but jewelry is also purchased for marriage. A few days after Diwali, the Hindu marriage season begins. Festivals have been used to promote travel in recent years. Tourists are encouraged to attend the location during the event because it is a time-limited event. This offers them a special opportunity to engage with the local population and have a greater understanding of the atmosphere, traditions, and culture. Last year, during the Diwali festivities, sales reached a record Rs 1.25 trillion. Between the organized and unorganized sectors, these sales are distributed. Diwali brings a lot of people to businesses and online, which boosts sales. In addition, the industries' order books are filled, which keeps the distribution system, logistics, and whole sellers occupied as well as their cash registers. During Diwali 2021–2022, Amazon stores saw a two-fold increase in sales, with over ten things sold per minute! Textiles, autos, consumer durables, electronics, jewelry, real estate, tourism, and food and drink are among the industries that profit during Diwali. Diwali is a crucial time of year for many Indian industries since the country has a consumer-driven economy.

Approximately Rs 1.75 lakh crore in revenue is expected to be generated by the country's offline trade during the Diwali holiday this year, an increase of more than 40% from the previous year. According to a report, the year 2022 witnessed unprecedented festival shopping, breaking all previous records. It is noteworthy to observe that, in response to Prime Minister Narendra Modi's call for an independent India, consumers this year chose to purchase goods made in that country. about all Chinese items were absent from the market, and China suffered losses of about Rs 75,000 crore due to Indian dealers. The data presented by the Confederation of All Indian Traders, or CAIT, is derived from a survey carried out in 30 cities throughout the nation at various stages between September 26 and October 26 by the organization's research arm, the CAIT Research and Trade Development Society. Even a worldwide recession fueled by inflation cannot stifle the holiday mood, as consumption tends to surge dramatically. Demand rises in response to sales, discounts, and general increases in foot traffic to retail establishments and online e-commerce websites. Increased demand for festive goods indicates a boost to the economy.

The Indian initiative to promote a green Diwali

A green with firecrackers causing the most harm to the environment, Diwali is a celebration of the festival of lights in a sustainable way. Due to increased awareness of Diwali's environmental effects, fewer firecrackers are going off during the celebration and more people are purchasing clay lamps. These days, Diwali is less of a firecracker holiday

and more of a festival of lights in many regions of the nation. Rather than using electric lights or candles, we ought to light traditional earthen lamps called diyas. For Diwali decorations, we want to choose in-season flowers and foliage. We may decorate with silk sarees, vintage dupattas, and other items. Involving our children is essential as we create unique décor pieces out of used CDs, bracelets, and other craft supplies. Rice powder, turmeric, and other natural colors may be used to create natural rangolis. Additionally, we may use flowers, petals, and leaves to create rangoli. To protect the environment, we should purchase Diwali presents.

We can give our relatives a plant as a present. Avoiding plastic usage and avoiding needless purchases that lead to waste is important. We should utilize biodegradable plates, cups, and glasses when throwing a modest Diwali gathering. Mud pots, or kulhads, are the ideal vessel for serving beverages. Bamboo and banana leaf plates are other suitable possibilities. The celebration may cause a significant amount of garbage to build up. Therefore, we ought to separate the garbage before discarding it and dispose of it responsibly. Green, eco-friendly firecrackers were introduced this year by Union Health Minister Dr. Harsh Vardhan. While lowering pollution, people may enjoy Diwali the old-fashioned way—with firecrackers—thanks to these sparklers and other crackers, which were developed by the Council of Scientific and Industrial Research (CSIR) and produced by licensee manufacturers. The fact that these are not only environmentally benign but will also support the livelihood of the numerous people who profit from the production and sale of pyrotechnics is quite encouraging. A holiday now associated with loud crackers and overindulging has replaced traditional diyas and handcrafted sweets. It is not only damaging the environment, but it also raises concerns about the health of the individual. We don't want to ruin your Diwali celebration, but below are some of the greatest eco-friendly ideas that will allow you to celebrate the holiday to the fullest while also protecting the environment.

In addition to contributing to pollution, setting off firecrackers can have negative health effects. During this festive season, many individuals have various pollution-related disorders as a result of air pollution. Thus, in order to save the environment, we celebrate eco-friendly Diwali. There are a few eco-friendly methods to celebrate Diwali that don't include using plastic diyas, LED lights, or expensive candles to decorate our houses. Instead, use clay diyas or earthen lamps, which are readily accessible and use oil to produce light. Since firecrackers pose a risk to public health and the environment, the Supreme Court has outlawed a number of firecracker types. Strong winds cause the nitrous oxide that these crackers create to be discharged into the air and scatter. However, without crackers, Diwali is incomplete, especially for kids. Thus, a number of approved companies have released Green crackers into the market in an effort to preserve the festive spirit and fight the issue of sustaining the livelihood of those reliant on the cracker business. They are safe for the environment and kind to the environment. The health effects of the gasses from these firecrackers are not as great. Examples of green crackers are pencils, chakkar, fireworks, maroons, explosives, flower pots, and so on.

This Diwali, one of the greatest green Diwali ideas, we utilize natural or organic colors instead of non-biodegradable rangoli. All natural components, like rice flour, turmeric, cloves/cinnamon, and flowers, are used to easily extract these hues. Rather than presenting gifts in glitzy plastic wrappers, we ought to wrap them in our vintage sarees or elegant textiles. Plastic is an environmentally hazardous and non-biodegradable waste. We spread knowledge among the public about the detrimental impacts of traditional Diwali customs, such as setting off firecrackers and using excessive amounts of electricity, and the impact they have on the environment. Describe the ways in which these activities lead to resource waste, air and noise pollution, and pollution. Emphasize less harmful methods to celebrate Diwali, such as utilizing recycled materials for eco-friendly decorations, switching to LED lights for energy-efficient lighting, and avoiding setting off firecrackers.

Conclusion

A significant portion of the Diwali holiday sales in India come from the five crore gifts that are exchanged throughout the celebration. Since manufacturing plays a significant role in our economy, it is commonly recognized that using eco-friendly sparklers and other crackers would allow people to enjoy Diwali the traditional way—with firecrackers—while lowering pollution. The fact that these are not only environmentally benign but will also support the livelihood of the numerous people who profit from the production and sale of pyrotechnics is quite encouraging. Plan neighborhood gatherings or projects that highlight environmentally friendly Diwali festivities. Tree-planting efforts, cleanup events, and the promotion of environmentally friendly habits like composting and trash segregation are a few examples of this. Let us create a Diwali celebration that brings joy, sweetness, love, and peace to everyone. Together, let's enjoy the festival of lights by promising not to pop even a single cracker. Let's commemorate a pollution-free Diwali instead of one that is eco-friendly.

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