

# Business Standard

THE MARKETS ON WEDNESDAY			Chg#
Sensex	28,265.3	▼	1,203.2
Nifty	8,253.8	▼	344.0
Nifty futures*	8,257.3	▲	3.5
Dollar	Market Close	₹75.6**	
Euro	Market Close	₹82.8**	
Brent crude (\$/bbl)**	20.2**		21.5**
Gold (10 gm)**	₹43,300.0	▲	₹300.0

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



**CORONAVIRUS EFFECT P4**  
**WHY IS CENTRE SO STINGY WITH SPENDING, ASKS ISAAC**

**COMPANIES P2**  
**INDIA INC TELLS NEW RECRUITS TO STAY HOME**

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## CORONAVIRUS IMPACT

### TREAT MIGRANTS WITH RESPECT: GOVT TO STATES

The Union government on Wednesday released detailed guidelines to deal with the psychosocial issues of migrants who have been impacted by the nationwide lockdown announced to deal with the spread of Covid-19. It has issued an advisory to state governments to quarantine these workers. It has told states to treat every migrant worker with dignity, respect, empathy, and compassion, and listen to their concerns. **4 ▶**

### States stop green power purchase, stall payment

Following the lockdown and a fall in electricity demand, several states are now curtailing renewable power purchase and have also issued notice on non-payment to renewable power generators. These states have invoked the force majeure clause in their power purchase agreements with renewable projects to nix power supply and payment. **4 ▶**

### Companies invoke force majeure for relief

The chairman of a leading business house in Mumbai has instructed his managers to go through all contracts rigorously. The reason: He doesn't want any vendor to wriggle out of a contract by invoking the force majeure clause. His concern is not without reason. Leading Indian firms have or are planning to invoke this magic clause to protect themselves from any default on contractual obligations. **2 ▶**

### Corporate houses pitch in to help govt battle Covid

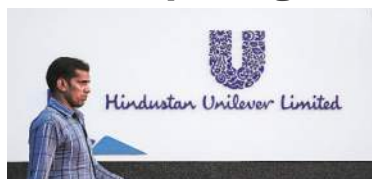
Corporate houses responded to the government's clarion call to help it fight the battle against the spread of coronavirus disease (Covid-19) by providing assistance. On Wednesday, Azim Premji Foundation, Wipro and Wipro Enterprises together committed a sum of ₹1,125 crore for tackling the pandemic. **12 ▶**

### PERSONAL FINANCE: Small savings schemes continue to score

Despite the steep rate cut, you are unlikely to find better paying schemes without taking excessive risk. **JOYDEEP GHOSH & SANJAY KUMAR SINGH** write

### COMPANIES P3

### HUL-GSK merger: Focus shifts to ops integration



Hindustan Unilever (HUL) on Wednesday said it had completed the merger of GlaxoSmithKline (GSK) Consumer with itself, taking its combined food and refreshment business to over ₹12,000 crore.

### MARKETS CLOSED TODAY

Stock, currency and commodities markets will remain closed on Thursday on account of Ram Navami.

# Lockdown crushes Motown

Sales of top automobile makers decline 64% in March as many down shutters

ARINDAM MAJUMDER  
New Delhi, 1 April

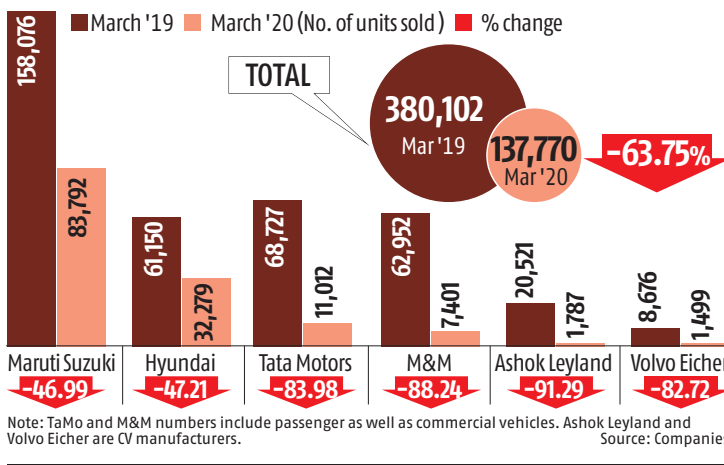
A nationwide lockdown to prevent the spread of coronavirus has brought an already struggling auto industry to its knees. The country's automobile sales are down by an average 64 per cent as all manufacturing plants have been shut since the lockdown announced on March 24.

The March auto sales numbers, a measure of the country's economic health, are a pointer that a series of measures would be required to restart the economic engine post the pandemic, according to analysts.

Maruti, which sells one in every two cars in India, said it had sold 83,792 in March, down 47 per cent from a year earlier. But the company said the number was not comparable with 2019 due to the suspension of operations from March 22.

Export sales were down 55 per cent to 4,712 units from 10,463 in the year-ago period. In the domestic market, light commercial vehicles suffered a blow of 71.5 per cent to decline to 736 units in March compared to 2,582 units a year ago.

"Maruti Suzuki remains committed to the safety and well-being of its employees, business partners and customers. The company will continue to support the government at the Centre and state levels and follow all advisories in combating Covid-19," the company said. "Vehicle sales were impacted by

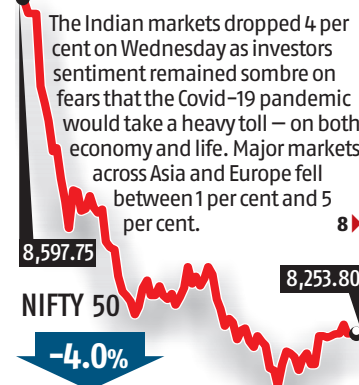


the Covid-19 outbreak and the subsequent nationwide lockdown," said Mayank Pareek, president, passenger vehicles unit at Tata Motors. The company said its passenger vehicle sales for March fell 68 per cent, while sales of commercial vehicles, including

trucks and buses, slumped 87 per cent.

Tata Motors said in future it would report sales numbers once a quarter instead of monthly to "avoid needless short-term volatility" and help investors "focus on the long-term drivers of the business". Turn to Page 11 ▶

### Indices slump 4% as worries mount



### New projects fall in last quarter of FY20

Fewer new projects were seen in the fiscal year's last quarter amid an economic slowdown and rising uncertainty around the coronavirus (Covid-19) pandemic. The value of new projects was ₹7,000 crore lower in the three-month period ending March 2020, according to data from the Centre for Monitoring Indian Economy. The value of new projects was ₹2.98 trillion in March 2019. It dropped to ₹2.91 trillion in the quarter ended Tuesday, the last day of the fiscal year (FY20). **4 ▶**

## DIRECT TAX MOP-UP FALLS ₹1.75 TRN SHORT OF REVISED FY20 TARGET



The central government collected ₹9.98 trillion as direct taxes during 2019-20, leaving a record shortfall of ₹1.75 trillion, or 14.7 per cent, compared with the revised estimates (RE). This may prompt the revenue department, under the finance ministry, to reset its Budget math for 2020-21, official sources said. According to a senior revenue official, the massive shortfall can be attributed to the overall economic slump, besides corporate tax rate cuts.

SHRIMI CHOUDHARY reports

## GST COLLECTION SLIPS BELOW ₹1 TRN AFTER FOUR MONTHS



Goods and services tax (GST) collection fell below the ₹1-trillion mark in March after a gap of four months, even as disruptions caused by the coronavirus-induced lockdown will get captured only in the coming months. The numbers pertain to GST paid in February but collected in March, suggesting that collections might turn grimmer going forward. The GST mop-up in March stood at ₹97,597 crore, down 8.4 per cent on a year-on-year basis, the data released by the Ministry of Finance showed on Wednesday. **DILASHA SETH** reports **5 ▶**

# RBI raises WMA limit for states, UTs

Export norms relaxed; move aimed at tackling economic fallout of Covid-19

ANUP ROY  
Mumbai, 1 April

The Reserve Bank of India (RBI) has decided to increase the Ways and Means Advances (WMA) limit for state governments and Union Territories by 30 per cent till September 30, and allowed exporters six months extra to realise their export proceeds, in a bid to deal with the economic fallout of the coronavirus pandemic.

The central bank also said banks didn't need to activate countercyclical capital buffers for one more year. This means banks can utilise the capital earmarked for the buffer.

Relaxing the export norms, the RBI said exporters could now take 15 months to realise and repatriate their export proceeds, for exports made up to July 31. According to the normal rules, exporters have to repatriate the export proceeds within nine months.

### RBI RELIEF MEASURES

- Ways and Means Advances (WMA) limit for states, UTs increased to 30%
- The move will help states to rely less on the bond markets
- Exporters can now repatriate their proceeds in 15 months, against 9 months earlier
- Banks don't need to activate countercyclical capital buffers



The RBI took the call to "enable exporters to realise their receipts, especially from Covid-19 affected countries, within the extended period and also provide greater flexibility to them to negotiate future export contracts with buyers abroad".

According to Ajay Sahai, director general of the Federation of Indian

Exports Organisation (FIEO), the relaxation by the RBI is what the industry suggested the central bank, and is a move that will ease the pain of exporters considerably.

"The relaxation also works as a marketing tool for exporters. In the absence of demand, customers ask for credit, which exporters can give now

with an aim to recover the proceeds a little later. This helps the Indian exporters to expand their presence in the overseas markets," Sahai said.

However, currency dealers pointed out that the central bank should have taken some steps to ease the pain of exporters engaged in forward contracts. Since export realisation has been postponed, exporters have no use of forward contracts, but must honour the contract, thus incurring losses.

WMA is a temporary liquidity arrangement with the central bank, which enables the Centre and states to borrow money up to 90 days from the RBI to tide over their liquidity mismatch. On Tuesday, the RBI also increased WMA for the Centre to ₹1.2 trillion for the first half, up from ₹75,000 crore in the first half last year, and ₹35,000 crore for the second half of 2019-20 originally announced.

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# Private hospitals gearing up to fight corona battle

Hospitals devise protocols to help deal with the surge in the number of patients

JYOTI MUKUL & ISHITA AVAN DUTT  
Gurugram/Kolkata, 1 April

In the heart of Gurugram, next to the HUDA City Centre metro station, currently not in operation because of the 21-day national lockdown, a couple of policemen walk up to Fortis Hospital because one of them has a fever.

They are guided to the flu clinic on the ground floor through a separate passage marked with cones for suspected patients, who have to wear an orange wristband. Every person who enters the hospital undergoes a check for fever and is required to declare travel history.

Those who are cleared are given a green band and those with fever, cough and cold wear the orange one. Even employees have to go through

this first line of defence against the highly contagious coronavirus disease (Covid-19).

A similar protocol is being followed at AMRI Dhakuria in south Kolkata. Security guards guide patients and relatives to a table where their temperature is recorded. AMRI and Fortis are among the tertiary care private hospitals that are Covid-19 ready with isolation wards and dedicated staff to deal with both suspected and confirmed cases.

Fortis has set up isolation wards with 262 beds across its 28 hospitals in the country. A total of 83 suspected Covid-19 patients and 28 patients, who have tested positive, are under treatment at these hospitals.

Fortis and AMRI have one patient each in the 40-50 age group who is on ventilator. The AMRI patient works



A policeman with fever being given an orange band before he reports to the flu clinic at Fortis Hospital, Gurugram

for a non-government organisation that distributes food packets in the slums, and had no travel history in the past month.

In Gurugram, Fortis has so far

admitted six Covid-19 patients, of whom four are in their 30s and have been discharged. The hospital has converted its corporate periodic health check-up area, Health4U, into

a Flu Clinic where sample collection and basic tests are done. In the night, these operations move to a Quarantine Room in the basement.

"Anybody suspected to have Covid-19, they are wheeled into the emergency isolation ward," says Dr Ritu Garg, zonal director, Fortis Memorial Research Institute. For Covid-19 testing, samples were earlier sent to the government city hospital, but they are now sent to SRL Diagnostics, which charges ₹4,500. If confirmed, a patient is kept in a separate isolation ward.

"We don't like to call them corona wards, so we refer to them as ER Isolation Ward and Isolation Ward," says Dr Manoj Goyal, director and unit head, pulmonary.

Fortis has converted its chemotherapy daycare ward into the main isolation ward that has a separate entry and a small window for food and beverage service.

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# India cases jump by 437 in 24 hours

The spike does not represent a 'national trend', says govt



The Centre attributed the surge to travel by those who attended the Tabligh-e-Jamaat congregation

BS REPORTER  
New Delhi, 1 April

With 437 new cases reported in 24 hours, the number of Covid-19 infected people rose to 1,834 on Wednesday, the health ministry website showed. This was the biggest single-day rise yet.

The number includes 1,649 active cases and 41 deaths so far in the country.

However, the health ministry said the spike did not represent a "national trend" and was primarily because of travel by those who had attended the Tabligh-e-Jamaat congregation in the national capital.

"I want to highlight that the rise in the number of positive cases does not represent a national trend, but if there will be a failure anywhere, obviously cases will rise," said Lav Agarwal, joint secretary, health ministry, while addressing the daily press briefing on the Covid-19 situation in the country.

He urged people to follow the guidelines of social distancing and lockdown, and avoid congregations and religious gatherings.

He said around 1,800 people in Delhi connected with the Tabligh-e-Jamaat congregation had been shifted to nine quarantine centres and hospitals. Agarwal said the Indian railways was preparing to set up 320,000 isolation and quarantine beds by modifying 20,000 train coaches. Modification of 5,000 coaches for the purpose has already begun.

"Lifeline" flights have also been launched by the civil aviation ministry to transport testing kits, medicines, masks and other essentials commodities, Agarwal said, adding that 15.4 tonnes of medical supplies have been transported by these flights in the last five days.

With inputs from PTI

# Mumbai's 191 'containment' zones under lens

SOHINI DAS  
Mumbai, 1 April

It's a case of lockdown within the lockdown. The Mumbai administration has identified 191 containment zones in the city, which has seen a surge in coronavirus cases in the past few days amid a nationwide lockdown, to contain the spread of the infection.

A containment zone is one where someone is found positive for Covid-19. Such area is considered contaminated and is sealed off. The residents of that area are asked not to step out of their homes. The health ministry has said even a single case of Covid-19 can be a hotspot for the government.

The number of containment zones spread across both the eastern and western suburbs of Mumbai increased from 146 to 191 by the end of Wednesday. The Brihanmumbai Municipal Corporation (BMC) has demarcated these areas, which have seen multiple cases of Covid-19 positive cases. Entry to these areas is restricted and violation is punishable under law.

Parts of the city like Worli Koliwada, a slum dwelling, a chawl (a typical Mumbai community housing) in Prabhadevi, parts of Kalina (near Santacruz Airport), Goregaon (a western suburb), Kandivali-Lokhandwala, and Ghatkopar (an eastern suburb) have been identified as 'hotspots', where the chances of the disease spreading is high.

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