

Business Standard

THE MARKETS ON TUESDAY			Chg#
Sensex	29,468.5	▲	1,028.2
Nifty	8,597.8	▲	316.7
Nifty futures*	8,621.0	▲	23.2
Dollar	₹ 75.6		₹ 75.6**
Euro	₹ 82.8		₹ 83.6**
Brent crude (\$/bbl)**	22.35**		22.0**
Gold (10 gm)**	₹ 43,000.0	▼	₹ 700.0

* (Apr.) Premium on Nifty Spot; ** Previous close; # Over previous close; ## At 9 pm IST; ### Market rate exclusive of VAT; Source: IBIA



ONE WEEK OF LOCKDOWN P4
VEGETABLE, GRAIN MANDIS LIMP BACK TO NORMALCY

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MET DEPT PREDICTS WARMER SUMMER IN MOST OF INDIA



PUBLISHED SIMULTANEOUSLY FROM AHMEDABAD, BENGALURU, BHUBANESWAR, CHANDIGARH, CHENNAI, HYDERABAD, KOCHI, KOLKATA, LUCKNOW, MUMBAI (ALSO PRINTED IN BHOPAL), NEW DELHI AND PUNE

CORE SECTORS GROW 5.5% IN FEBRUARY, MOST IN 11 MONTHS

The eight core sector industries recorded a growth rate of 5.5 per cent in February, the highest in 11 months, mainly because of healthy expansion in the output of coal, refinery products and electricity. The eight core sector industries — coal, crude oil, natural gas, refinery products, fertiliser, steel, cement and electricity — grew 1.4 per cent in January this year. It had expanded 2.2 per cent in February last year. Last time, it was in March 2019, when these eight sectors had recorded a growth rate of 5.8 per cent. **5▶**

ECONOMY & PUBLIC AFFAIRS P5

April-February fiscal deficit at 135.2% of RE

The Centre's fiscal deficit for April-February came in at ₹10.36 trillion or 135.2 per cent of the full year's revised estimates (RE), compared with 134.2 per cent for the same period last year. This was primarily on the back of higher expenditure and lower capital receipts. The data showed that to meet the RE for 2019-20, the central government will have to garner ₹5.03 trillion in revenues in March.

FY20 disinvestment mop-up at ₹50,298 cr

The government has missed the collection target for the current financial year from disinvestment set in the Revised Estimates (RE) of Budget by ₹14,700 crore. In the current financial year 2019-20, the actual disinvestment mop-up has come in at ₹50,298.64 crore. In the RE, the government had estimated the disinvestment proceeds at ₹65,000 crore. **PTI**

Natural gas prices cut 26% to multi-year low

Natural gas prices on Tuesday were cut by 26 per cent to its lowest rate since the pricing was made formula-driven in 2014, a move that is likely to translate into lower compressed natural gas and piped cooking gas prices. This may also make a huge dent in revenues of producers such as Oil and Natural Gas Corporation. **5▶**

Centre frontloads borrowing for FY21

62.56% of gross target to be borrowed in first six months



Economic Affairs Secretary Atanu Chakraborty said the government had factored in higher spending owing to the Covid-19 outbreak

ARUP ROYCHOUDHURY & ANUP ROY
New Delhi/Mumbai, 31 March

The Centre will borrow ₹4.88 trillion, or 62.56 per cent of the 2020-21 gross borrowing target of ₹7.8 trillion, in April-September, the government and the Reserve Bank of India (RBI) said on Tuesday.

In FY20, the finance ministry had issued bonds worth 62.25 per cent of its full-year target of ₹7.1 trillion. Contrary to expectations of many in the markets, the Centre has not increased its borrowing plans for the fiscal year starting April 1, instead relying on front-loading G-sec issues around the same level as the first half of 2019-20.

When asked if there were plans to increase borrowing to help fund further Covid-19 stimulus packages, Economic Affairs Secretary Atanu Chakraborty said the borrowing programme had factored in all the possibilities of a further stimulus boost.

"The government is committed to meet its requirements, whether on account of health care commitments or on account of protecting the economy, and also providing a necessary stimulus at any point of time. The borrowing programme has been designed in that fashion," Chakraborty said.

The Centre will ramp up its weekly borrowing through. The size of G-sec tranches for April-September will be ₹19,000-21,000 crore, compared with an average weekly borrowing of ₹17,000 crore in 2019-20. "The borrowing is in accordance with usual practice," said Jayesh Mehta, head of treasury, Bank of America. **Turn to Page 11▶**

Big rate cuts on small savings

The government on Tuesday slashed interest rates on small savings schemes by up to 1.4 percentage points for the first quarter of 2020-21, in line with moderation in bank deposit rates. Term deposits of 1-3 years will now earn an interest rate of 5.5 per cent, while the Public Provident Fund and National Savings Certificate will see rate cuts of 80 basis points and 110 bps, respectively. **5▶**

SHORING UP RESOURCES

Borrowing calendar for the first half of FY21

	₹ crore
April 6-May 1	79,000
May 4-29	78,000
June 1-July 3	97,000
July 6-July 31	78,000
Aug 3-Sep 4	97,000
Sep 7-Sep 25	59,000
Total	4,88,000

Source: RBI

Covid-19 cases near 1,400 amid lockdown

SHUBHOMOY SIKDAR
New Delhi, 31 March

After a week of the lockdown, the active coronavirus cases in the country stood at 1,397 against the global tally of 803,541. The death toll in India has risen to 35 from 10 at the time lockdown was announced on March 24. While big cities such as Delhi and Mumbai are witnessing a sharp spike in Covid-19 positive cases, Nizamuddin in the national capital was clearly the centre of attention on Tuesday. Even at the routine press conference on the virus, the questions revolved around the cases originating from a religious congregation in Nizamuddin earlier this month and how they might impact the national tally going forward.

The Union government has maintained that the country has not progressed to community transmission phase of the pandemic. However, a spike in cases across the country hints at cluster formations, and authorities remain on the edge while undertaking stringent contact tracing and clus-



PHOTO: DAIP KUMAR

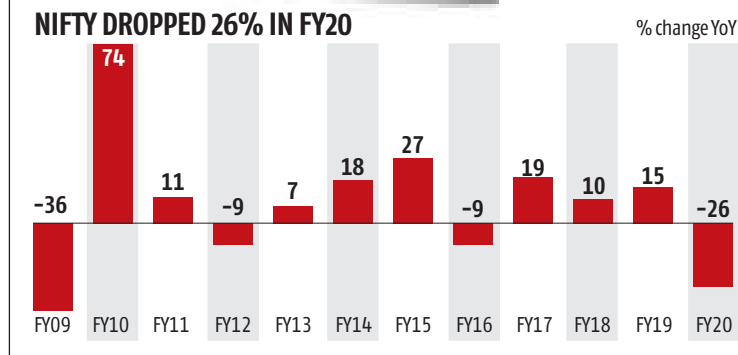
Thousands of participants of the Tablighi Jamaat held in Nizamuddin are known to have returned to their homes in virtually every state

BACK PAGE P12
GOVT SCRAMBLES TO CONTAIN CRISIS AT NIZAMUDDIN

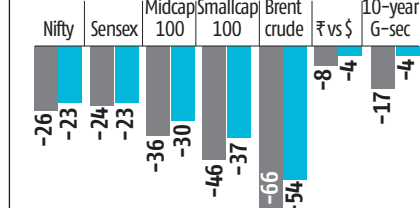
ter management strategies. Speaking to the media, Lav Agarwal, joint secretary in the Union health ministry, held "lack of people's support and delay in detection of cases" responsible for the rise in cases across the country. **Turn to Page 11▶**

FY20 WORST FISCAL FOR MARKETS SINCE 2009

The domestic markets have logged their biggest yearly loss since 2008-09 — when they had declined 36 per cent on account of the global financial crisis — with the Nifty dropping 26 per cent in FY20. The mid- and small-cap indices, focused on the broader market, declined as much as 45 per cent. The rupee weakened over 8 per cent against the US dollar during the year, amid ₹55,000-crore sell-off in March. Unlike 2008-09, when the losses were spread across many months, the bulk of the market fall in FY20 took place in March because of the spread of the coronavirus pandemic and the subsequent halt in economic activity. A slump in demand saw Brent crude prices drop 66 per cent to an 18-year low to below \$22 a barrel during the year. The domestic equities underperformed major markets like the US, China, South Korea, and Japan. **SAMIE MODAK**



MARCH MAYHEM
Bulk of the FY20 losses came in March



₹38 trillion
M-cap erosion in the year

SECTORAL PERFORMANCE	
	Chg %
Metal	-48
Auto	-43
Bank	-37
Realty	-35
Infra	-26
Pharma	-23
IT	-18
FMCG	-10

GLOBAL MARKETS

In FY20, India was among the worst-performing major markets

	YoY change (%)
AMERICA 2300 IST	
Brazil	-22.30
USA	-14.89
EUROPE 2300 IST	
UK	-22.08
France	-17.84
Germany	-13.80
ASIA	
Philippines	-32.82
Indonesia	-29.83
India	-26.03
Singapore	-22.77
Hong Kong	-18.75
South Korea	-18.03
China	-11.02
Japan	-10.79
Taiwan SE	-8.77

Sources: Bloomberg/Exchange/Sebi

TOP FAMILY FIRMS LOSE ₹22 TRN IN M-CAP COMPANIES P2 | **EXTREMELY VOLATILE YEAR FOR BOND AND CURRENCY MARKETS ECONOMY P5** | **SENSEX POSTS SHARPEST QUARTERLY FALL TSI P8**

Clinical trial norms may be eased for developing corona vaccine

SOHINI DAS
Mumbai, 31 March

The government is considering temporarily relaxing clinical trial norms as a few pharmaceutical companies are looking to develop a vaccine for the novel coronavirus (Covid-19), which has killed about 40,000 and infected more than 800,000 people around the world. Sources said no fresh approvals would be given for clinical trials, except for those related to Covid-19.

The Central Drugs Standard Control Organisation (CDSCO) said in a notification on Monday that various challenges might arise during the conduct of clinical trials in the wake of the outbreak of Covid-19, which could "lead to difficulties in complete adherence to the approved protocol and regulatory provisions".

The regulatory authority said while the rights, safety, and well-being of trial subjects were of paramount importance, protocol amendment, deviation or modification might be necessary in some cases owing to



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unavoidable circumstances.

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Currently, Cadila Healthcare and Serum Institute of India are working on a vaccine for Covid-19. These projects

are in the pre-clinical stage, but human trials will start eventually.

The World Health Organization (WHO) released a list of 44 vaccine candidates in clinical evaluation globally as of March 20. Of this, only two vaccine candidates are in Phase 1 of trials, while others are in pre-clinical stages.

With the viral outbreak reaching Stage 3 of the pandemic (which implies transmission within the community where the source of the infection cannot be easily traced) in most countries, it is imperative to fast-track research on the same. Global research bodies have already indicated that in 2020, there would be several human clinical trials across the globe.

On Monday, US-based drug major Johnson & Johnson said it had selected the lead Covid-19 vaccine candidate from the constructs it had been working on since January. Zydus Cadila, which felt that developing the vaccine was in the interests of national security, said it would start animal testing now. **Turn to Page 11▶**

