

15 ECONOMY

GOLD ₹32,700 RUPEE ₹69.14 OIL \$66.53 SILVER ₹38,260

SENSEX: 38,672.91 ▲ 127.19 NIFTY: 11,623.90 ▲ 53.90 NIKKEI: 21,205.81 ▲ 172.05 HANG SENG: 29,051.36 ▲ 276.15 FTSE: 7,263.91 ▲ 29.58 DAX: 11,527.32 ▲ 99.16

SECTOR WATCH PHARMACEUTICAL

CDSCO asks state drug regulators to 'keep a strong vigil' on buclizine sales

PRABHA RAGHAVAN NEW DELHI, MARCH 29

Move comes after it was found that a government order three months ago prohibiting the sale of buclizine as an appetite stimulant has not been followed and several batches of the drug continue to be sold without mandated disclaimers.

INDIA'S APEX drug regulatory body Central Drugs Standard Control Organisation (CDSCO) has issued an advisory to state drug regulators, telling them to "keep a strong vigil" on the manufacture, sale and distribution of a brand of antihistamine and motion sickness medicine buclizine.

The move comes after it was found that a government order three months ago prohibiting the sale of buclizine as an appetite stimulant has not been followed and several batches of the drug continue to be sold without mandated disclaimers.

The Health Ministry had issued an order in December 2018, stating that the use of buclizine as an appetite stimulant was "likely to involve risk" to human beings.

"It has been brought to the notice of this office that Longifene... tablets and syrups continue to be sold in pharmacies without complying with the above labelling requirements," stated Drug Controller General of India Eswara Reddy in a fresh advisory to the CDSCO.

"In view of the above, you are requested to direct your inspectorate officials to keep a strong vigil on manufacture, sale and distribution of buclizine and its formulations for use in human beings and in case of contravention of any provision of the said Act (Drugs and Cosmetics Act, 1940) and Rules made thereunder, and take necessary action to ensure that the drug is manufactured, sold and distributed strictly in accordance with the provisions of the said Act and Rules," the advisory added.

CDSCO has also asked its own zonal and sub-zonal of-

ices to "take similar action" in coordination with state licensing authorities.

Those found manufacturing, selling or distributing buclizine on or after December 13 without adhering to the government's orders is liable for punishment under India's drug regulations, Reddy had earlier said.

The Indian Express on March 28 reported that a private investigator's survey of over 170 pharmacies in Delhi, Gurgaon and Hyderabad showed that Longifene, Mankind Pharma's buclizine brand, continues to be sold for appetite stimulation without the required label.

Thakur's application is part of his ongoing lawsuit to ban certain medicines sold in India despite government experts having red-flagged them for safety issues since 2012.

CDSCO has also asked its own zonal and sub-zonal of-

GROSS BORROWING PEGGED AT ₹7.1 LAKH CRORE FOR FY20 Govt to frontload borrowing in FY20, two-thirds in first half

ENSECONOMIC BUREAU NEW DELHI, MARCH 29

THE GOVERNMENT on Friday announced plans to borrow 62.3 per cent of its next year's gross borrowing in the first six months of the fiscal.

The government has been typically borrowing 60-65 per cent of its total requirement in the first half in recent years.

The Finance Ministry also announced plans to launch a new 7-year benchmark government security, in order to provide a variety of debt papers and widen the maturity bucket.

In the second half of FY20, the government plans to raise a total of Rs 2.68 lakh crore. While the Secretary said government will stick to the current year fiscal deficit target of 3.4 per cent of the GDP, it has been facing pressures in the current month of March.

The government is struggling to meet its tax collection targets

EXPLAINED Higher H1 borrowing plan likely prompted by softening of bond yields

SOFTENING OF bond yields over the past few months probably prompted the government to go for higher borrowings in the first half.

Secretary Subhash Chandra Garg said after accounting for repayments, the net market borrowing will be roughly at the same level as in recent years.

The government is struggling to meet its tax collection targets

with direct tax mop-up at only 85.1 per cent of the revised estimate of Rs 12 lakh crore in addition to a likely shortfall on the indirect taxes front as well.

of the revised estimate, mainly due to moderate revenue growth.

Garg said the government will also be announcing a switch calendar for the next year, and bond switches will be done on the third Monday of each month.

The government raises funds from the market to fund its fiscal deficit through dated securities and treasury bills.

'TECHNOLOGY CAN KILL OR TRANSFORM 45 MILLION JOBS GLOBALLY BY 2025'

65 million jobs: Productivity gains through digital technologies will help create up to 65 million new jobs during the same timeframe

Retraining in focus: Retraining and redeployment will be essential to help some 10-45 million workers whose jobs could be displaced or transformed, the report said

Skillssets under lens: The report comes amid tech industry leaders raising question marks over the skillssets of Indian techies and wondering whether they will be helpful in the future.

\$435 billion GDP contribution: Core digital sectors like IT/software and business process

Advent of digital technologies will have an impact on jobs, and up to 45 million jobs can get displaced or transformed by 2025, a report by McKinsey Global Institute has warned



management, digital communication and electronics manufacturing can double their GDP contributions to up to \$435 billion by 2025

Effective response: All stakeholders will need to

universities, governments will have to invest in digital infrastructure and public data that can be used by organisations

Gains capturing: To capture the gains, they will require more ease in creating, scaling and exiting startups as well as policies to facilitate retraining

Need aware individuals: Individuals will have to keep abreast of the changes and keep themselves informed on how the digital economy can impact their work, it recommended

\$150 billion each of benefits can be accrued in sectors, including agriculture, education, energy, financial services, healthcare, logistics and retail if they embrace digital technologies

respond effectively if India is to achieve its digital potential, it said

Building capabilities: Companies will have to invest in building capabilities, including through partnering with

Small savings schemes: Rates unchanged for Apr-June quarter

PRESS TRUST OF INDIA NEW DELHI, MARCH 29

THE GOVERNMENT has kept the interest rates on small savings schemes, including NSC and PPF, unchanged for the April-June quarter.

Rates for small savings schemes are notified on a quarterly basis

terly basis. "The rates of interest on various small savings schemes for the first quarter of the financial year 2019-20 starting April 1, 2019, and ending on June 30, 2019, shall remain unchanged from those notified for the fourth quarter of financial year 2018-19," the finance ministry said in a notification issued Friday.

Interest rates for small savings schemes are notified on a quar-

Senior Citizens Savings Scheme has been retained at 8.7 per cent. The interest on the senior citizens' scheme is paid quarterly.

Term deposits of 1-5 years will fetch interest rate in the range of 7-7.8 per cent, to be paid quarterly, while the five-year recurring deposit is pegged at 7.3 per cent.

PNB to sell PNB Housing stake in General Atlantic, Varde Partners for ₹1,851 cr

PRESS TRUST OF INDIA NEW DELHI, MARCH 29

PUNJAB NATIONAL Bank (PNB) Friday said it will sell its partial stake in PNB Housing Finance to global private equity firm General Atlantic Group and alternative investment firm Varde Partners for Rs 1,851.6 crore.

PNB has entered into agreements in relation to the said transactions Friday, the public sector bank said in a regulatory filing.

1,08,91,733 equity shares held in PNB Housing Finance Ltd (PNBHF) to General Atlantic Group at a price of Rs 850 per share, aggregating to Rs 925.80 crore.

PNB said it would continue to hold strategic stake of 19.78 per cent of the paid up capital of PNBHF and shall continue as a promoter and strategic shareholder of PNBHF.

Cardif sells 5 cr shares in SBI Life Insurance for ₹2,889 crore

New Delhi: BNP Paribas Cardif, the foreign partner of SBI Life Insurance, on Friday sold 5 crore shares of the company for Rs 2,889 crore.

Meanwhile, Canada Pension Plan Investment Board has bought 2 crore shares at an average price of Rs 577.50 per shares, as per the regulatory filing.

The transactions were carried out as bulk deal from one investor to another. PTI

GLOBAL TARIFF WAR

US, China hold 'candid and constructive' trade talks in Beijing: White House

Experts anticipated the scope of talks, which wrapped up in 24 hours after the US delegation arrived, to be narrow

REUTERS BEIJING, MARCH 29

THE US and China said they made progress in trade talks that concluded on Friday in Beijing that Washington called "candid and constructive" as the two largest economies try to resolve a bitter, nearly nine-month trade war.

"The two parties continued to make progress during candid and constructive discussions on the negotiations and important next steps," the White House said in a

statement, adding that it looked forward to the visit to Washington next week by a Chinese delegation led by Vice Premier Liu He.

The statement gave no other details on the nature of the progress. US Treasury Secretary Steven Mnuchin and US Trade Representative Robert Lighthizer were in the Chinese capital for the first face-to-face meetings between the two sides since President Donald Trump delayed a scheduled March 2 hike in tariffs on \$200 billion worth of Chinese goods, citing progress in

negotiations. China's state news agency Xinhua said the two sides discussed "relevant agreement documents" and made new progress in their talks, but did not elaborate in a brief report.

"@USTradeRep and I concluded constructive trade talks in Beijing," Mnuchin said on social media network Twitter. Earlier, Mnuchin told reporters that US officials had a "very productive working dinner" on Thursday. Trump imposed tariffs on \$250 billion of Chinese imports beginning last July in a move to

force China to change the way it does business with the rest of the world and to pry open more of its economy to US companies.

Though his blunt-force use of tariffs has angered many, his push to change what are widely viewed as China's market-distorting trade and subsidy practices has drawn broad support.

Mnuchin and Lighthizer greeted a waiting Liu at the



China's Vice Premier Liu He (centre) and Yi Gang, Governor of the People's Bank of China (right) with US Treasury Secretary Steven Mnuchin and US Trade Representative Robert Lighthizer (left) in Beijing. Reuters

Diaoyutai State Guest House just before 9 am (0100 GMT), and in

two brief appearances before journalists, the three mingled and

Apr-Feb fiscal deficit at 134.2% of revised estimate

ENSECONOMIC BUREAU NEW DELHI, MARCH 29

FISCAL DEFICIT for April-February, the eleven months of financial year 2018-19, touched 134.2 per cent of the revised estimate, mainly due to moderate revenue growth, data released by Controller General of Accounts showed Friday.

In absolute terms, fiscal deficit for April-February 2018-19 stood at Rs 8.51 lakh crore as against the revised estimate of Rs 6.34 lakh crore for the whole year, the data showed.

The data released on Friday showed that revenue receipts of the Centre stood at Rs 12.65 lakh crore or 73.2 per cent of the revised estimate at the end of February as against Rs 11.77 lakh crore or 78.2 per cent of the estimates in the corresponding period last year.

Economists said slow pace of tax collection may put pressure on fiscal deficit, though a higher GDP number in Budget will help the Centre in inching closer to the fiscal deficit target.

"We stick to (fiscal deficit target of) 3.4% (of GDP) as of now"

SUBHASH CHANDRA GARG, FINANCE AND ECONOMIC AFFAIRS SECRETARY

February) fiscal deficit at 134.2 per cent of revised estimate is originating mainly from receipt side. The revenue receipts in FY19 (April-February) were 73.2 per cent of revised estimates.

Total expenditure incurred by the government during April-February 2018-19 was Rs 21.88 lakh crore (89.08 per cent of RE), of which Rs 19.15 lakh crore was on revenue account and Rs 2.73 lakh crore on capital account.

CAD widens to 2.5% of GDP in Q3

Current account deficit was at 2.1% of GDP in third quarter of 2017-18

ENSECONOMIC BUREAU MUMBAI, MARCH 29

INDIA'S CURRENT account deficit (CAD) at \$16.9 billion (2.5 per cent of GDP) in October-December of 2018-19 increased from \$13.7 billion (2.1 per cent of GDP) in Q3 of 2017-18.

However, CAD has moderated from \$19.1 billion (2.9 per cent of GDP) in the preceding quarter.

According to Reserve Bank data, the widening of the CAD on a year-on-year (YoY) basis was primarily on account of a higher trade deficit at \$49.5 billion as compared with \$44 billion a year ago.

However, portfolio investment recorded net outflow of \$2.1 billion in Q3 of 2018-19 - as compared with an inflow of \$5.3 bil-

In Q3 of 2018-19, there was a depletion of \$4.3 bn of the forex reserves (on BoP basis) as against an accretion of \$9.4 bn in Q3 of 2017-18

lion in Q3 last year - on account of net sale in the equity market.

Net inflow on account of external commercial borrowings increased to \$2.0 billion in Q3 of 2018-19 from \$0.3 billion a year ago.

According to the RBI, trade deficit increased to \$145.3 billion in April-December 2018 from \$118.4 billion in April-December 2017.

Meanwhile, net FDI inflows in April-December 2018 increased to \$24.8 billion from \$23.9 billion in April-December 2017.

Trade talks going 'very well': Trump

Washington: Trade talks with China are progressing "very well", US President Donald Trump said, as top negotiators met to resolve their tariff war.

joked with members of the opposite teams.

Observers had anticipated the scope of this round of talks, which wrapped up about 24 hours after the US delegation arrived, to be quite narrow, but that both countries hoped to signal they were working hard toward a resolution.

One person with knowledge of the talks said "translation is definitely an issue", referring to discrepancies between the Chinese and English-language versions.