

## IN BRIEF

## LIC eyes sale of 25 million individual policies



State-owned Life Insurance Corporation (LIC) is hopeful of crossing its fiscal target of selling over 25 million individual policies and a premium collection of more than ₹55,000 crore before March 31, 2020. This is 17 per cent growth in terms of number of individual policies sold

compared to the number of policies sold in FY19. "We have created a new record by selling 2,17,00,000 individual policies and a premium collection of ₹50,500 crore as on March 21, 2020," the LIC said. The life insurer said it is confident of crossing its target of 25 million individual policies well before March-end. In the previous fiscal, the corporation had sold 21,403,905 individual policies. **PTI**

## GoAir appoints Sanjiv Kapoor as advisor

Wadia group-owned budget carrier GoAir on Saturday announced the appointment of aviation industry veteran Sanjiv Kapoor as advisor to the airline. Kapoor, who quit the Tata-SIA joint venture airline Vistara recently, will advise GoAir on important business and government matter, the airline said. **PTI**

## NCLAT to hear only 'urgent matters' till April 1

The National Company Law Appellate Tribunal (NCLAT) has restricted itself to hearing only 'urgent matters' till April 1 due to the COVID-19 outbreak and has extended operation of all interim orders and stay passed in the pending matters till next hearing. All matters listed for hearing "shall stand adjourned and the date of hearing would be notified later," said the NCLAT. **PTI**

## Smartphone shipments plunge 38% in Feb: Report

Smartphone shipments took an historic plunge last month as the novel coronavirus disrupted supply and demand, industry tracker Strategy Analytics said on Friday. Global smartphone shipments dropped to 61.8 million in February, a 38 per cent drop from the same month a year earlier. **PTI**

## Pharmacycids loses patent for cancer drug

Pharmacycids has lost a patent for its anti-cancer drug ibrutinib in India, following a post-grant objection raised by Laurus Labs. The Patent Office had revoked the patent observing that the claims made by the firm are obvious to an ordinary person skilled in the art and that the drug lacks any inventive step that would make it superior to others. **BS REPORTER**

## COVID-19

## CoSara bags licence to make test kits

Company says it will price the kits lower than the imported ones

VINAY UMARJI  
Ahmedabad, 21 March

Ahmedabad-based CoSara Diagnostics has become the first and only Indian company so far to receive a licence from the Central Drugs Standard Control Organisation (CDSCO) to manufacture coronavirus (COVID-19) diagnostic test kits.

The company now plans to send sample batches to National Institute of Virology (NIV), Pune, for validation, following which it would apply for a manufacturing licence with the Gujarat government.

A joint venture of Synbiotics, a wholly owned subsidiary of Ambalal Sarabhai Enterprises (ASE), and CoDiagnostics, CoSara Diagnostics is a Gujarat-based molecular diagnostic company.

While it did not share the exact pricing of the kits, the company's chief executive officer and ASE's managing director Mohal Sarabhai said the price would be lesser than the imported kits available in the country. Market sources peg the imported tests' price being capped at around ₹1,000-1,200.

"We are not giving the price right now because it is still dependent on various factors. It will be lower than whatever the imported prices are right now. Currently, logistics costs are higher because the cost of materials needed for these kits is increasing day-by-day due to huge global demand. The swing is too high for us to come to a price point until we get the validation from NIV," Sarabhai told Business Standard.

While its US partner CoDiagnostics will share its research and technology of molecular diagnostics for testing COVID-



## FIRST IN THE RACE

- First in India to bag test licence for COVID-19 diagnostic kits
- The firm has the capacity to manufacture 10,000 kits per day
- The firm claims its tests can deliver results in two and a half hours
- Kits will be supplied to over 50 government-owned labs and nearly 60 private labs
- Govt's imported COVID-19 diagnostic kits price cap likely to be at ₹1,000-1,200

19, among other diseases, the Indian partner will manufacture the same at its facility in Ranoli, Vadodara.

CoSara's plant can churn out 10,000 diagnostic tests or kits per day. Moreover, compared to diagnostic results currently taking around two days, the company's tests can deliver results in two and a half hours.

"Our molecular diagnostics platform using the polymerase chain reaction (PCR) technology can deliver results in two and a half hours. We already have manufacturing licence for molecular dia-

gnostics to cover diseases like tuberculosis (TB), Hepatitis B, Hepatitis C, human papillomavirus (HPV) and malaria which are being manufactured from the Vadodara plant," he added.

With the NIV Pune's validation likely to come in by next week, Sarabhai said the company is ready to commence manufacturing of the diagnostic tests in a week or two.

"We have already placed orders for the raw materials including primer and probes right now from approved source in the US. These will be used to manufacture diagnostic tests which are basically tubes with liquid reagents which when mixed with patients' samples can then detect whether the patient is infected or not using the PCR technology," Sarabhai added.

The company will be supplying these tests to not only the government-run laboratories, but also to private ones. Around 60 private labs accredited by the National Accreditation Board for Laboratories can now test for COVID-19. Until recently, only government-owned labs were allowed to carry out tests for the infection.

## Private labs wait for govt go-ahead

SOHINI DAS  
Mumbai, 21 March

As the country's apex medical research body has now revised testing guidelines for COVID-19 infections, the private sector diagnostic players said that they are ready with testing kits and the protocol.

Multiple players said they are waiting for the final go-ahead from the government, including

directives on pricing if any, to launch the diagnostic test kits.

A Velumani, chairman of Thyrocare Technologies told Business Standard that the infrastructure was ready.

"Our infrastructure is ready, the team is ready and the protocols are in place," he said, adding that they were waiting for approvals from the government.

Most leading diagnostic chains are importing the kits for testing and that would make the logistics also difficult. Mumbai-based Metropolis Healthcare, for

example, has tested multiple kits and has zeroed in on one from Germany.

Others like Delhi-based Dr Lal Pathlabs and SRL Diagnostics, a Fortis unit, are also waiting for official communication from the government before they can start testing.

The Indian Council of Medical Research (ICMR) on Saturday said all hospitalised patients who have pneumonia or severe acute respiratory illness (SARI) will be tested for COVID-19. SARI patients would have high fever, cough and shortness of breath as major symptoms.

ICMR has also noted that anyone who has come in contact with a COVID-19 positive person should also be tested even if they do not show any symptoms. So far India was testing people who had recently travelled abroad and subsequently showed symptoms, and people who had come in contact with these people and showed symptoms of COVID-19 infection.

**ICMR on Saturday said all hospitalised patients who have pneumonia or severe acute respiratory illness will be tested for COVID-19. ICMR has also noted that anyone who has come in contact with a COVID-19 positive person should be tested even if they do not show any symptoms**



CORONAVIRUS PANDEMIC

## Virus deals a crippling blow to small businesses

PEERZADA ABRAR, SAMREEN AHMAD & NEHA ALAWADHI  
Bengaluru & New Delhi, 21 March

A spurt in the novel coronavirus (COVID-19) cases is hitting start-ups, especially consumer-focused companies that are in their early phases of growth, hard.

Take the example of True Elements, a Pune-based consumer-focused start-up that offers health food. Sreejith Moolayil, co-founder of the firm, claims he is finding it tough to keep it afloat. The lockdown, which was put in place to stop the rapid spread of coronavirus, has gripped the entire state. "As a start-up, we would be in a big mess because 15 days' shutdown means our cash flow for those days is gone. I don't know how I am going to pay salary to my employees. I am not a big-time venture capital-funded company," said Moolayil, whose firm has 115 on its roll.

For him, the other problem is that around 40 per cent of his production staff members have gone back to their hometowns due to the pandemic.

Though the company, which sells health foods online, is witnessing a huge demand for its products, it is not able to meet the requirements. The firm is moving its production to a small town, 200 km away from Pune. "If there is an

overall India lockdown, we won't survive for more than a month," said Moolayil.

The example of TheWowBox is also somewhat the same though the start-up faced a slightly different challenge. The Mumbai-based company offers a discovery platform for new consumer products. As part of its promotion initiatives, the firm distributes newly launched products of different companies and also promotes entertainment events. According to its founder and chief executive officer (CEO) Nikunj Bubna, all these have to be completely stopped since consumers are now focusing on buying only essential items. "Our business has straight gone down to zero. We are having a warehouse where products or samples worth lakhs are on the verge of expiry," said Bubna. "Our fundraising process also got impacted."

True Elements and TheWowBox are among several such start-ups and small businesses that are facing major challenges due to COVID-19. According to a survey by community platform LocalCircles, early-stage start-ups, funding dependent start-ups and many small businesses will soon be fighting for survival.

LocalCircles conducted a survey among 35,000 start-ups,



small and medium enterprises (SMEs) and entrepreneurs on how they plan to cope with the coronavirus outbreak in the short term so that their businesses could recover once the restrictions are removed. It says, about 71 per cent of start-ups and small businesses are facing issues such as lower demand for products and services. This would potentially result in salary cuts and reduction in expenses towards marketing, advertising and infrastructure.

Many companies have asked their employees to work from home and others have temporarily

suspended operations. "The survey accurately captures what start-ups and SMEs are currently faced with and soon LocalCircles will aggregate and make recommendations to the government on relief measures needed for the start-up and the SME sector," said Sachin Taparia, founder and chairman of LocalCircles.

Some start-ups and SMEs have reported the exercise of 'Force Majeure' (superior force) clause by their customers and getting out of a contract, said LocalCircles. Others are reporting

postponement of deliveries by Indian and global customers.

Governments in several countries have started doling out packages to make small businesses survive this difficult phase. The US, for example, has announced a \$50 billion package for small businesses.

The UK chancellor also announced a business bailout of 350 billion pounds via business loans. "What remains to be seen is the government of India will announce to assist start-ups and SMEs," said LocalCircles.

## New-age firms rethink biz models, tweak offerings

PAVAN LALL, PEERZADA ABRAR & SAMREEN AHMAD  
Mumbai, 21 March

Despite the possibility of lost profits and at least a couple of missed quarters, owing to the virus spread, there are instances of bright sparks emerging. These are in the form of innovative companies that look to tweak business models and rev up new services.

Among the emerging firms is Gurugram-based Zypp, an electric scooter rental app, which will start to deliver its bikes to retail consumers - with a unique add-on: A sanitary wash-down in front of the customer at the time of delivery.

"As the work from home lifestyle becomes a norm, many young employees, that include millennials, may not have access to cabs. If there's an urgent need to go to a medical store or hospital, they may be in a bit of a spot," said Akash Gupta, co-founder of Zypp. "That's where our e-scooters come in. The added feature is that an individual may not want to use a cab or a car in which an infected person may have earlier sat."

Zypp, founded in 2017, is available on weekly or monthly subscription basis. The prices range between ₹650 a week and ₹950, depending on the model. Zypp e-scooter ranges from 55 km to 70 km on a single charge.

"It's greener but also definitely cleaner than a cab which folks may have used before you," said Gupta.

Zypp received total funding of \$3 million from IAN Fund, a venture capital fund. IAN Fund backed-Zypp operates over 1,000 vehicles currently. Zypp also leverages a crowdfunding model, whereby it raises money from investors to lease vehicles in exchange for interest payouts and a buyback condition at the end of a pre-determined tenure.

Like Zypp, Bike-taxi unicorn, Rapido is providing customers with mandatory half-helmets as opposed to full-face helmets. The riders (captains) are also asked to maintain personal hygiene and clean the pillion seat before onboarding customers in addition to wearing a mask at all times.

The bike-taxi is a more open and personalised way for intracity travel. This is opposed to other crowded alternative ways like cabs, buses and trains, where the customer has an advantage of less exposure to any infection due to his/her limited interaction with the captain, said company officials.

Bengaluru-based Rapido is present in over 90 cities with 500,000 partners catering to 10 million customers.

Bengaluru-based start-up Dunzo already runs delivery services for customers but is contemplating more stringent "no contact delivery" methods that leverage a sanitized approach.

Sandeep Murthy, co-founder of Lightbox, which funds Dunzo, says deliveries include safety gear and a new insurance policy that covers



## CHANGE AGENTS

- Electric two-wheeler rentals offer cleaner travel
- Digital payment platforms offer grocery, medical store information
- Grocery platforms look at 'no-touch deliveries'
- Educational platforms aim to set up affordable video conferencing for parents

workers for the virus and related expenses as well as guaranteed pay.

"We're also exploring the possibility of using aircraft aerosol-style sprays to disinfect goods and packages but that is an early stage plan," Murthy said.

Digital payments company PhonePe already has a service on its platform called 'Pay at Stores' that allows consumers to find nearby 'kiranas' or shops, buy groceries, get them delivered and pay remotely. According to sources, they are seeing a huge uptick for groceries and medicines as

people avoid supermarkets and malls due to the coronavirus (COVID-19) outbreak. The feature allows consumers to explore multiple grocery and medical stores in the vicinity, compared to just one or two most frequently used kiranas.

"Sometimes the grocery store next to your home is shut and you are looking for the next best option. The new PhonePe feature shows what time the store opens and closes and provides access to phone numbers of the store," said a person familiar with the development.

PhonePe competes with rivals such as Paytm, Google Pay as well as Amazon Pay and is accepted as a payment option at 10 million outlets across 350 cities in India. It has 200 million registered users and does 570 million monthly transactions. The company witnessed annualised total payments value (TPV) of \$180 billion and has 10 million merchants.

Not surprisingly, the grocery category spiked by 115 per cent in recent weeks as people are stocking up on supplies.

According to sources, online grocery firm Grofers, which last year raised \$220 million from investors that include SoftBank, will offer a credit feature soon to consumers with low income to enable them to also buy groceries.

Online grocery player Bigbasket, is in the process of implementing a 'no-touch' option, where products can be left at the doorsteps of customers. Bengaluru-based Bigbasket's officials said it was ensuring the safety of customers as well as delivery executives and making sure its employees wear disposable gloves and masks while the grocery crates are wiped regularly.

Ashish Chaturvedi, founder of uFony Services, which works with over 700 schools in nine countries, has a platform called 'School Diary'. It helps schools engage with parents and provide their content such as videos, pictures and other information to students.

## Ola, Urban Company offer pay protection to infected staff, partners

PEERZADA ABRAR & SAMREEN AHMAD  
Bengaluru, 21 March

Ride-hailing giant Ola has said the company will cover any loss of income for its driver-partners and their spouses in case they test positive for COVID-19. This benefit will be given to all infected driver-partners in the country across categories, including Ola Bike, Ola Auto, Ola Rentals, and Outstation. Home services marketplace Urban Company, too, has rolled out a similar health insurance and income protection cover for all its 30,000 service professionals.

Eligible Ola driver-partners and their spouses will be covered by a floater sum of ₹30,000 under which they can receive a compensation of ₹1,000 per day for a maximum of 21 days for an individual, from the date of a positive diagnosis for COVID-19. This will include hospital, as well as home quarantine, prescribed by a qualified medical practitioner and based on government norms, the Bengaluru-based company said. Drivers



can make a claim for this compensation by providing appropriate medical documents.

Urban Company, too, has extended COVID-19 health insurance and income protection cover to service professionals active on its platform across all the 18 cities in India where it is present.

Under this new insurance cover, they are offered a hospitalisation cover of up to ₹25,000 and income protection cover of up to ₹14,000 in the event of hospitalisation because of coronavirus. This health insurance and income protection plan is in addition to the existing life, accidental, and health insurance plans provided by Urban Company.