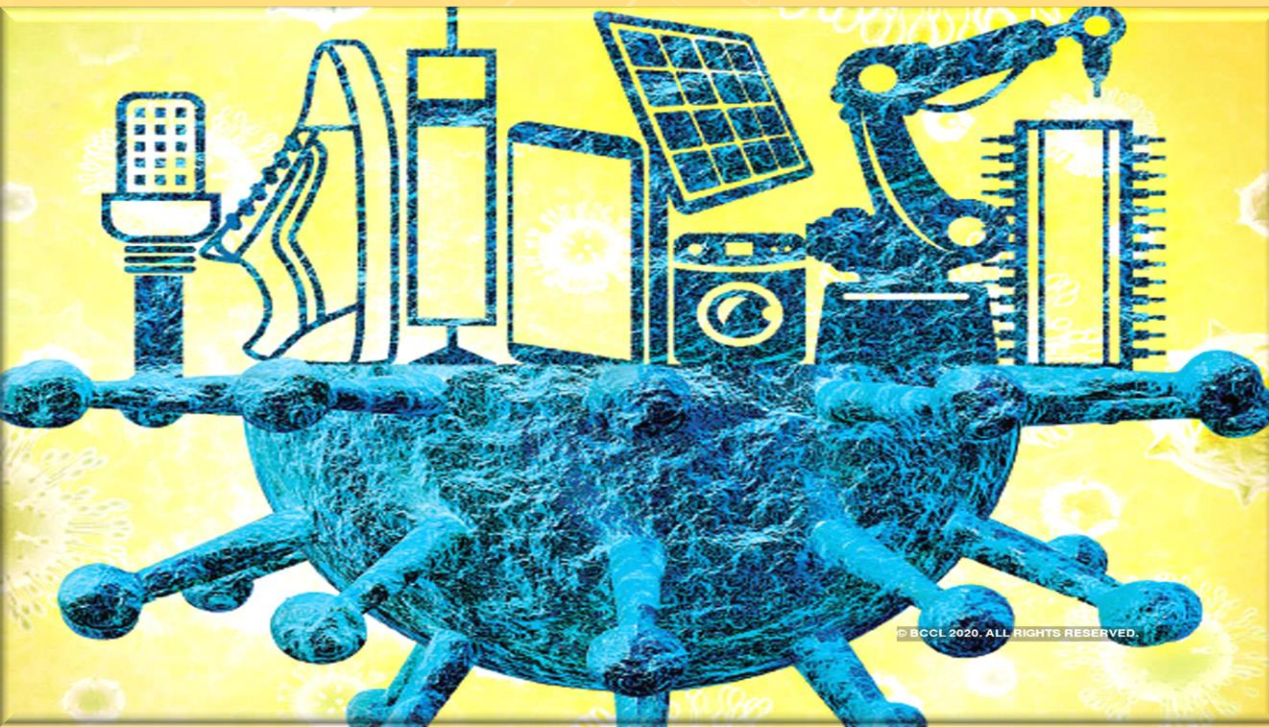


COVID 19: Converting a Threatto a Life-Time of Opportunity



Osama Rehman

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Caerus3 Advisors

Advisory | Assurance | Think-Tank



“You never let a serious crisis go to waste. And what I mean by that it’s an opportunity to do things you think you could not do before”

-Rahm Emanuel

Covid-19 : India defies logic

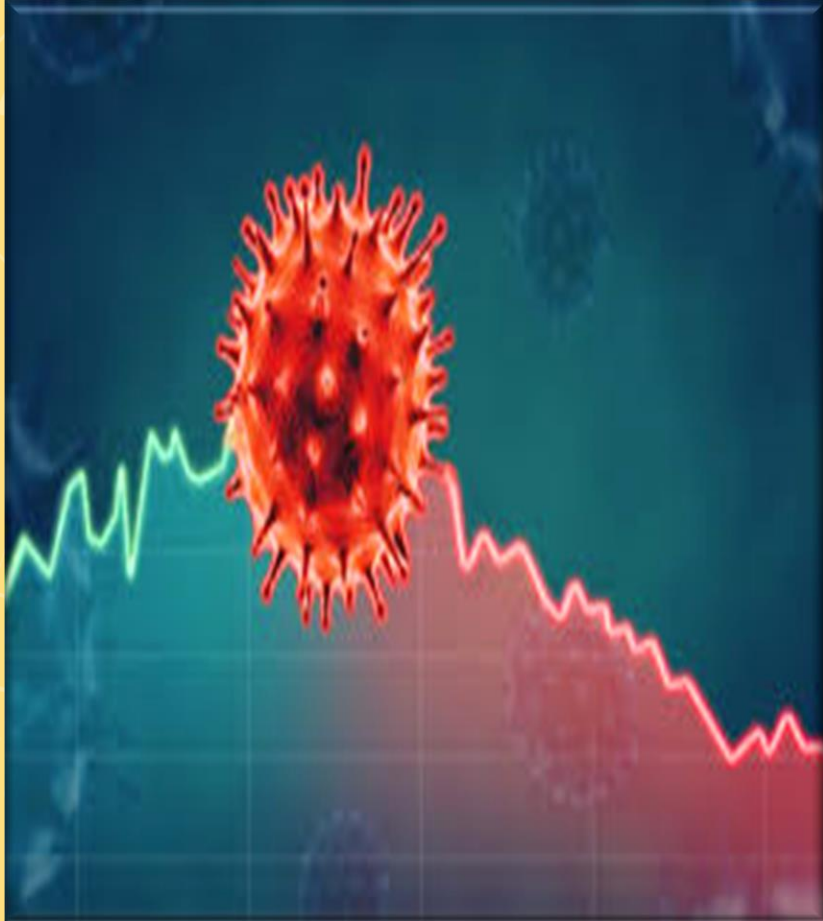


As of June 17, 2020, Corona virus disease (COVID- 19) has been confirmed in more than 3 lakh 65 thousand people in India with mortality rate of 2.8% and recovery rate of more than 50% which is a good sign in this pandemic. This disease is causing trouble and illness especially to older, adults and people with existing health issues. Majority of the affected individuals from coronavirus show mild or moderate symptoms and 50% of infected patient has already recovered from this deadly virus.

Recovery rate has increased from 11.40 percent (April 15, 2020) to 50 percent (June 15, 2020) whereas fatality rate has declined from 3.30 percent (April 15, 2020) to 2.80 percent (June 15, 2020). This is a good indication for Indians as we are successfully defeating Coronavirus. Lockdown, Social distancing, maintaining basic hygiene's are the main reason for the change in numbers

Only 0.0003 % population been impacted in the Pandemic

Covid-19 : Indian Economy under pressure



As India's growth of the fourth quarter of fiscal year 2020 went down to 3.1% (according to ministry of Statistics), the chief Economic adviser to GOI said that this is mainly due to the pandemic situation because of the Coronavirus. There was already a slowdown in the GDP and it was expected a recession in the year 2020 but coronavirus has made it slower and has created problem across the world.

Credit Rating Information Services of India (CRISIL)- An S&P Global Company has estimated that there will be India's worst recession since independence. State Bank of India has estimated that there will be more than 40% of contraction in the GDP in quarter one of FY 2021.

Covid-19 : Virus attacks 0.0003%,

...socio-economic impact attacks 1.3 billion people



- ❑ **Sharp rise in Unemployment:** Unemployment rise from 6.70% on March 15 to 26% on April 19. Approximately 14 crore people lost their employment and Indian economy has lost Rs. 32K crores every day during first lockdown.
- ❑ **Collapse of the tourism and hospitality industry:** Travelling was not allowed as a part of Lockdown rule which has affected a lot of people who work inside or nearby tourist places. Also restaurants and all hospitality places are shut down due to COVID-19 which has greater impact on the economy.

Covid-19 : Virus attacks 0.0003%,

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- ❑ **Reduced Consumer Activity:** Under Lockdown only essentials were available so there were drop in the supply of various non essentials (e.g.: Fuel) which has led to drop in the demand of various things which has further affected the sale and has affected the economy.
- ❑ **Increase case of Domestic Violence:** As people are staying together and cannot step out which has increased cases of domestic violence like physical, verbal and sexual abuse.

Covid-19 : Virus attacks 0.0003%,

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- ❑ **Impact on Agriculture Industry:** We are a hub of many crops, vegetables and fruits in world but due to the lockdown due to COVID19 the production of crops was lesser this time due to lack of labour, insufficient supply of equipment's which has affected farmers as well as the supplier. Further the Locust attack destroyed crops around 35k hectares
- ❑ **Impact on Industries like FMCG industries:** Majority of Companies have suspended their Operations due to lockdown. Fast moving consumer goods are focussing only on essentials as their supply chain is affected.
- ❑ **Impact on Human Psychology:** Fear of Coronavirus along with the lowdown for so many days has lead many people into depression and people have become more anxious.

Covid-19 : Virus attacks 0.0003%,

...socio-economic impact attacks 1.3 billion people

I care a D@\$\$%N !!!

- ❑ **Optimum Bias:** It is the belief that each of us is more likely to experience good outcomes and less likely to experience bad outcomes. The key to optimism bias is that we disregard the reality of an overall situation because we think we are excluded from the potential negative effects. Just like every smoker believes that he will not get cancer as it only happens to "others".

Opportunity knocks...



- ❑ **Developing Rural India-** The reverse migration of labourers across India has create a big opportunity for rural India. Companies should plan to move in rural India as rural India is less polluted and has more space for company to settle down. It will be easy and beneficial for the company as labour supply is more in rural India and It will generate employment. This will also help urban cities to lower down their pollution level as more companies will shift towards rural India.
- ❑ **Alternative to China-** World is blaming China for Coronavirus and China is the hub of many manufacturing units and many companies are planning to move out and India is aiming to attract such companies who are looking for an exit from China and heading to Vietnam and Philippines.

Opportunity knocks...



- ❑ **Upgrade healthcare system-** India is one of the country with more than 50% of recovered case and has generated PPE kits and N95 masks which India used to import earlier. Also many schools and halls has been converted to isolation ward which shows that India has resources but not proper allocation of that resources. Supply of healthcare products like medical devices, can be increased and can be even export once the demand in India is fulfilled. This will not only increase the employment for healthcare workers across India but will also help to reduce diseases prevailing across India
- ❑ **Developing the Antibody test:** Antibody test have been develop to detect the exposure of coronavirus to an individual. ICMR on 12 May stated that between 15 to 30 percent of Indian population has been exposed to the coronavirus within containment zones and hotspots. So, Antibody testing will help in determining such recovered people. These people are safe enough to back to work as chances of reoccurrence of coronavirus is very low.

Opportunity knocks... Lifestyle changes

- ❑ Work from Home an alien concept in India esp. for Domestic Companies is now here to stay. An IT major recently announced that by 2025 only 25% of their staff will work from Office rest all from Home
- ❑ Online Classes – from a Primary school to IIT all have evolved to an online medium of education
- ❑ Fine dining now to become Virtual Dining
- ❑ OTT platforms will now be more popular than Cinemas
- ❑ Online work out sessions, who needs to go to expensive sweaty Gyms
- ❑ Online Medical consultancy
- ❑ Changes in Real Estate Landscape : Apartment complexes to have Workshare facilities and Office complexes to have Residential apartments
- ❑ Environment Protection & Swachh Bharat will not be catchy phrase it will now be implemented

“Vocal for Local”...

- ❑ **Atmanirbhar Bharat Abhiyan-** On 12 May, the Prime Minister while addressing nation said that Coronavirus crisis should be seen as an opportunity for Indians to promote their local products more and PM named it as Vocal for Local.
- ❑ **Economic Package-** On 12 May, P.M has announced the package of Rupees 20 lakh crore, which is 10% of India’s GDP. This package was further divided into various segments which was further announced by Finance Ministry via press conference between 13 May and 17 May.
- ❑ **Investment opportunity-** As many big Countries are planning to shift their investment from China, there is an opportunity for Reserve Bank of India to impact investors within the country.

“Vocal for Local”...

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- ❑ **Opportunity for Start-ups-** Pharmaceutical and medical devices start-ups, home delivery start-ups have seen a huge demand in the time of this pandemic. Around 12.3 crores people across India have lost their job in this pandemic, so it is a big opportunity for the ongoing as well as news start-ups to attract such people and promote their business

A word about

the Author



Osama Rehman is millennial Pharmacist and is currently pursuing MBA in Pharmaceutical Management from NMIMS, Mumbai.

Currently he is actively volunteering with a Swiss Pharma MNC as Frontline Corona Warrior. He is part of a team that is engaged on antibody testing as part of fight against COVID19. He has organised webinars on this new testing technique for Caerus3 Advisors & Think-Tank and is publishing Research papers on the #FightagainstCorona. In his free time he is an avid reader and social media influencer

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info@caerus3advisors.com



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