

an unprecedented negative price scenario to a respectable level, which is a sign of demand picking-up. Travel is opening up slowly and steadily, though it will be long until an ordinary consumer starts planning his leisure. Monsoon prediction for this season is normal or slightly above normal, with the government setting kharif food grain production target up by 2% from a record high of 2019-20.

India, and indeed the world is now getting ready to put the past behind it, and to build a future for all of us that cannot but be better than now. To be sure, there is still uncertainty about how the future will shape up, but those who focus on the uncertainty will likely be paralysed and those who focus on the hope will get a good shot at surviving and emerging as winners.

## EMERGING SCENARIO: THREE CATEGORIES

We at Alchemy have been keenly observing and discussing the current business situation as it unfolds. As the economy starts moving, we see various industry segments divided into three main clusters, namely; Struggling, Surfing and Surging.

Industries that will struggle are those that are unlikely to see a demand revival quickly - commercial real estate, travel, fitness, tourism and hospitality would be the most prominent examples.

Surfers will be those who are breathing comfortably while being concerned about the next wave. Essential goods and services, IT and associated products & services are good examples of this category.

Surging sectors will be those where new demand is getting created due to new ways in which business must be done in the post Covid scenario - for example, Streaming Entertainment, online business models, food delivery services, online health, distance education and training - online or offline, etc.

Was India's response to the challenge posed by covid-19 virus, appropriate? unduly over-cautious? Has Indian government put human life before the economy? Let us not get into these debates. What has happened is behind us now. Let us look ahead and build some likely scenarios..



*India was not in the pink of economic health in 2019-20 when the covid-19 pandemic broke out. Our GDP growth was barely at 4% or so. Now with the impact of covid-19, it is fairly certain that there will be a contraction. Whether it will be in the lower single digit or a large contraction of 7-10% is only an individual guess at this point in time.*